

Supplier Code of Conduct

This Supplier Code of Conduct applies to all factories that produce goods for Groupe Dynamite Inc. or any of its subsidiaries, divisions, affiliates or agents (together, "**Dynamite**"). Dynamite is committed to conducting its business with a high standard of business ethics, in compliance with applicable laws, and with a regard for human rights and fair labour practices. While we recognize and respect the cultural differences that exist throughout the world, Dynamite expects its Suppliers and agents to share and uphold these values.

This Supplier Code of Conduct is based on internationally accepted labour standards, including the International Labour Organization's (the "**ILO**") core conventions, the *Universal Declaration of Human Rights* and the *California Supply Chain Transparency Law*. This Code provides the foundation for Dynamite's ongoing evaluation of a factory's employment practices and environmental compliance.

I. General Principle

Factories that produce goods for Dynamite shall operate in full compliance with laws of their respective countries and with all other applicable laws, rules and regulations.

- a. Factories operate in full compliance with all applicable laws, rules and regulations, including those relating to labour, worker health and safety, and the environment.
- b. Factories allow Dynamite and/or any of its representatives or agents unrestricted access to its facilities and to all relevant records at all times, whether or not notice is provided in advance.
- c. Contracted labour employed by Dynamite's Suppliers also benefits from Dynamite's Supplier Code of Conduct, and Suppliers shall not negatively discriminate against such contracted workers who shall benefit from conditions that are at least as favourable as those set out herein.

II. Environment

Suppliers shall comply with all applicable laws and regulations with regard to protecting the environment and maintaining procedures for notifying local authorities in the event of an environmental accident resulting from Suppliers' operations

- a. Factories have an environmental management system plan.
- b. Factories have procedures for notifying local authorities in case of accidental discharge or release, or any other environmental emergency.

III. Discrimination

Factories shall employ workers on the basis of their ability to do the job, not on the basis of their personal characteristics or beliefs. Each factory hires, employs, promotes, terminates, and provides access to training and retirement to workers, and pays wages without regard to race, colour, gender, nationality, religion, age, maternity, marital status, indigenous status, social origin, disability, sexual orientation, membership in workers' organizations including unions, or political affiliation.

IV. Forced Labour

Factories shall not use prison, indentured or forced labour, nor shall they be involved, directly or indirectly, in human trafficking. Factories do not use involuntary labour, debt bondage or forced labour by governments, nor are they entitled to retain their workers' identity papers.

Suppliers shall abide by all applicable laws and regulations pertaining to the prevention of slavery and human trafficking, and, when requested, shall provide written certification to Dynamite that the materials used in their products comply with the laws regarding the prevention of slavery and human trafficking in the country or countries in which they do business. Dynamite reserves the right to perform audits to confirm whether Suppliers are complying with their established policies and prohibitions on human trafficking and slavery, and such audits include unannounced visits to Suppliers' facilities.

V. Child Labour

Factories shall employ only workers who meet the applicable minimum legal age requirement or are at least 15 years of age, whichever is greater. Factories must also comply with all other applicable child labour laws. Factories are encouraged to develop lawful workplace apprenticeship programs for the educational benefit of their workers, provided that all participants meet both Dynamite's minimum age standard of 15 and the minimum legal requirement.

- a. Every worker employed by the factory is at least 15 years of age and meets the applicable minimum legal age requirement. Notwithstanding the minimum age requirement of 15 years, if a country's minimum age has been set at 14 in compliance with ILO Convention 138, such minimum age shall apply.
- b. The factory complies with all applicable child labour laws, including those related to hiring, wages, hours worked, overtime and working conditions.
- c. The factory encourages and allows eligible workers, especially younger workers, to attend night classes and participate in work-study programs and other government-sponsored educational programs.
- d. The factory maintains official documentation for every worker that verifies the worker's date of birth. In those countries where official documents are not available to confirm exact date of birth, the factory confirms age using an appropriate and reliable assessment method.

VI. Wages & Hours

Factories shall set working hours, wages and overtime pay compliance with all applicable laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards, whichever is greater. While it is understood that overtime is often required in garment production, factories shall carry out operations in ways that limit overtime to a level that ensures humane and productive working conditions.

- a. Benefits are paid on time and rendered in full compliance with all applicable laws, and payments are made in the manner that best suits the workers.

- b. The factory pays overtime and any incentive (or piece) rates that meet all legal requirements or the local industry standard, whichever is greater. Hourly wage rates for overtime must be higher than the rates for the regular work shift.
- c. The factory does not require, on a regular scheduled basis, a work week in excess of 60 hours.
- d. Workers may refuse overtime without any threat of penalty, punishment or dismissal.
- e. Workers have at least one day off in seven.
- f. The factory provides paid annual leave and holidays as required by law or which meet the local industry standard, whichever is greater.
- g. For each pay period, the factory provides workers with an understandable wage statement which includes days worked, wage or piece rate earned per day, hours of overtime at each specified rate, bonuses, allowances and legal or contractual deductions.

VII. Working Conditions

Factories must treat all workers with respect and dignity and provide them with a safe and healthy environment. Factories shall comply with all applicable laws and regulations regarding working conditions. Factories shall not use corporal punishment or any other form of physical or psychological coercion. Factories must be sufficiently lit and ventilated, aisles accessible, machinery maintained, and hazardous materials sensibly stored and disposed of. Factories providing housing for workers must keep these facilities clean and safe.

VIII. Freedom of Association

Workers are free to join associations of their own choosing. Factories must not interfere with workers who wish to lawfully and peacefully associate, organize or bargain collectively. The decision whether or not to do so should be made solely by the workers.

- a. Workers are free to choose whether or not to lawfully organize and join associations.
- b. The factory does not threaten, penalize, restrict or interfere with workers' lawful efforts to join associations of their choosing.

IX. Dynamite Gift and Gratuity Policy

Dynamite has a very strict policy that prohibits the solicitation, offering or acceptance of any gifts, gratuities or “pay off”, or facilitation fee as a condition of doing business with Dynamite and/or as an attempt to gain favour. If any Dynamite associate, agent, or affiliate, either directly or indirectly, seeks, demands or requests gifts, gratuities, or fees in violation of this policy, the Supplier has the affirmative duty to report such requests or demands to Dynamite. Any Supplier, trading company, factory or manufacturer who violates this policy by offering or accepting any form of gift or gratuity to/from any associate, employee, agent or affiliate of Dynamite will be subject to the loss of existing and future business, regardless of whether the gift or gratuity was accepted. In addition, any party that violates this policy will be reported to the appropriate governmental authorities.

X. Monitoring & Enforcement

As a condition of doing business with Dynamite, each and every factory must comply with this Supplier Code of Conduct. Dynamite will continue to develop monitoring systems to assess and ensure compliance.

Suppliers specifically and irrevocably authorize Dynamite, its representatives and agents to conduct scheduled and unscheduled inspections of Suppliers' facilities for the purpose of ensuring compliance with this Code of Conduct. During these inspections, Dynamite, its representatives and agents shall be provided with and shall have the right to review and make and keep copies of all employee-related books and records maintained by Suppliers, and to freely interview workers without a Supplier representative being present.

When violations to this Code are reported, Dynamite and the faulty Supplier will agree on a corrective action plan that is aimed at eliminating the problem in a timely manner. If it is determined that a Supplier is knowingly and/or repeatedly in violation of this Code of Conduct, Dynamite and its representatives and agents shall take appropriate corrective action, which may include cancellation of orders and/or termination of business with the defaulting Supplier.

The Supplier's duly authorized representative signature below confirms that such representative has read, understood and agreed, personally and on behalf of the Supplier, to the above-mentioned terms and conditions of this Supplier Code of Conduct.

SUPPLIER NAME: _____
(Please print)

(Affix corporate seal if applicable)

Signature of Representative: _____

Name of Representative: _____
(Please print name of representative)

Date: _____