

CODE OF PRACTICE



C & J Clark International Limited, 40 High Street, Street, Somerset, England, BA16 0EQ

WORKING CONDITION STANDARDS FOR SUPPLIERS, SUB-CONTRACTORS AND SERVICE PROVIDERS

Clarks is committed to ethical business practices in all our operations, to maintaining our reputation for fair dealing and retaining the confidence our consumers have in us as a company.

This code summarises the minimum standards that we expect our Suppliers to adhere to in the production of all Clarks' products. We require compliance with all local legal & regulatory requirements of the country or countries in which they operate; to recognise International standards and to uphold the core labour conventions of the International Labour Organization. Where there is any conflict between these we expect the higher standard to be achieved. Where any non-compliance to Clarks working condition standards is identified we expect and support suppliers to take action to correct it. In the event that a supplier does not take effective action in a timely manner withdrawing our business remains the final sanction.

As used in this Code of Practice the term "Supplier" includes but is not limited to vendors, agents, factories, sub-contractors and material & component Suppliers.

MANAGEMENT AND CO-OPERATION

The Supplier will work openly and actively with Clarks towards compliance with this Code of Practice which forms part of the terms and conditions of trade for Clarks.

The Supplier will not provide, use or rely on the use of falsified documents or records for legal compliance or for meeting the requirements of Clarks Code of Practice.

The Supplier will provide unrestricted and unaccompanied access to Clarks, or our designated representatives, to all areas of factories and to workers where Clarks' products may, are or have been produced.

CHILD LABOUR

No children under 15 years or the minimum school leaving age of the country where it is higher are to be employed or engaged in the production of Clarks products.

The Supplier must have effective procedures for age verification as part of the recruitment process and a documented policy & effective procedure for the remediation of any child found to be in their employment which is at least equivalent to Clarks Child Labour Remediation Plan.

Young workers (defined as those being less than 18 years of age) must be afforded appropriate protections as required by local law that at least include not working overtime, not working at night or in hazardous conditions and be provided with regular health checks.

EMPLOYMENT CONDITIONS

Workers will be employed on the basis of negotiated, legal, written contracts and are provided with a copy of it in a language they understand.

The excessive use of fixed-term contracts of employment, or any comparable arrangements shall not be used to avoid obligations to workers under labour or social security laws and regulations arising from the regular employment relationship.

Employees are able to freely resign without prejudice or penalty by giving the required period of notice.

Suppliers shall only employ or use workers with a legal right to work in the country.

FAIR TREATMENT

Employees must be treated with respect and dignity. No worker will be subject to any physical, sexual, psychological, or verbal harassment, violence, exploitation or abuse.

No employee shall be subject to any discrimination in employment, including hiring, salary, benefit, advancement, discipline, termination, or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, pregnancy, maternity or social or ethnic origin.

FORCED LABOUR

All work must be conducted on a voluntary basis, and not under threat of any penalty or sanctions.

The Supplier shall not use any form of forced, bonded, indentured, trafficked, slave or prison labour. Workers must not be required to lodge "deposits" or their identity papers with their employer.

All workers should be provided free and unrestricted access to potable water and clean toilet facilities.

FREEDOM OF ASSOCIATION

Workers have the right to join or form trade unions of their own choosing and to bargain collectively, without prior authorization from suppliers' management. Suppliers shall not interfere with, obstruct or prevent such legitimate activities.

Where the right to freedom of association and collective bargaining is restricted or prohibited under law, suppliers shall not hinder alternative forms of independent and free worker representation and negotiation, in accordance with international labour standards.

WAGES

Payment for all hours worked must be in cash or into the worker's bank account at rates that at least meet the legal minimum standard. Payment must be prompt and in full without any disciplinary deduction or deductions not provided for by national law without the expressed permission of the worker concerned.

Workers shall be provided all benefits required by local law including paid leave and contributions for all social insurances.

Overtime shall be paid as a minimum at least at the rate (or premium rate) required by local law and no less than 1.25 times the base rate.

All workers shall be provided with written and understandable information about their employment conditions in respect of wages before they enter into employment and about the particulars of their wages for each pay period when they are paid.

WORKING HOURS

Working hours should comply with local legal requirements and in any event the working hours including overtime must not exceed 60 hours per week on a regular basis. Workers must have at least one rest day in every 7 day period.

The working of overtime must be voluntary.

HEALTH AND SAFETY

Suppliers shall comply with all applicable laws, regulations and standards for health & safety and shall take all reasonable precautions to ensure that the working conditions, facilities (including dormitories where provided by the Supplier) and equipment are safe, hygienic and not detrimental to the health of workers.

This includes the regular monitoring of risks and hazardous that may impact the safety or health of workers including, but not limited to risks associated with the structural integrity of the facilities, fire, electrocution and hazards associated with exposure to noise, dust and chemicals.

ENVIRONMENT

Suppliers shall comply with all applicable laws and regulations regarding the protection and preservation of the environment.

Suppliers shall adopt environmental management practices to minimise the use of energy & natural resources; to minimise all forms of discharge & waste; to maximise reuse & recycling and to manage & minimise adverse impacts on the environment.

SUB-CONTRACTING AND HOME WORKING

Factories are not permitted to sub-contract any part of the manufacture of Clarks' products, including the use of homeworking without prior written consent and approval from Clarks.

Similarly, sub-contractors are not permitted to further sub-contract any part of the manufacture of Clarks' products without prior written consent and approval from Clarks.

Where sub-contractors or homeworking are approved by Clarks, the Supplier is responsible for ensuring that the standards set out in this Code of Practice are also maintained by them.

Unrestricted access to sub-contractor or homeworker facilities will be provided to Clarks or our designated representative to enable the assessment and verification of compliance with the standards of Clarks Code of Practice.

ETHICAL BUSINESS

We expect all our business partners to maintain high standards of integrity and encourage Suppliers to share our commitment to the principles of the Clarks Code of Business Ethics.

Suppliers shall not offer bribes, gifts, discounts or other unlawful or unethical payments or compensation in dealings with public officials or individuals in the private sector, including Clarks employees or representatives to influence any act or decision or otherwise to secure a business advantage.