



SUPPLIER CODE OF CONDUCT

What the code says:

The Afatrading Supplier Code of Conduct ("the Code") requires suppliers to provide safe and healthy working conditions, use fair hiring practices, treat their workers and employees with dignity and respect, and adhere to environmentally responsible practices in manufacturing. To that end, the Code incorporates international best practices in the areas of Labour and Human Rights, Health and Safety, Environmental Impact, Ethics and Management Commitment.

1. Compliance with Laws

In doing business with Afatrading, all our suppliers and their designated manufacturing facilities must comply fully with all applicable national, state or local laws and regulations including, but not limited to, those relating to labour and employment, immigration, health and safety, intellectual property, corruption and the environment.

2. Labour Standards

Our suppliers should be able to demonstrate employment that is purely voluntary.

Afatrading adopts a zero tolerance policy on indentured labour, trafficking, slavery or child labour.

3. Labour Hours

Suppliers must provide its workers and employees with reasonable working hours and proper rest days as may be required by law.

4. Hiring and Employment Practices

Suppliers must implement hiring practices that accurately verify worker's age and legal right to work in the country prior to employment. All terms and conditions of employment including, but not limited to, hiring, pay, training, promotion, termination, and retirement must be based on an individual's ability and willingness to do the job.

5. Compensation

Suppliers must compensate all their workers and employees fairly with wages, overtime premiums, and benefits that meet or exceed standards required by law. Suppliers are encouraged to provide wages that meet or exceed local industry standards.

6. Freedom of Association

Workers and employees must be allowed the right to join associations and trade unions if required by law.

7. Health, Hygiene and Safety

Suppliers must provide its workers and employees with a safe and healthy work place that (i) has in place adequate fire and life safety measures, systems, and equipment; (ii) is free of harmful pollution, toxic material and waste; (iii) has in place measures to prevent accidents and injury at work; and (iv) has adequate emergency preparedness and responses as may be required by law.

Suppliers must take proactive measures to prevent workplace hazards and accidents.

Suppliers who provide residential and dining facilities for their workers must provide safe, hygienic, healthy and proper sanitary facilities.

8. Environment

Suppliers must be compliant with local environmental laws and practices including but not limited to those pertaining to waste disposal (proper handling of toxic and hazardous waste, segregation where regulated, etc), air emissions, pollution, discharges, etc.

9. Intellectual Property

Suppliers shall not engage in any activities which infringe the intellectual property rights of Afatrading. The use of any Afatrading intellectual property including trademarks and/or any copyright materials is strictly prohibited unless written consent/ authorization has been obtained from Afatrading.

10. Gift & Entertainment

In the course of conducting our business, the Company recognizes that there will be occasions when it is appropriate, out of courtesy and relationship building, to give or receive small gifts of nominal value or provide and receive modest business entertainment to or from our business associates.

However, the Company is committed to conducting all business without undue influence. The Code requires us to exercise good judgment and practice moderation in giving and receiving business gifts and entertainment.

We will respectfully decline entertainment, gifts or other benefits (which are lavish, excessive or expensive) that could in any way be construed as, or give the appearance of, attempting to influence business decisions in favour of any person or organization with whom the Group may have business dealings.

11. Conflict of interest

Suppliers must not enter into transactions with Afatrading employees that create a conflict of interest.

12. Anti-Corruption

Afatrading is committed to abiding by all laws and regulations or if necessary exceeding them to prevent bribery and corruption wherever we do business.

Suppliers are prohibited from offering, paying, soliciting or receiving (whether directly or otherwise) any form of bribe as an inducement or reward for any business transaction with or involving Afatrading. The term “bribe” broadly includes any illicit advantage such as (but is not limited to) cash, cash equivalents, property, loans, commissions, services, benefits in kind or other advantages.

13. Ethics

Suppliers should treat their workers with dignity and respect and are prohibited from using corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse on its workers and employees.

Suppliers will adopt non-discriminatory employment practices in areas such as wages, salary, benefits, advancement, discipline, termination or retirement.

14. Financial Integrity

Suppliers must keep accurate records of all matters related to their business with Afatrading in accordance with standard accounting practices.

15. Communication, documentation and inspection

Suppliers are responsible for communicating the requirement of the Code to their employees. The Code should be made freely available to employees in their local language and in a readily accessible place.

Suppliers must maintain records of all relevant documentation necessary to demonstrate compliance with the Code and related laws and regulations, and where requested should agree to make these documents available for us or our designated auditor as evidence of compliance. Where appropriate, suppliers may be asked to permit inspections to have complete access to their workplaces, sites and facilities for verification purposes in line with the Code.

16. Community

Suppliers must respect the human rights of the communities in which they operate. Suppliers must strive to improve the communities in which they operate.

17. Reporting Violations

Violations of Afatrading standard can be reported confidentially in a local language. If you have knowledge that any of these standards are being violated, you are encouraged to report the issue. Contact methods are listed below:

Adil Mughal

Afatrading Company Ltd.