



# Vendor Code of Conduct

## I. Introduction

This Vendor Code of Conduct ensures that our Supply Chain Partners operate in a manner which is aligned with Abercrombie & Fitch Co.'s principles and values, as reflected in A&F Co.'s Code of Business Conduct. We require all vendors, suppliers, manufacturers, contractors, subcontractors and their agents (collectively, "Vendors") to operate in full compliance with the laws of their respective countries and with all other applicable laws, rules and regulations, including those enumerated by contract as well as the standards below.

These Vendor Code standards reflect A&F Co.'s commitment to the International Labor Organization (ILO)'s Core Conventions, including the Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, the United Nations (UN) Guiding Principles for Business and Human Rights, and UK Modern Slavery Act 2015.

While A&F Co. does not own the factories producing our products, we do require all factories with whom we work with to follow the standards set forth in our Vendor Code of Conduct. If production is found in unauthorized factories and/or subcontracted factories, this will result in financial and other penalties.

## A. Honesty

Honesty guides A&F Co.'s actions and should guide our vendor's actions, too. A&F Co. expects all of its vendors to be open and honest about their business transactions. Vendors must be upfront in their dealings with A&F Co., auditors and audit programs, and other third parties. Accurate and honest recording and reporting information is essential for all A&F Co. Vendors.

Our Brands

## B. Transparency

Vendors are required to be transparent, open, and cooperative. Vendors must disclose all material or requested information in compliance with A&F Co. policies.

### a. Subcontractor

Vendors shall not assign any work to subcontractors without the prior written authorization of A&F Co. If authorization is granted, subcontractors must adhere to the Vendor Code.

### b. Homebased Workers

If homebased workers are utilized the vendor needs to provide comprehensive visibility on their homebased workers' information including but not limited to number of homebased workers, locations, type of work, contracts, age documents, personnel files, time and pay records, and production tracking records.

## C. Respect

A&F Co. promotes a culture of diversity and inclusion and prohibits any form of discrimination or harassment on the basis of any legally protected category. Vendors must employ workers on the basis of their ability to perform requisite tasks, and not on the basis of their personal characteristics or beliefs. Vendors shall treat each of their workers with respect and dignity.

## **II. Management Systems**

Vendors must have management systems in place to confirm compliance with this Vendor Code and all elements herein, as well as local laws and regulations. The management systems should include policies and procedures that implement the standards described in this Vendor Code, effectively communicate those standards to all workers, and outline mechanisms to address violations.

### **A. Laws and Workplace Regulations**

Vendors' workplace policies, worker contracts and handbooks must adhere to all local laws, regulatory requirements and this Vendor Code, Code of Conduct, including contracts, worker handbooks and other regulatory requirements.

### **B. Policies, Procedures and Training**

Vendor's relevant policies and procedures that support these standards should be available and communicated to all workers. Vendors should provide training to management and other appropriate workers on policies and procedures for Vendor Code implementation and maintain training documentation.

### **C. Workers Concerns**

Vendors should provide a mechanism for workers to report concerns and/or grievances to management and other appropriate parties without fear of retaliation. These mechanisms must be discreet, secure, and confidential, as well as allow for anonymous reporting where permitted. Policies and practices to address raised grievances must also be in place and communicated to the workers.

### **D. Disciplinary Practices**

A policy outlining and standardizing disciplinary practices must be in place, be administered in accordance with A&F Co.'s expectations on harassment and abuse and made available to all workers. The policies must include an escalation of warnings before suspensions or dismissal from work. Records of disciplinary actions must be kept and be available to the worker. Monetary fines, denial of overtime, wage withholdings or penalties that bring a worker below the local minimum wage may not be used as disciplinary measures.

### **E. License and Permits**

Vendors must possess and maintain all legally required business licenses, operation permits and authorizations and must make these documents available to A&F Co. and third party auditors upon request.

### **F. Age Documentation**

Vendors must have documentation providing workers' age and verification policies in place. Acceptable proof of age documents includes birth certificates, family books, personal registration (ID) cards, driver's licenses and/or voting registration cards, which are to be kept on file throughout the term of employment.

## **III. Labor and Social Standards**

### **A. Anti-Corruption**

A&F Co. prohibits any Vendor from offering, receiving, paying or giving anything of value to any person or entity to

influence any act or decision, or to gain an improper advantage or benefit for A&F Co.

Vendors must not tolerate, permit, or engage in bribery, corruption or unethical practices on behalf of A&F Co. Vendors must fully comply with this Anti-Corruption standard and all applicable anti-bribery, extortion and corruption laws, and regulations in the United States and in each jurisdiction where the company conducts business, including, but not limited to, the U.S. Foreign Corrupt Practices Act ("FCPA") and the U.K. Bribery Act 2010 ("UKBA") (collectively, the "Anti-Bribery Laws").

Vendors are also required to report any actual or suspected violations of our Anti-Corruption Policy or the applicable Anti-Bribery Laws to A&F Co. In addition, Vendors are required to cooperate fully with any investigations or audits involving suspected violations of our Policy or the applicable Anti-Bribery Laws. If Vendor fails to report actual or suspected violations or to cooperate fully with any investigations or audits, A&F Co. has the right to terminate its business relationship with the Vendor immediately.

## **B. Unrestricted Access and Record Retention**

Vendor must provide unrestricted access to A&F Co. and its third party auditors to verify compliance with this Vendor Code. Vendor access extends to those books and records relating to worker wages, worker timecards, verification of worker age, reports and production related documentation establishing the origin, as well as environmental compliance, of goods produced for A&F Co, and also extends to the ability to perform confidential worker interviews to verify compliance. Books and records must be maintained by the Vendor and/or its subcontractors for a period of at least one (1) year following delivery of the goods to A&F Co. or its Vendors.

## **C. Zero Tolerance Findings**

Bribery and refusal by a factory to be audited are considered a "zero tolerance" finding, and, if found, A&F Co. will stop business with the factory.

## **D. Child Labor**

A&F Co. will not tolerate the use of child labor by its vendors. 'Child Labor' is defined as the employment of persons younger than the age of 15, the local legal minimum working age, or the local legal age for compulsory education, whichever is older.

## **E. Juvenile Workers**

Juvenile workers are those workers under the age of 18. Vendors must restrict working hours and obtain necessary approvals, including permits and medical exams, for juveniles as prescribed by local law. Juveniles are not permitted to work in conditions that may be overnight, hazardous and/or impede the juvenile worker's development. Health checks and work registration is to be required for juvenile workers. A tracking system or register for all juvenile workers must be in place.

## **F. Involuntary Forced Labor & Human Trafficking**

A&F Co. will not tolerate the use of convict, indentured, slave, prison, bonded, or other forced involuntary labor, including human trafficking, either directly or indirectly, by its vendors, and subcontractors, or agency-hired workers utilized by its vendors. All workers, both foreign and national, must be treated equally, and will not be required to pay fees or commissions to agencies or the factory in exchange for employment. Workers shall have the right to leave the employer after providing reasonable notice.

Vendors must ensure reasonable employment terms are provided in writing in local languages to workers, which includes, proper notice of dismissal, contract termination, payment of termination benefits, paid holiday and/or

leave time in line with local laws.

Coercion or punitive measures, including denial of work, salary deductions, or disciplinary action, may not be used against workers choosing not to perform overtime work.

Those factories that do employ foreign migrant workers should refer to [Migrant Employees – Abercrombie](#)

## **G. Harassment or Abuse**

Vendors shall treat each of their workers with respect and dignity. None of A&F Co.'s vendors' workers shall be subject to any physical, racial, sexual, humiliating, psychological or verbal harassment or abuse. Other forms of intimidation, such as coercion, restraining freedom of movement, or limiting access to food or water, are also not tolerated. A policy conveying these practices must be provided to all workers, as well as training of managers, supervisors and other appropriate workers. Security personnel are to be utilized to ensure the safety and well-being of workers, including worker dignity.

## **H. Compensation**

Wages, benefits and overtime must be in conformity with the minimum wage prescribed by local law or the prevailing local industry wage (whichever is higher), and include holidays, sick time, maternity rights, paternal leave, retirement benefits, severance and social insurance. Vendors are encouraged to provide living wages and benefits that affords basic needs, food and non-food costs and discretionary income of workers and their families. Overtime is to be paid at a rate higher than regular shift wages.

### **a. Publication**

Minimum wage rates, overtime rates and wage calculations are to be posted in a public location in languages understandable by workers.

### **b. Wage Reductions**

Wages are not to be withheld or deducted unless required by local law, permitted under a valid collective bargaining agreement or with workers' express written authorization. Wage deductions may include union membership fees, housing, meals, supplies, personal safety equipment, etc., and, if permitted, are not to exceed the actual cost of the good or service and the wage received cannot be lower than minimum wage after deduction.

### **c. Timing**

Wages should be paid regularly, on time, in compliance with local laws and directly to the worker. Wages are to be paid once a month, or as required by law, whichever is earlier.

### **d. Confirmation of Payment**

Third party monitoring firms will review factory records, interview management and workers, and provide training on policies and practices to confirm proper compensation. Compensation records will also be assessed to determine whether wages exceed minimum standards and are sufficient to meet the basic needs of workers and their families. Production quotas and piece rates, wage calculations and statements, working hour records, contract terms, leave and holiday records are also reviewed.

### **e. Short Term or Temporary Contracts**

Work contracts, schedules or assignments may not be modified or terminated to avoid payment of regular compensation requirements. Successive short-term, immediate employment contracts are not permitted unless authorized by local law.

## **I. Hours of Work/Overtime**

Workers work hours must be reasonable and in compliance with local laws and standards with no regularly scheduled work weeks in excess of 60 hours (or lower if prescribed by local law or local industry standards).

### **a. Time Keeping**

Working hours must be recorded by reliable and accurate time keeping systems and be available for review.

b. **Overtime Must be Voluntary**

Overtime must be voluntary, and workers must be notified in a timely manner. Workers must not face penalties for refusal to work overtime hours.

c. **Rest Periods and Days Off**

Rest periods must be provided to all workers during the normal daily work schedule. Workers are to be given a rest day as required by local law.

d. **Production Quotas**

Production quotas or rates for workers, if set, must be reasonable, should not be mandatory and should not extend beyond regular working hours.

e. **Pregnant Workers**

Working hours and conditions of pregnant women must be limited as prescribed by local law or per recommendations provided by a licensed physician.

## **J. Non-Discrimination**

Vendors must employ workers on the basis of their ability to perform requisite tasks, and not on the basis of their personal characteristics or beliefs. Discrimination based on race, caste, creed, nationality, ethnic origin, religion, age, physical or mental disability, disease, gender, pregnancy, marital status, political opinion, sexual orientation and/or union membership or political affiliation is not permitted and shall not impact a worker relative to recruitment, hiring, wages, training, promotion, employment termination or retirement.

a. **Medical Examinations**

Medical examinations must not be required as a condition of recruitment. If medical exams are required by local law, the results are not to lead to discriminatory practices.

b. **Female Workers**

Female workers are to receive equal remuneration, benefits, treatment, performance review and promotion opportunities as male workers. Pregnancy tests may not be required as a condition of employment or be demanded during employment. Appropriate accommodations and services should be afforded to pregnant workers, as well as maternity leave as afforded by local and/or national laws.

## **K. Freedom of Association**

Vendors must recognize and respect the legal rights of workers to free association. Vendors must not threaten, penalize, restrict, retaliate or interfere with workers' lawful efforts to organize or join associations of their choosing, including union meeting participation, demonstrations and strikes permitted by the law. Vendors agree to recognize a decision made by workers to associate, organize and/or collectively bargain.

a. **Trade Unions**

If trade unions exist, leadership and/or representatives are to be elected without influence or interference of Vendors, facility leadership or management. Interaction between trade unions and workers is to be permitted if appropriate terms of agreement are established whether by law or mutual agreement between the trade union and the facility. Trade unions and their representatives are to be treated equitably and fairly by facility leadership and management.

b. **Collective Bargaining**

Workers are to have the right to collectively bargain. If a collective bargaining agreement is in place, compliance with all contractual provisions is required.

## **IV. Healthy & Safety Standards**

Vendors must provide workers with a safe, clean, and healthy working environment, including living and eating facilities (where applicable), which comply with all relevant local laws and regulations.

## **A. Health & Safety Committees**

Health, safety and environment (HSE) committee(s) should be formed to identify and administer procedures to improve health, safety and environment conditions.

## **B. Lighting**

Appropriate lighting must be installed to provide sufficient lighting for work conditions and to allow workers to avoid obstacles or barriers to facility exits.

## **C. Temperature and Noise**

Temperature settings and noise levels should be maintained at reasonable level for the workers.

## **D. Chemical Handling, Storage and Management**

Chemicals and hazardous substance storage areas must be organized, clean and properly maintained. Factories must keep a valid chemical inventory and all necessary documents (e.g. SDS, TDS, etc.), as well as properly label and provide processes for the safe handling of chemicals.

Workers must be trained on the safe chemical handling and emergency procedures, as well as exposure processes.

## **E. Sanitation and Housekeeping**

Good housekeeping and sanitation must be maintained in all areas including stairways, exit paths and corridors.

## **F. Machine/Equipment Safety**

Compliance with all laws regarding machine and equipment safety is required.

## **G. Personal Protective Equipment**

Personal protected equipment (PPE) must be provided to workers at no cost with appropriate instructions and training, PPE includes goggles, gloves, masks, earplugs, respirators, boots and other similar equipment.

## **H. First Aid**

Stocked first aid kits must be available and accessible to all workers. An adequate number of qualified first-aid team members, staff and infirmaries with equipment must be available if required by local law.

## **I. Canteen/Eating Area**

Canteen and eating areas are to be maintained in a clean, sanitary, safe and healthy manner. Food preparation and consumption areas are to receive appropriate housekeeping.

## **J. Emergency Exits and Aisles**

Emergency exits on all floors must be clearly marked, well lit, unlocked and unblocked. Aisles are always to remain clear. During working hours, access to emergency exits must always be available.

## **K. Fire Safety and Equipment**

Emergency exits on all floors must be clearly marked, well lit, unlocked and unblocked. Aisles are always to remain clear. During working hours, access to emergency exits must always be available.

## **L. Emergency Procedures and Drills**

An emergency response procedure and team with defined responsibilities must be in place. Emergency evacuation drills are to be conducted and recorded on a regular basis. Evacuation plans must be posted.

## **M. Building Safety**

Vendors' building, and load bearing structures are to be constructed according to local laws, prevailing industry, or international standards. Vendor's building and load bearing structures should possess and maintain all required civil or structural engineering construction and operation approvals, and such approvals must be available for review by A&F Co.'s third party auditors upon request.

Vendors must develop and implement policies and procedures to reduce or eliminate safety risks associated with building design, construction, use and maintenance of buildings.

## **N. Electrical Safety**

All electrical wiring, panels, boards, circuit breakers, etc. must be properly labeled, protected, maintained and comply with all applicable laws.

## **O. Dormitory/Creche**

Dormitories and creches must be separate from work areas with a separate entrance and comply with local legal standards. Conditions are to be clean, healthy and safe. Adequate security and privacy must be afforded to workers, and workers must have free access to and from the dormitory.

# **V. Environmental Standards**

## **A. Restricted Substance List and Chemical Management Policy**

Vendors must comply with the A&F Co. Restricted Substance Policy, Chemical Management Guideline and Restricted Substance List (RSL) and shall not use banned chemicals in the manufacturing process. Vendors are to have a program and process in place to manage chemical compliance.

Operations of Vendor must impact the environment as minimally as possible and comply with all relevant local laws and regulations including proper use and management of chemicals; hazardous and non-hazardous waste disposal, waste water; water quality; energy use; greenhouse gas (GHG) emissions; and recycling. An environmental management system and/or plan should be in place, including documentation of current permits and/or records as required by local law.

Chemicals are to be properly labeled, inventoried and stored. Chemicals should be disposed of as hazardous or non-hazardous substances as required by local law and in a safe manner.

## **B. Water Management Policy**

A&F Co. encourages its supply chain partners to identify processes to track water use, improve efficiency and

reduce consumption, and recycle water, where possible. Water used in the manufacturing process, or other wastewater, is to be properly treated, in accordance with local law/prevaling industry standard, before discharged into areas and/or waterways surrounding a facility.

## **C. Waste Management Policy**

Solid and hazardous waste is to be properly sorted, managed, transported and disposed of per local laws and/or regulations. Proper permits and use of authorized disposal services must be in place where required by law. A&F Co. encourages its supply chain partners to identify processes to improve material efficiency, reduce waste and increase recycling, where possible.

## **D. Energy Management Policy**

A&F Co. encourages its supply chain partners to identify processes to improve energy efficiency, reduce energy consumption, and identify renewable energy sources, where possible.

## **VI. Corrective Action**

Third party audits are conducted prior to any new production or on an annual basis, as appropriate to ensure Vendor Code compliance. Vendors must submit a Corrective Action Plan (CAP) within 30 days that identifies specific actions to address any non-compliance audit findings. A&F Co. will work with the Vendor to monitor progress, facilitate improvements and provide support, as needed.

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