

ace & tate

Code of Conduct



2020

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Introduction

Dear Supply Chain Partner,

We started our journey as a small disruptive brand, with the aim of providing quality eyewear at a fair price. Transparency plays a key role in building trust and credibility along our entire supply chain and we are committed to encouraging others in the eyewear industry to conduct business in an ethical, legal and socially responsible manner.

Our Code of Conduct highlights our expectations towards our suppliers and business partners. We understand that listening to our partners and the needs of their employees is key to translating these expectations into real solutions.

To achieve our mission, we hold the following values: producing ethically, empowering creativity, providing a seamless user experience and celebrating individuality.

Our Code of Conduct demonstrates these values, alongside describing what we consider appropriate business conduct by our suppliers. It reflects our mutual respect for universally recognised standards, such as the core labour conventions of the International Labour Organisation (ILO), the OECD Guidelines and the 10 UN Guiding Principles on Business and Human Rights.

We don't believe that there is a shortcut or end point on the journey to become a "responsible" brand. We know it is a process, full of ongoing efforts to measure, improve, share and learn.

Together with you and our other partners, we are taking these steps — sometimes small, sometimes large — to move us towards a more responsible eyewear industry.

Marlot Kiveron

Marlot Kiveron
Responsibility Manager,
Ace & Tate

Sarah Mozes

Sarah Mozes
Supply Chain Director,
Ace & Tate

Mark De Lange

Mark De Lange
CEO & Founder,
Ace & Tate

Code of Conduct

Our Supplier Code of Conduct (Code) demonstrates our values, alongside describing what we consider appropriate business conduct by our suppliers. It reflects our respect for universally recognised normative standards, such as the core labour conventions of the International Labour Organisation (ILO), the OECD Guidelines and the 10 UN Guiding Principles on Business and Human Rights.

No child labour

No forced labour

No discrimination, harassment and abuse

Freedom of association and collective bargaining

Respectful and safeguarded employment relationships

Living wages

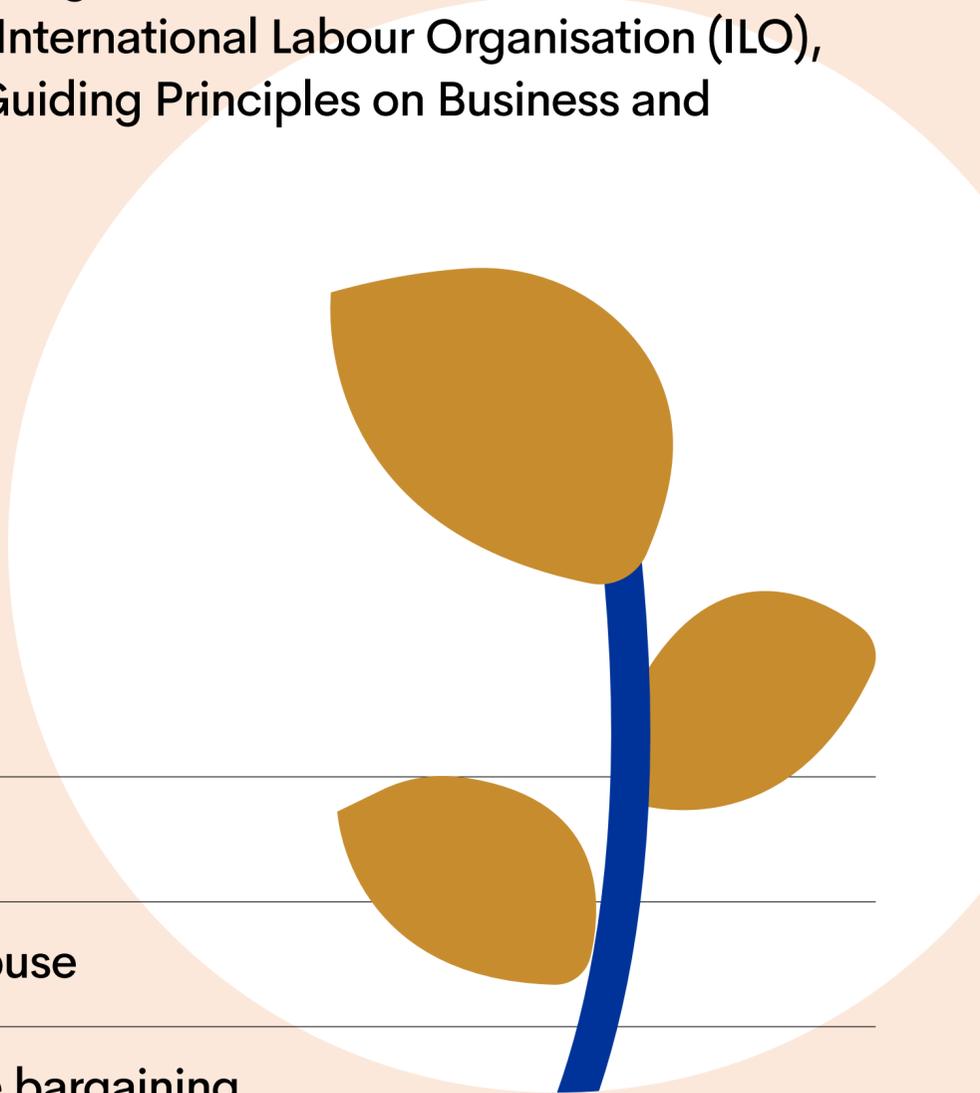
Reasonable working hours and legal overtime compensation

Safe and healthy work environment

Privacy

Anti-Corruption

Environmental policy and transparency up to our standards



Code of Conduct

NO CHILD LABOUR¹

Suppliers shall not employ minors. We define minors as individuals who are under the age of 15. Employees under the age of 18 are not to be involved in night work or work that is hazardous or likely to have a negative impact on their physical or mental development.

Good business practice

- › Adequate and verifiable mechanisms for age verification in recruitment procedures are to be used;
- › When children below the legal working age are found in the workplace, appropriate actions shall be taken to avoid this situation and to find solutions.

NO FORCED LABOUR²

There shall be no use of forced or involuntary labour, including prison, indentured, bonded, slave or other forms. Acts of human trafficking are prohibited. Suppliers shall acknowledge the right of their employees to leave the supplier after reasonable notice.

Suppliers are required to monitor any third- party entity, which assists them in recruiting or hiring employees, to ensure that people seeking employment at their facility are not compelled to work through force, deception, intimidation, coercion or as a punishment for holding or expressing political views.

Good business practice

- › Where adherence to forced labour provisions of national laws and regulations is insufficient, international standards shall prevail;
- › Employment contracts should be provided to all employees stating the terms and conditions of service, the voluntary nature of employment, the freedom to leave (including the appropriate procedures) and any penalties that may be associated with a departure or cessation of work;
- › Employment contracts should be drafted in a language easily understood by employees;
- › Employees' identity documents shall not be confiscated.



Code of Conduct

NO DISCRIMINATION, HARASSMENT OR ABUSE³

No person shall be subject to any form of discrimination in any aspect of the employment relationship, including but not limited to:

- All employment decisions must be made based on the principle of equal employment opportunity, and shall include effective mechanisms to protect migrant, temporary or seasonal employees against any form of discrimination;
- Every employee shall be treated with respect and dignity;
- No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse, or to monetary fines or embarrassing acts as a disciplinary measure;
- Work assignments or access to training;
- Termination or retirement, on the basis of any form of discrimination.

Good business practice

- › Staff should be trained on non-discrimination policies and practices;
- › Grievance procedures should be implemented to address complaints, handle appeals and provide recourse for employees;
- › Physical environments should be reasonably adjusted to ensure health and safety for all employees, customers and any visitors.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING⁴

Employees must be free to join organisations of their own choice. Suppliers shall recognise and respect the right of employees to freedom of association and collective bargaining. All suppliers must develop and fully implement effective grievance mechanisms, which resolve internal industrial disputes, employee complaints and ensure effective, respectful and transparent communication between employees, their representatives and management.

Where the rights to Freedom of Association and Collective Bargaining are restricted under law, the appropriate channels to ensure a reasonable and independent exercise of such rights must be designed.



Code of Conduct

RESPECTED AND SAFEGUARDED EMPLOYMENT RELATIONSHIPS

Suppliers shall adopt and adhere to rules and conditions of employment that respect employees and, at a minimum, safeguard their rights under national and international labour and social security laws and regulations.

LIVING WAGES⁵

Every employee has the right to compensation for a regular working week that is sufficient to cover the employee and their family's basic needs and that will provide some discretionary income.

Suppliers shall pay wages which are equal to or exceed the minimum or the appropriate prevailing wage, whichever is higher, in compliance with all legal requirements on wages, and shall provide any fringe benefits required by law and/or contract.

Suppliers shall not make any withholdings and/or deductions from wages for disciplinary purposes, nor for any reasons other than those provided in the applicable regulations, without the express authorisation of employees.

Suppliers shall also ensure that wages and any other allowances or benefits are paid on time and are rendered in full compliance with all applicable laws and specifically, that payments are made in the manner that best suits the employees.

Code of Conduct

REASONABLE WORKING HOURS ⁶

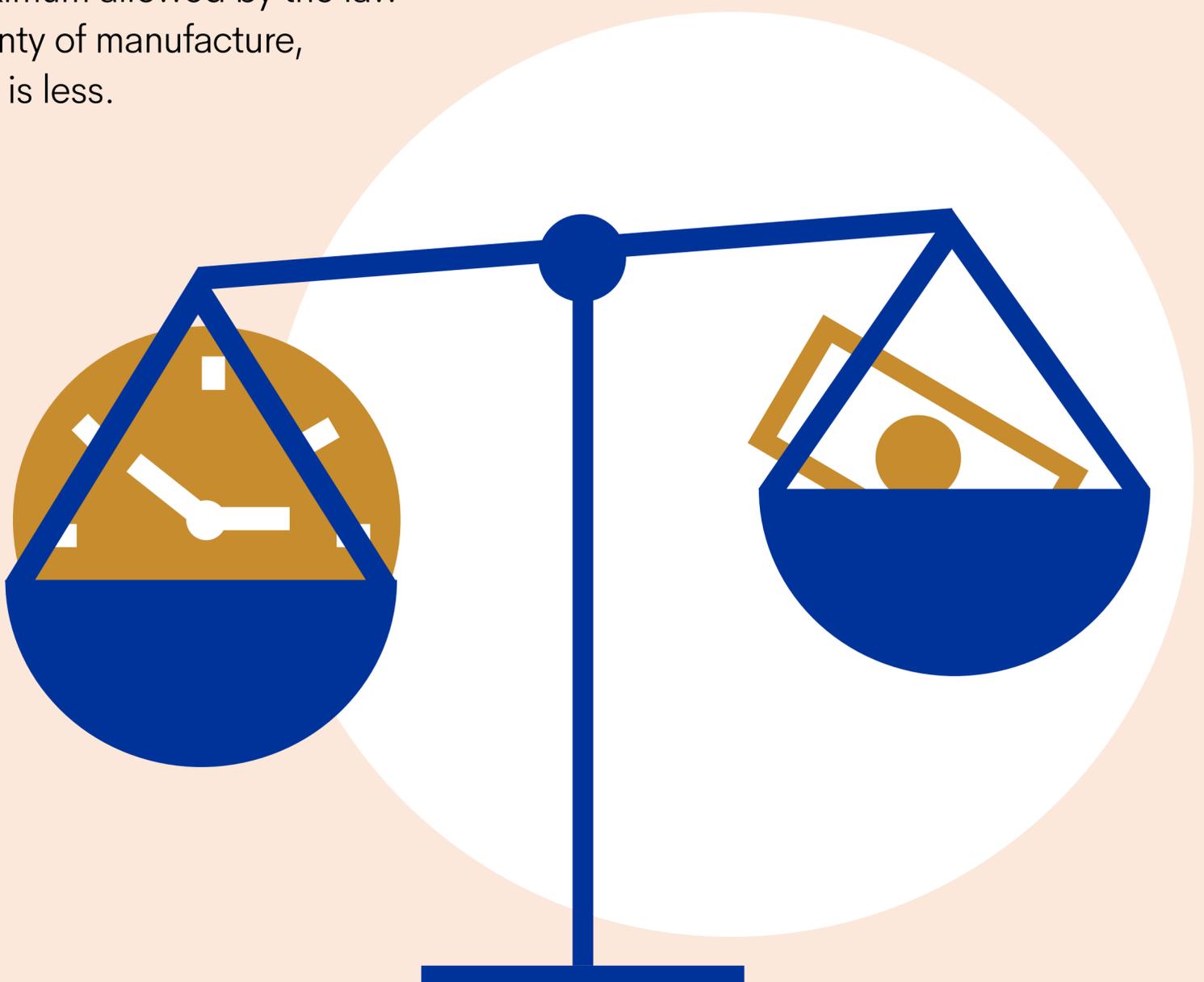
Suppliers shall not require employees to work more than the regular and overtime hours allowed by the law of the country where the employees work. The regular working week shall not exceed 48 hours, or the maximum allowed by the law, whichever is less.

Suppliers shall allow employees at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual.

Suppliers shall not request overtime hours on a regular basis. The sum of regular and overtime hours in a week shall not exceed 60 hours or the maximum allowed by the law of the county of manufacture, whichever is less.

LEGAL OVERTIME COMPENSATION ⁷

In addition to compensation for regular working hours, employees must be compensated for overtime hours at the rate legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate exceeding the regular hourly compensation rate by at least 125%.



Code of Conduct

SAFE AND HEALTHY WORK ENVIRONMENT

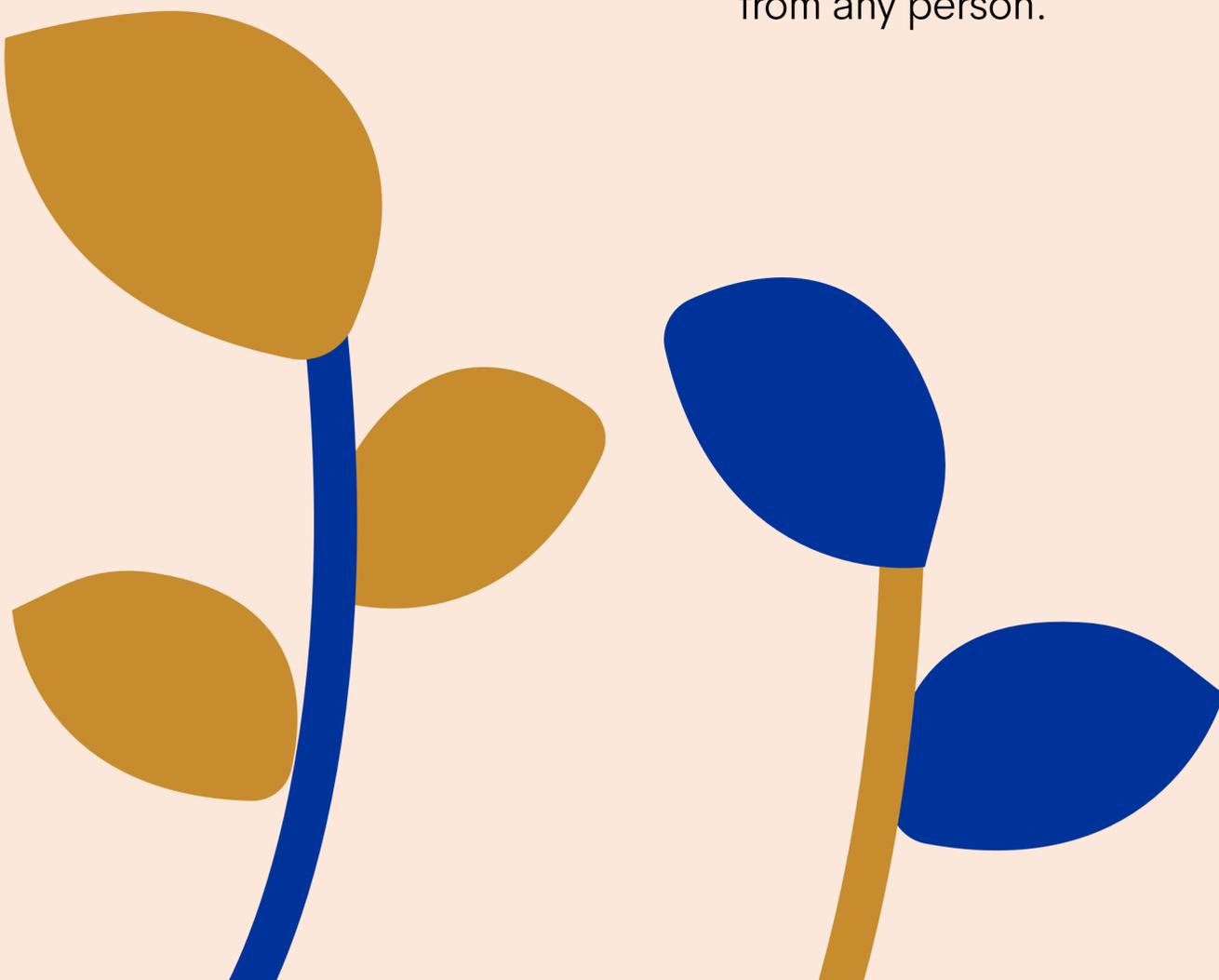
Suppliers shall provide a safe and healthy workplace to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of suppliers' facilities. The supplier shall take a proactive approach to health and safety by implementing policies, systems and training designed to prevent accidents, injuries and protect the health of the employees.

PRIVACY

Suppliers must protect the confidential and proprietary information of others, including personal information, from unauthorised access, destruction, use, modification and disclosure, through appropriate physical and electronic security procedures. Suppliers must comply with applicable data privacy laws.

ANTI-CORRUPTION

Suppliers shall avoid participation in or knowingly benefit from, any kind of corruption, extortion or bribery. Consequently, Suppliers may not offer, promise, authorise or give anything of value to any public official in any country, or to any business partner, in order to gain any improper business advantage of any kind. In addition, Suppliers may not solicit or accept any form of bribe from any person.



Code of Conduct

ENVIRONMENT

Suppliers shall maintain written environmental policies and standards and must comply with all applicable environmental laws and our Code. They must agree to be monitored and, if applicable, audited separately for environmental responsibility. Factories shall continuously monitor — and disclose to us — their:

Carbon footprint CO₂ – equivalents

Measuring the release of carbon dioxide emissions into the atmosphere (emission),

Toxicity

Measuring the release of toxic emissions (emission),

Phosphate

The standard metric of eutrophication, measuring the impact on biological systems (emission),

Usage of non-renewable resources

(E.g. oil) Measuring how we impact resource scarcity for future generations (extraction),

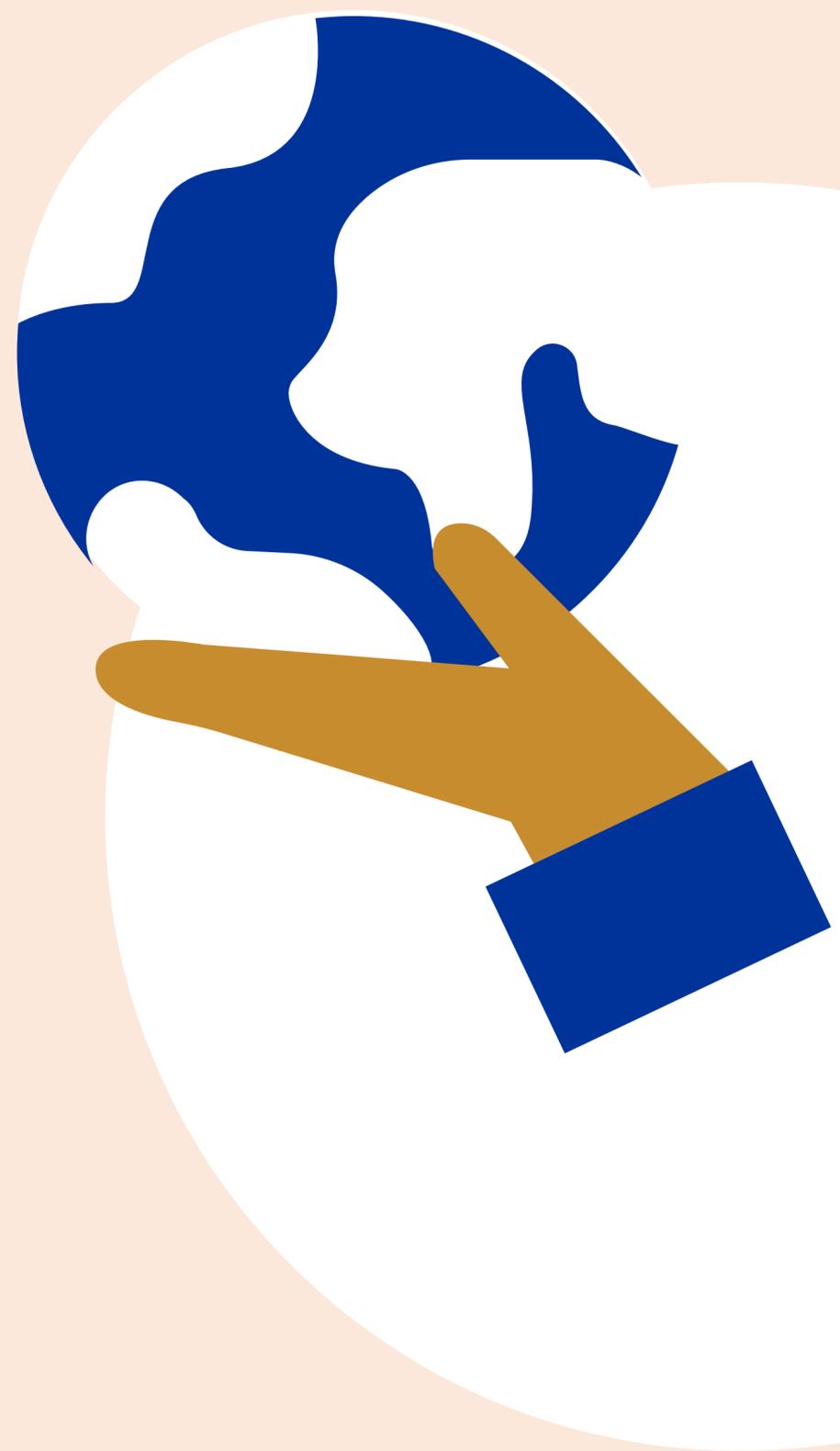
Water usage

Measuring the impact on water scarcity (extraction),

Amount of waste

Measuring different types of waste in kilograms and taking a progressive approach to minimising negative impacts on the environment.

Suppliers shall follow up the terms of the Code, together with Ace & Tate, in order to set goals accordingly.



Good business practice

- › Involvement of Suppliers and their employees in local, social and environmental community charity efforts by volunteering time and/or providing other types of support are encouraged;
- › Initiatives to promote greater environmental responsibility are encouraged;
- › The development and implementation of environmentally friendly technologies are encouraged;
- › Assessment or audit tools, such as environmental impact assessments, environmental risk assessments, environmental management systems, technology assessments and life cycle assessments are expected.

Code of Conduct

1 NO CHILD LABOUR

Aspects related to prohibition of child labour will be developed according to Conventions 138 and 182 of the International Labour Organization (ILO) Employment Contracts should be drafted in a language easily understood by workers.

2 NO FORCED LABOUR

Aspects related to such limitations will be governed by Conventions 29, 105 and 182 of the International Labour Organization (ILO).

3 NO DISCRIMINATION, HARASSMENT OR ABUSE

Aspects related to labour practices will be developed according to ILO Convention 111.

4 FREEDOM OF ASSOCIATION & COLL. BARGAINING

Aspects related to freedom of association and collective bargaining will be developed according to ILO Conventions 87, 98 and 135.

5 LIVING WAGES

Aspects related to payment of wages will be governed by ILO Conventions 26 and 131.

6 REASONABLE WORKING HOURS

Aspects related to payment of overtime wages will be governed by ILO Conventions 1 and 30.

7 LEGAL OVERTIME COMPENSATION

Aspects related to working hours will be governed by ILO Conventions 1.

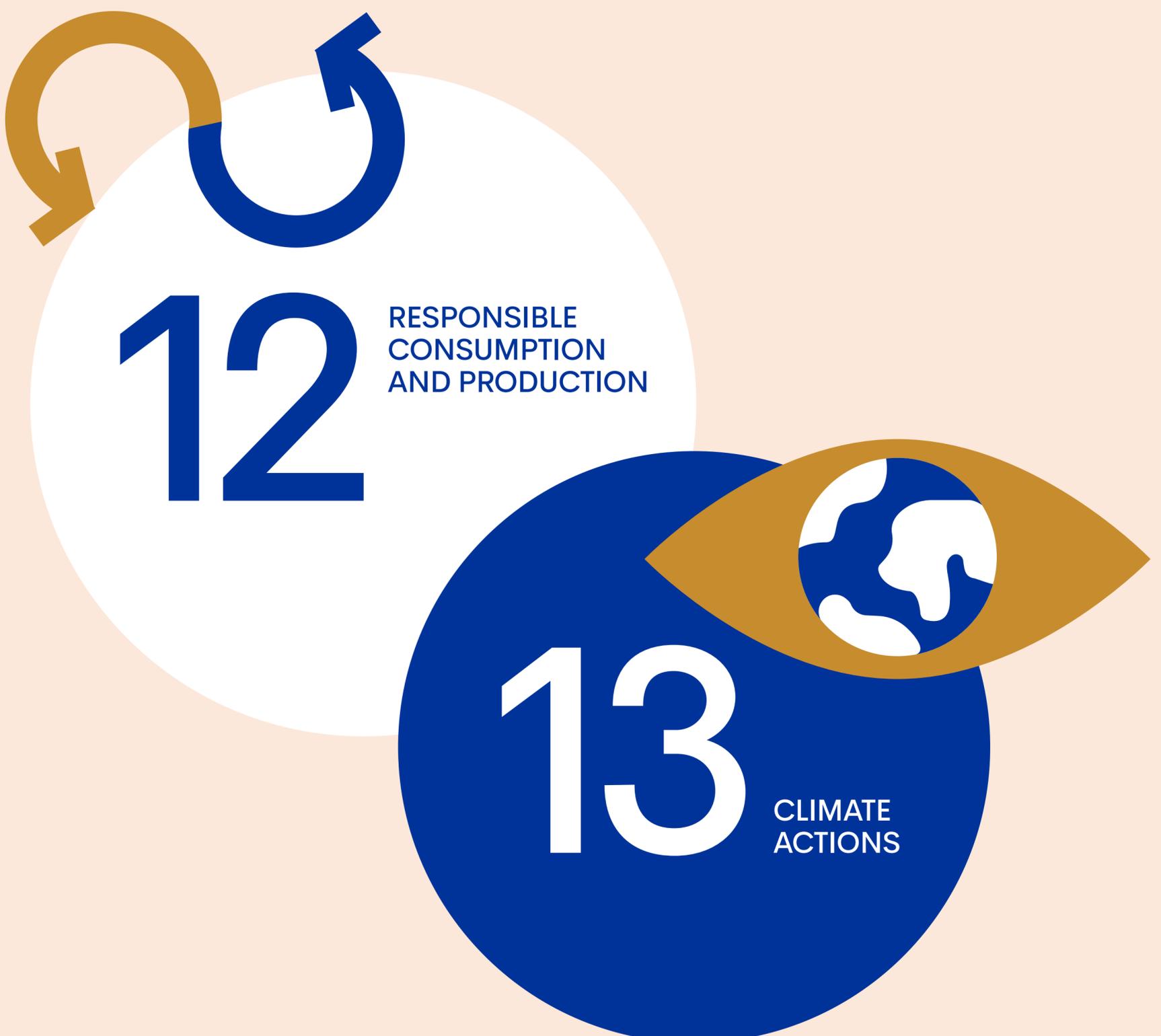
Sustainable Development Goals

In 2015, the Sustainable Development Goals (SDGs) were implemented by all member states of the United Nations. The SDGs consist of 17 goals that address the global challenges we face in terms of social, economic and environmental issues. We perceive this agenda as an opportunity to create a global partnership with every country and stakeholder with the same ambitions and to collectively reach the goals by 2030.

In 2019, we decided to focus on two of the 17 Sustainable Development Goals in our Responsibility Strategy. We support all 17 goals, but have chosen to be realistic, starting with goals where we can currently make the greatest impact.

See appendix for more information.

We believe strongly that we can do more and are therefore looking into what other SDGs to incorporate into our Responsibility Strategy in the future.



Legal Compliance

In addition to this Code, we expect our suppliers to respect all applicable laws, regulations and prevailing industry standards.

If there is a difference between our Code and national laws and/or other applicable regulations or standards, the most protective of these will prevail.

Suppliers should address any conflicts between this Code and applicable laws and regulations to us, in order to jointly establish the most appropriate course of action.

SUBCONTRACTING

We do not allow our suppliers to subcontract without our prior written approval. All production orders must be placed within facilities that have been pre-approved by Ace & Tate.

TRACEABILITY

We expect our suppliers to acknowledge and own their social and environmental responsibility. We and our suppliers are working towards having total transparency and traceability in all levels of the supply chain.

We require suppliers to provide transparency information on the owned and/or subcontracted farms, mills, plants, factories and other sites that are involved in the production of our products.

Code Violation

In case of severe violation of the Code, such as our supplier engaging in child labour, corruption, discrimination, sexual harassment, severe violation of the internationally recognised labour rights and/or significant damage to the environment, we will contact the supplier within 24 hours of the discovery of the incident to discuss the matter and set up an improvement plan that will be effective immediately.

In addition, we have the right to terminate the Head Agreement with suppliers who repeatedly and knowingly violate the Code and refuse to collaborate on implementing improvement plans, as agreed upon in the signed contract.

If suppliers are violating any of these Code elements, we would like to know about it.

Please bring these issues to our attention by contacting us at : responsibility@aceandtate.com. All information we receive will be handled confidentially and your identity will never be disclosed.

Long-term Partnerships

In addition to the Code, our existing long-term business partners are expected to have management systems in place to ensure compliance to this Code and to pro-actively extend these principles within their own supply chain.

We are always looking for suppliers to build long-term partnerships with, based on consistency, quality, processes, and mutual core values.

We expect our long-term suppliers to comply with our ethical standards and to optimise their quality and environmental management systems.

We also expect our long-term suppliers to be open to achieving any other international standard certifications. We request the supplier to always be open and transparent so we can assess whether the supplier respects the Code. The process of such an assessment may consist of an initial collection of Code related information and achieved ISO certification. This will be followed by information provided by the supplier through answering a more detailed self-assessment questionnaire, or an on-site audit and a subsequent improvement programme.

SUPPLIER CODE OF CONDUCT ACKNOWLEDGEMENT OF RECEIPT

We acknowledge the receipt of the Ace & Tate Code of Conduct. We confirm that we have read and that we understand the contents of the Code and will actively strive to ensure that its standards are met in our production sites.

This Code and our email address, responsibility@aceandtate.com, must be placed next to each other within the factory in a conspicuous and freely accessible space for all employees.

For more information, check our [Responsibility page](#).

Appendix

RESPONSIBLE CONSUMPTION AND PRODUCTION

The SDG 12 ensures sustainable consumption and production patterns. Achieving economic growth and sustainable development requires that we reduce our footprint by changing how we produce and consume goods and (finite) resources.

We have decided to focus on specific sub-targets to make as much difference as we can and reach the goal by 2030.

12.5 By 2030, substantially reduce waste. Generation through prevention, reduction, recycling and reuse

Ace & Tate believes in transparency and involvement, by being open about our impact and what we are doing to tackle it. We are constantly analysing our production, in terms of what materials and fibres we use and have a great ambition of becoming a circular business.

Our first step towards circularity will be to transition from regular acetate to bio- and recycled acetate by 2021.

In 2019, we partnered with Plasticiet and Reflow in an effort to take responsibility for our waste stream. Plasticiet recycles pre-consumer plastic and we work with them to create store furniture. Reflow is working on recycling our demo lenses into 3D filaments to reduce the amount of surplus lenses.

In an effort to become a circular business, we want to extend a frame's life expectancy, by repairing and refurbishing used or damaged frames. Our goal is to produce a circular product, so nothing ends up in a landfill.

In 2017, we discovered that our packaging made up 50% of our footprint, so we removed all the unnecessary packaging. We also sourced sustainable alternatives and in 2019, we replaced paper bags with a multi-purpose tote, made of organic, fair-trade cotton.

Our Retail Expansion team is constantly researching responsible solutions for new store designs. Partnerships with Plasticiet and Fabscrap — a near-zero-emission material made from vinyl waste — are being implemented in all new retail locations.

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

We have clear goals for 2020 and big ambitions for 2030 and beyond, such as becoming a certified B Corporation and introducing reusable packaging.

Above all, we will share our progress and knowledge publicly and within our industry.

Appendix

CLIMATE ACTION

The SDG 13 includes taking urgent action to combat the climate crisis. Global warming is causing irreversible changes to our ecosystems. Without urgent action, the consequences will continue to affect us and future generations in all aspects of our lives.

We have decided to focus on specific sub-targets to make as much difference as we can and reach our goal by 2030.

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaption, impact reduction and early warning

At Ace & Tate, we believe in raising awareness about the climate crisis while being honest about what impact we have and how we are changing for the better.

In 2019, we were the first eyewear company to commission both a Life Cycle Assessment and a CO2 report to use as a benchmark for change.

One step towards improvement is through partnering with energy provider, Vandebron to build a network of 100% green energy at our HQ and stores in the Netherlands.

Our goal is to have renewable energy in all stores by 2022.

We strive to be open and transparent about our journey by publishing monthly Medium blog posts about challenges we face and where we're winning the battle. It's called We're Working On It, because that's exactly what we're doing. Read it and tell us what you think, because we believe that creating and being part of a network of likeminded individuals will help us accelerate our efforts.

We are currently reducing our overall emissions and are committed to offsetting all CO2 emissions by the end of 2020. We pledge to become completely carbon neutral by 2030.

We believe that civil disobedience is one of the most significant actions we can take to make a an impact and demand action. Going forward, we will continue to participate in the Global Climate Strike and publicly support this and other environmental actions, to raise awareness among our team and community.