

ATLANDTIS & CO LTD

Standards for suppliers

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Our principles of respect for the individual and corporate integrity have always been the core foundations of our business. These foundational principles apply to all aspects of Atlandtis business interest, including its associates, Suppliers, and those who make the products we sell. These principles, when applied to the supply chain, mean Atlandtis and its Suppliers must operate in a socially and environmentally responsible manner everywhere they do business.

Atlandtis will consistently challenged its Suppliers to commit to high standards of responsibility, strong auditing requirements, and thorough assessments. Atlandtis's goal is to lead throughout its supply chain in responsible sourcing practices. This goal can be accomplished only by actively partnering with Suppliers to raise sourcing standards and to positively impact global supply chain practices.

These Standards for Suppliers are Atlandtis's minimum expectations of Suppliers and their factories for the ethical treatment of workers, workplace safety, environmental responsibility, and appropriate business practices. Suppliers meet these standards by upholding human rights and creating an ethical and sustainable supply chain. These Standards parallel the audit standards Atlandtis uses to measure how well Suppliers are meeting requirements. If a Supplier's factory fails to meet the Standards, it must take corrective action to improve its performance or the factory will not be permitted to supply products to Atlandtis.

Atlandtis's Suppliers are vital partners to the success of our business. As partners, Atlandtis believes that all its Suppliers should hold themselves to the same high standard for social and environmental responsibility. By implementing standards in the jurisdictions where our Suppliers' produce, we are creating a far-reaching framework of strong Supplier standards that are achievable and sustainable. Together, we have a tremendous opportunity to help people live better.

The Standards

The Standards for Suppliers are Atlandtis minimum expectations for Suppliers on the treatment of workers, facility safety, the Suppliers' impact on the environment, and ethical business practices. These Standards must be visibly posted in English and in the shared language of workers in a common area at all facilities that manufacture products for Atlandtis and its affiliates. Atlandtis requires its Suppliers to comply with its Standards in absence of legal regulations. Where these Standards may be read to include or exclude, they should be understood by Suppliers to always be inclusive. These Standards should not be understood to eliminate any possible requirement. When a standard is stated with language including the terms "and" and "or," these terms are both inclusive.

Compliance with Laws

Suppliers and their designated production facilities (“Suppliers”) must fully comply with all applicable national and/or local laws and regulations, including but not limited to those related to labour, immigration, health and safety, and the environment.

1. Scope of Application of the Standards

1. Suppliers’ compliance with these Standards includes the manufacturing processes undertaken by the Suppliers, as well as actions associated with the manufacturing process used by the Supplier. Examples of associated actions include labelling, documentation, intellectual property actions, and product certifications.

2. Governing Laws

1. Suppliers must fully comply with all applicable laws, including but not limited to those laws related to work hours, wages, labour relations, immigration and foreign labour, health, safety, and the environment.

2. Atlandtis is aware that in many jurisdictions where its Suppliers may conduct business, the differences between local, regional, and national laws can cause confusion. Atlandtis’s position is that when there is a difference between the terms of applicable laws, the Supplier is expected to adhere to the most stringent applicable requirement.

3. It is requested that if a Supplier identifies any issue of law regarding these Standards, they contact Atlandtis regarding the issue at atlandtisdirect@hotmail.com.

3. Factory Visibility

1. Atlandtis Suppliers are responsible for maintaining compliance with all applicable laws and standards, including Atlandtis’s Responsible Sourcing Standards for Suppliers, in all areas from which they source. To ensure this oversight, Suppliers shall designate an employee or employees who are responsible for factory compliance with applicable laws and standards. The designated employees must have enough visibility into factory operations to ensure compliance at the facility level. Sufficient visibility can come in several ways, for example:

- a. Employees who work in country and are responsible for visiting factories
- b. Employees who visit factories from out of country on a regular and frequent basis
- c. Employees who visit regularly supplemented by agents who visit frequently

2. In addition, the designated employee or employees must understand that they are accountable for compliance with applicable laws and our Standards in all factories.

3. Atlandtis reserves the right to direct suppliers to have in-country or in-region representation as it deems necessary.

4. Lack of Supplier representation or production visibility is not a reason for non-compliance with all applicable laws and Atlandtis’s Standards. Atlandtis may immediately terminate its relationship with any Supplier who exhibits negligence in maintaining sufficient visibility.

4. Voluntary Labour

All labour must be voluntary. Slave, child, underage, forced, bonded, or indentured labour will not be tolerated. Suppliers shall not engage in or support trafficking in human beings. Suppliers shall certify that they have implemented procedures to manage the materials, including all labour related processes, incorporated into their products to ensure they comply with laws on slavery and human trafficking. Workers must be allowed to maintain control over their identity documents.

Voluntary Labour:

1. All labour must be voluntary.
2. Slave, child, underage, forced, bonded, and indentured labour is prohibited.
 - a. Suppliers shall not have any worker make any financial guarantees to secure employment.
 - b. Suppliers shall not require workers to incur debt for recruitment fees.
 - c. Suppliers must not require that any worker make a monetary deposit as a condition for employment.
 - d. Suppliers shall not require workers to surrender any original identification document as a condition of employment
3. Workers must be able to voluntarily end their employment without any restriction.
4. Suppliers shall not place restrictions on workers' voluntarily ending their employment, such as excessive notice periods or substantial fines for terminating their employment contract.
5. Suppliers shall require that the factories they work with respect the right of a worker to remove himself/herself from a work situation based on a reasonable justification that the situation presents an imminent and serious danger to his/her life or health. Supplier shall not retaliate or discipline any worker for exercising this right.

5. Human Trafficking

1. Suppliers shall not support or engage in human trafficking.
 - a. Workers must be able to travel as freely as allowed by law.

Suppliers may not physically prevent or delay workers from leaving the facility or its grounds except for a reasonable safety reason. Suppliers must allow workers to leave the premises under any reasonable circumstance without disciplinary penalty. Examples of reasonable circumstances include personal or family emergencies.

2. Workers must be allowed to maintain control of their identity documents.
3. Suppliers shall certify that they have implemented procedures to manage the materials and processes incorporated into their products to ensure these materials and processes comply with all applicable laws on slavery and human trafficking.
4. Atlandtis may immediately terminate its relationship with any Supplier who violates the prohibition on human trafficking when sourcing products for Atlandtis.

6. Underage Workers

1. Suppliers must not employ any worker under the age of 14 years regardless of any local laws or regulations allowing younger employment.
 - a. Worker age shall be calculated in whole years from the calendar date of birth. Partial years passed shall not be considered years for the purpose of calculating worker age.
 - b. Atlandtis may immediately terminate its relationship with any Supplier who violates the prohibition on underage workers when sourcing products.
2. Suppliers shall not allow any person under the age of 14 years to be present in a Warehouse compound area, unless that person is in an appropriate childcare facility.
3. Suppliers found to have violated the prohibition on use of underage labour will be required to remediate the situation by implementing a satisfactory solution that places the best interests of the underage worker first.

Juvenile Workers

1. Any worker under the age of 18 years is considered a juvenile worker.
 - a. Worker age shall be calculated in whole years from the calendar date of birth. Partial years passed shall not be considered years for the purpose of calculating worker age.
 2. Workers under the age of 18 years shall be allowed to complete any compulsory education required by local law.
3. No person under the age of 18 shall undertake hazardous work.

7. Labour

Hours Suppliers must provide workers with rest days and must ensure that working hours are consistent with the law and not excessive.

A. Labour Hours

1. Suppliers must comply with all local laws regarding labour hours, including limits on hours worked.
 - a. Maximum hours cannot be exceeded, even if allowed by local law.
 - b. Overtime work should be voluntary.
 - c. Suppliers shall not use coercive behaviour to influence workers regarding overtime hours.
 - d. During each work shift, Suppliers shall provide workers with reasonable meal and rest breaks.
2. Suppliers shall develop and implement work-hour policies and procedures to ensure compliance with applicable work-hour law.
3. Written approval from any local government permitting overtime in excess of normally applicable laws is not acceptable to permit additional overtime hours.
4. Suppliers shall not allow workers to engage in any form of “work from home” program unless prior consent is obtained from Atlandtis.

Documentation of Labour Hours

1. Suppliers must ensure that all time worked is fully documented by an accurate and reliable recording system.
 - a. Workers must be allowed to record their own working hours, including clocking in and clocking out.
 - b. This recording system shall document regular hours and overtime worked by each worker.
 - c. Suppliers must make an employee's time record available for review by that worker.

Rest Days and Holidays

1. Suppliers must provide workers with rest days in compliance with applicable laws. If there are no applicable laws or regulations, the following minimum standards are required by Atlandtis.
 - a. Suppliers should limit the practice of workers voluntarily working on their rest days.

Workers should have a minimum of 1 scheduled rest day per 7 calendar days.

Workers may volunteer to work on their rest day but should not be allowed to do so more than once every two weeks.

2. Suppliers must provide workers with holidays in compliance with applicable laws.
3. Suppliers shall provide workers with access to all applicable laws regarding worker leave.

8. Hiring and Employment Practices

Suppliers must implement hiring practices that accurately verify workers' 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.

A. Age Verification

1. Suppliers must verify the age of every worker prior to that worker beginning employment.
 - a. All workers must be verified by the Supplier to meet the minimum age Standards from the beginning date of employment.
2. Each worker's record must contain a copy of identification documents as proof of age, such as a copy of a birth certificate or a national identification card.

B. Employment of Foreign Workers

1. Every foreign worker must be in the host country lawfully and have a valid work permit for the entire period they are employed.
2. Suppliers must have a system for verifying the legal right to work of foreign workers in the host country.

3. Suppliers must verify the legal right to work of every foreign worker prior to that worker beginning employment.
4. The Supplier must maintain a copy of documents giving that foreign worker a right to work in the host country.

C. Worker Treatment

1. Workers shall be treated with dignity and respect for the individual.
 - a. Suppliers shall not tolerate the abuse of workers by any person.
 - b. Suppliers shall allow workers reasonable movement in the workplace, including unrestricted reasonable access to bathrooms and drinking water.
2. Employment practices of Suppliers should be based on equal opportunity for all workers.
 - a. Employment practices must be based on an individual's ability and willingness to do their job.

D. Employment Contracts

1. Suppliers must issue terms and conditions of employment to each worker that complies with applicable law.
 - a. Workers must be provided with written and understandable details regarding their employment.
 - b. The terms and conditions of employment should be provided in a language understood by the worker.
2. Suppliers should not use consecutive short-term agreements or apprenticeship schemes absent an actual intent to impart skills or eventually provide regular employment.

E. Worker Discipline

1. Suppliers should establish written disciplinary procedures that are clear, understandable, and accessible to all workers.
 - a. The procedures should be available in a language understood by the worker.
2. All disciplinary actions should be recorded, and a document providing the details of the disciplinary action should be kept in the worker's record.

F. Pregnancy and Maternity

1. Suppliers shall not restrict or limit workers' reproductive rights.
2. Suppliers should not ask female applicants about their pregnancy status, unless required for reasons of health and safety, for example, chemical exposure.

3. Unless pregnancy tests are required by law, Suppliers shall not require pregnancy testing of female employment applicants or workers.
4. Women returning from maternity leave should be given an equivalent position and equal pay if required by law.
5. Suppliers must comply with any work environment requirements protecting the health and safety of pregnant, post-partum, and lactating women.

G. Compensation

Suppliers must compensate all workers with wages, overtime premiums, and benefits that meet or exceed legal requirements or collective agreements, whichever are higher. Suppliers are encouraged to provide wages that meet local industry standards. Suppliers are encouraged to provide wages and benefits that are sufficient to meet workers' basic needs and provide some discretionary income for workers and their families.

H. Wages

1. Suppliers shall pay all workers employed, on probation, undergoing training, or participating in an apprenticeship program.
2. Suppliers must compensate all workers with wages, overtime premiums, and benefits which meet or exceed the applicable legal standards or labour agreements, whichever are higher.
 - a. Suppliers shall pay all workers the applicable overtime premium rate for all overtime hours worked.
 - b. Suppliers must ensure that workers receive at least the minimum legal wage.
3. Workers should understand how their wages are calculated and be aware of their wage schedule.
4. Suppliers are encouraged to provide wages that meet local industry standards.
5. Suppliers are encouraged to provide wages and benefits that are sufficient to meet workers' basic needs and provide some discretionary income for workers and their families.

I. Wage Periods

1. No wage period shall exceed 30 days.
2. Suppliers should pay earned wages no later than 30 days from beginning of the wage period.

Deductions

1. Suppliers may only make legally allowed deductions from workers' wages.
 - a. Deductions should not be excessive.

b. Suppliers shall not discipline any worker by deducting from that worker's wages.

J. Documentation of Compensation

1. Suppliers must properly document all wage payments made to workers.

a. Suppliers must provide workers with written and understandable details regarding their employment and compensation.

b. Suppliers must provide workers with proof of payment in a language the worker understands.

c. All proof of payment must clearly show regular and overtime hours worked, regular and overtime rates and wages, bonuses, and deductions.

d. Wages, leave, bonuses, and other compensation should be accurately and clearly calculated.

2. Workers should confirm accuracy and receipt of payment for each payment in writing or use a verifiable system of receipt.

K. Leave, Benefits, and Work Holidays

1. Suppliers must provide all legally required leave, benefits, and bonuses to all eligible workers.

2. Suppliers must excuse workers from work on all legally required work holidays.

3. Suppliers will provide leave, benefits, bonuses, and work holidays to workers in a reasonable and timely manner.

9. Freedom of Association and Collective Bargaining

Suppliers must respect the right of workers to choose whether to lawfully and peacefully form or join trade unions of their choosing and to bargain collectively.

A. Free Association and Collective Bargaining

1. Workers have the right to freely associate and to bargain collectively as protected by local law.

a. Suppliers must respect and honour the right of workers to bargain collectively.

Suppliers must not prevent workers from exercising their rights to associate and collectively bargain.

Any action by Suppliers to suppress freedom of association of workers is prohibited, and Suppliers should be aware that such action may be illegal under some countries' labour codes.

2. Workers can form, join, and maintain trade unions in accordance with local law.

a. Suppliers shall not punish workers for supporting free association or collective bargaining.

3. Suppliers shall not retaliate against workers because they have raised issues regarding compliance with any legal collective bargaining agreement.

4. Suppliers must not unlawfully discriminate against workers or their representatives due to their membership in, or affiliation with, a legal trade union.

5. Suppliers and factory management must give worker representatives access to the workplace in order to carry out their representative functions in accordance with local law.
6. Where the right to freedom of association and collective bargaining are restricted by law, the Supplier should not hinder the development of legal alternatives.
7. Suppliers should train their managers and supervisors in freedom of association compliance laws when possible, and workers should receive instruction on their legal rights and company standards.

10. Health and Safety

Suppliers must provide workers with a safe and healthy work environment. Suppliers must take proactive measures to prevent or manage workplace hazards.

A. General Health and Safety

1. Health and safety standards apply to all facilities, including factories, dormitories, and canteens.
2. These Standards are general in application and should be used by Suppliers in conjunction with other applicable health and safety standards.
 - a. Suppliers may have industry-specific dangers or hazards which are not specifically addressed in these Standards. Suppliers should adopt procedures to limit dangers to workers from these hazards.
 - b. If industry-specific safety standards are more stringent than these Standards, Suppliers should meet the industry standard.
3. Suppliers should designate a safety management representative at each facility. This representative shall be responsible for worker health and safety in the facility.
4. Suppliers must implement procedures and safeguards to prevent accidents and injuries to workers.
 - a. Procedures and safeguards should include but not be limited to proper equipment maintenance, established inspection routines, adequate worker training and protection, facility structure maintenance, and proper fire prevention.
 - b. Suppliers must ensure there are no unreasonable or uncontrolled risks to worker health and safety.
 - c. The work environment must be safe, clean, and orderly.
5. Standardized health and safety training shall be provided for all new or reassigned workers and management.
 - a. Suppliers shall create and maintain training records for all workers.
 - b. Required health and safety training must reasonably cover the hazards workers encounter in the scope of their work.
6. Personal Protective Equipment (PPE) must be provided to workers.
 - a. PPE must be adequate and appropriate to protect workers from the specific hazards they encounter in the scope of their work.

B. Fire Safety Equipment

1. Facilities must have fire extinguishing equipment that is adequate for the hazard level of the facility operations.
 - a. All fire extinguishing equipment must be functional, accessible, and properly maintained.
 - b. All fire extinguishing equipment must be inspected at least once per month and these inspections must be documented.
 - c. Fire extinguishing equipment must always be kept clear and accessible.
2. Facilities must have effective fire alarm systems that provide notification to initiate evacuation.
 - a. Facilities must have at least a single alarm system throughout all areas and floors of the building.
 - b. Fire alarm systems must provide adequate notice to evacuate, including audible alarms and flashing lights. High noise areas (90 dB or higher) should also include an alarm that has a beacon/flashing light designed to draw attention in the high noise area.
 - c. Facilities must have a secondary power supply connected to the fire alarm system in case of electrical power failure.
3. Facilities must have designated emergency response personnel identified, trained, and present for each floor, building, and shift.
 - a. Emergency response personnel will be in charge of evacuating the building in the event of a fire emergency.
 - b. Designated emergency response personnel should be trained to notify workers of a fire or emergency, report fires and other emergencies to the fire department or designated emergency response organization, assist in the evacuation of workers, and verify that all workers have exited the building.
 - c. Designated emergency response personnel should be easily identifiable by all workers in the event of an emergency.
 - d. The requirement for designated emergency response personnel may be fulfilled by fire brigades where they are required by law and meet these standards.

11. Material and Chemical Safety

1. All hazardous, flammable, or combustible material must be stored in approved containers in designated storage areas, or appropriate flammable liquid storage cabinets.
 - a. No hazardous materials, flammable chemicals, or combustible materials may be stored on the roof of any facility, dormitory, or canteen.
 - b. Hazardous materials, flammable chemicals, and combustible materials must be kept away from ignition and heat sources.
2. Anti-static containers and fire extinguishers should be readily available in areas where hazardous and flammable materials are stored.
3. All hazardous or flammable materials maintained outside the designated storage area should be limited to the amount necessary for use during one shift or eight hours maximum.

4. Hazardous and flammable material may only be handled by properly trained personnel.

12. Electrical Safety

1. Facilities should have a documented electrical system maintenance program.

2. The electrical maintenance program should include routine inspections of the electrical system of the building for damaged wiring, separated conduits, improper installations, and overloaded or damaged circuits.

a. Inspection records should be kept, including the date of inspection, the inspector, and the results of the inspection.

3. Facilities should ensure that extension cords are not being utilized for permanent application and that multiple outlet adapters or “surge protector strips” are not being connected to one other.

4. It is recommended that facilities implement an annual infrared scan program for all of their electrical systems, including panel boards, wiring and other equipment, to detect potential ignition sources.

13. Dormitories and Canteen

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

A. General Requirements

1. Dormitories and canteens must comply with all applicable occupancy, health, sanitation, and safety laws.

2. Suppliers shall obtain and maintain valid construction approval for dormitory and canteen facilities.

3. Suppliers shall obtain and maintain valid fire licenses for dormitory and canteen facilities.

4. Suppliers shall obtain and maintain proper and valid zoning permits for dormitory and canteen facilities.

5. Suppliers shall ensure that all areas of dormitory and canteen facilities are safe and sanitary.

6. Suppliers shall ensure all areas of all dormitory and canteen facilities are maintained in a functional and clean condition.

7. As a best practice, Suppliers are encouraged to provide cleaning and sanitation services to dormitory and canteen facilities.

8. Hazardous or flammable chemicals, and combustible materials cannot be stored in or on the roof of the dormitory or canteen.

9. The premises of dormitory and canteen facilities must be clear enough to allow proper access by firefighting and emergency responders and their equipment.

10. Smoking is only permitted in specially designated smoking areas equipped with proper fire protection and ventilation.

14. First Aid and Emergency Response

1. First aid kits must be provided in a highly visible, accessible location.
2. First aid kits must be maintained and restocked when needed.
3. Trained first aid personnel should always be readily available.
4. Suppliers shall ensure that designated emergency response personnel are available.
5. Designated emergency response personnel should be easily identifiable by all occupants in the event of an emergency.
6. Designated emergency response personnel should be trained to notify workers of fires and emergencies, report fires and emergencies to appropriate emergency responders, assist in the evacuation of workers, and verify that all workers have exited the building.

15. Environment

Suppliers should ensure that every manufacturing facility complies with environmental laws, including all laws related to waste disposal, air emissions, discharges, toxic substances and hazardous waste disposal. Suppliers must validate that all input materials and components were obtained from permissible harvests consistent with international treaties and protocols in addition to local laws and regulations.

A. General Waste Management

1. All containers must be maintained in good condition and have legible and informative labels.
2. Suppliers must handle, store, and transport materials in a safe and appropriate manner to control risks of accident.

B. Water Management

1. Suppliers must obtain and maintain the appropriate legal permits for water use.
2. If water is extracted onsite, Suppliers must obtain and maintain the required extraction permits.
3. Suppliers must maintain water consumption records, including water bills and meter readings from water suppliers.

C. Energy Consumption and Greenhouse Gas Management

1. All Supplier facilities must meet the applicable legal requirements for energy use and greenhouse gas emissions.
2. Suppliers must obtain and maintain the appropriate legal energy use and greenhouse gas discharge permits.
3. Suppliers must conduct regular monitoring of their energy use and greenhouse gas emissions.
4. Suppliers shall maintain energy use records, including energy and electricity bills, and meter readings.
5. Suppliers shall maintain records of direct and indirect greenhouse gas emissions as required by law.

D. Hazardous Substances Management and Pollution Prevention

1. Suppliers must obtain and maintain the appropriate permits for all hazardous substances.
2. Banned substances must not be used.
3. Suppliers must report all pollution and incidents involving a hazardous substance to the authorities as required by law.
4. Appropriate measures must be taken to prevent and control the risk of environmental pollution from the release of a hazardous substance, including the contamination of soil or groundwater.
5. Suppliers must identify environmentally sensitive receptors (rivers, underground water, etc.) close to facilities and implement special measures to achieve prevention of contamination.
6. An inventory of all hazardous substances used and stored in the facility must be kept, including an up-to-date Material Safety Data Sheet (MSDS)/Safety Data Sheet (SDS) for each substance.
7. Workers must be appropriately trained in pollution prevention and response measures.
8. Workers must be appropriately trained to handle hazardous substances in their workplace in accordance with the substance MSDS/SDS

16. Financial Integrity

Suppliers must keep accurate records of all matters related to their business with Atlandtis in accordance with standard accounting practices such as Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS).

Suppliers must keep accurate financial records. All financial transactions should be recorded and maintained using standard accounting practices. Financial records must be readily available for inspection during announced and unannounced audits by Atlandtis or authorized third-party representatives.