

Gabor

Code of Conduct

Preamble

Gabor has been employing men and women workers for more than 60 years in Germany and for more than 50 years abroad. Over many generations this has constantly contributed to the employees' prosperity and to the economic development of partly disadvantaged regions.

Gabor is well aware of the responsibility an enterprise assumes due to globalised business activities and the international employment of its workers. Gabor acknowledges that this responsibility extends to all employees manufacturing products or parts for Gabor – irrespective of whether they are Gabor employees or not.

Gabor commits itself and its suppliers to safeguard the human rights as these are defined in the "Universal Declaration of Human Rights". As regards the regulation and stimulation of industrial and economic relationships Gabor adheres to the relevant directives of the United Nations.

Gabor argues for an open and fair world trade as the enterprise considers this to be the best prerequisite for a profitable and lasting development and safe jobs.

Furthermore Gabor pleads for the protection of the environment and the conservation of natural resources.

Social standards

Gabor commits contractors, subcontractors, suppliers and licensees to observe the minimum standards and recommendations listed below:

1. Voluntariness of work – prohibition of forced labour

Employment in the enterprises and companies of Gabor will only be on the basis of voluntary agreements. Any form of compulsory labour, done in servitude or by prisoners is prohibited (ILO Agreement 29 and 105).

2. Freedom of association and collective bargaining

The right of all employees to found and join trade unions as well as the right to collective bargaining is acknowledged (ILO Agreement 87 and 98). The labour representatives must not be discriminated and must have access to all workplaces as may be necessary so that they can fulfil their representation tasks (ILO Agreement 135 and recommendation 143)

3. Elimination of child labour

Children and young persons must not be employed. Only those persons will be employed who are 15 years old when starting their employment or have exceeded the compulsory school age (ILO Agreement 138)

4. Prohibition of discrimination

Men and women workers will be employed exclusively on the basis of their competence and qualification. Any differential treatment or discrimination of persons due to descent, colour, creed, nationality, social origin, political activities or opinion and/or due to sex or age must not happen (ILO Agreement 100 and 111).

5. Adequate remuneration and professional opportunity

Gabor grants to men and women workers a remuneration corresponding to the comparable standards in the relevant country and the general remuneration directives of Gabor. The wages and other payments correspond to the legal minimum wages or those wages applicable in the industry and are sufficient to fulfil the basic needs of the workers.

Capable men and woman workers will be advanced and - if possible - they will be considered for future managerial responsibilities within the scope of the relevant human resources development.

All workers will be given a modern work environment where the general work conditions will be set to meet the relevant national standards and regulations.

6. Occupational safety and health protection

A safe and hygienic work environment will be guaranteed at the work places. Health and occupational safety measures will be advanced taking into consideration the current standard of knowledge in the industry and possible specific dangers. Physical maltreatment, threat of physical violence as well as unusual punishments or disciplinary measures, sexual harassment and other molestations as well as intimidations are prohibited.

7. Hours of work

The hours of work will be fixed in accordance with the relevant laws and standards of the industrial sector. The weekly working hours are normally not more than 48 hours and all employees will be given at least one day off within a period of seven days. Overtime is voluntary and will be compensated by an overtime payment in addition to the wage, unless this has been set differently in flexible working-time models.

The Environment

The protection of our environment is essential. What we expect from our contractors, subcontractors, suppliers and licensees is a clear commitment and serious efforts to protect the environment along with continual improvements aimed at clean, environmentally-friendly and sustainable production.

Gabor will give priority to partners who

- eliminate substances from their products, production and other processes that are harmful to health or the environment,
- take measures that save resources, reduce pollution and waste, and cut consumption of energy and water,
- take responsibility for proper waste management,
- have an environmental management system,
- disclose the impact of their activity on the environment by reporting on a regular basis.

Commitment of suppliers and licensees

Gabor commits contractors, subcontractors, suppliers and licensees to give support and to co-operate in the performance and supervision of this code of conduct

- by supplying the relevant information on their activities to Gabor,
- by permitting an inspection of their workplaces and activities at any time,
- by listing names, age, working hours and wages paid for all men and women workers and supplying these documents upon request (in accordance with the valid laws for personal data privacy in the respective country),
- by informing the men and women workers concerned of the provisions of this code and
- by refraining from disciplinary measures, dismissals or other discriminations of workers who passed on information on potential violations of this code.

In case a supplier violates one or several provisions of this code the relevant company will be bound to initiate immediate corrective actions. If the corrective actions requested will not be taken, Gabor may stop the current production, annul existing orders, suspend future orders or terminate the business relationship.

Implementation provisions

Gabor commits to take the actions required for the implementation of the code

- by determining who bears responsibility within the enterprise for all questions arising from this code;
- by appropriately informing in particular the superiors and the industrial workers' representation on the contents of the written standards, recommendations and objectives;
- by taking care that all workers know the contents of this code. For this purpose Gabor will make sure that this code will be handed out to every company in English and that it will be explained to the workers in an understandable language;
- by informing contractors, suppliers and licensees on the code's contents and by binding them to its observance;
- by supervising the observance of the code within the bounds of reasonability and possibility.

Monitoring

Gabor will form a committee in order to monitor the provisions of this code of conduct.

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390, 08.05.2012

**Acknowledgement of the Code of Conduct
of Gabor Shoes AG issued 08.05.2012**

We, the undersigned, confirm that we received and took note of the Code of Conduct of Gabor Shoes AG and we commit to observe its complete contents without any modifications and to fulfil its demands.

Date: _____

Company: _____

Address: _____

Name and position of the undersigned:

Signature:

Company stamp:

This document has to be signed by an authorised signatory of the business partner and returned to Gabor Shoes AG, Quality Management, attn. Mr Bobbert, Marienbergerstr. 31, 83024 Rosenheim, Germany.