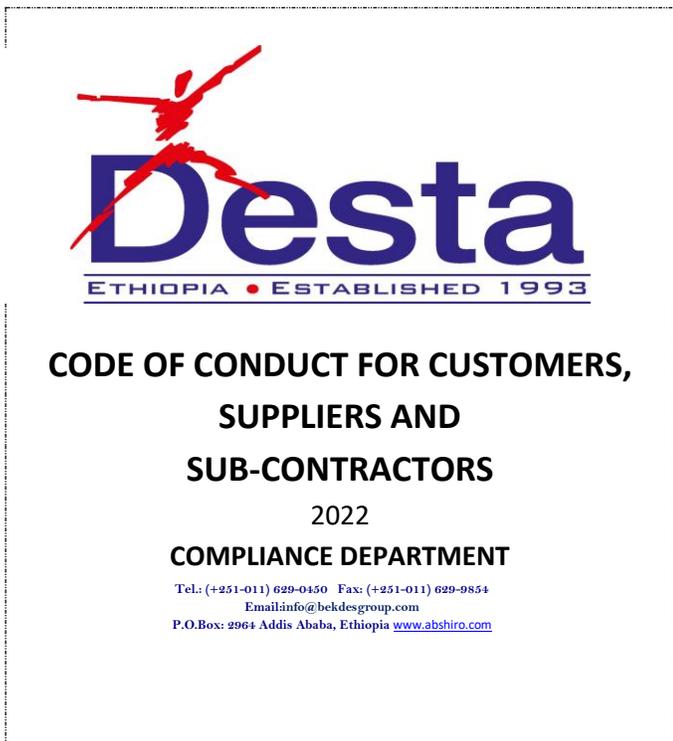


	Company Name: ደስታ ኃ/የተ/የግል ማህበር DESTA PLC	Document No.: PL/CM/0033	
Title CODE OF CONDUCT FOR CUSTOMERS, SUPPLIERS AND SUB-CONTRACTORS		Issue No.1	Page No: - Page 1 of 2



Introduction:

The DESTA P.L.C. Code of Conduct for customers, suppliers and sub-contractors (hereinafter, the Code) defines minimum standards of ethical and responsible behavior which must be met by the customers suppliers and sub-contractors of the products commercialized by Destia P.L.C. In the course of its business, in line with the corporate culture of DESTA P.L.C., firmly based on the respect of Human and Labor Rights. DESTA GARMENTS P.L.C. undertakes to allocate the appropriate resources so that customers, suppliers and sub-contractors are acquainted with and understand this Code and are able to ensure its compliance.

- The Code shall be applied to all customers, suppliers and sub-contractors that take part in the purchasing, manufacturing and finishing processes and fosters and is based upon the following general principles that define DESTA P.L.C.'s ethical behavior: All DESTA P.L.C.'s operations are developed under an ethical and responsible perspective.
- All persons, individuals or entities, who maintain, directly or indirectly, any kind of employment, economic, social and/or industrial relationship with DESTA P.L.C., are treated fairly and with dignity.
- All DESTA P.L.C.'s activities are carried out in a manner that most respects its environment.
- All customers, suppliers and sub-contractors fully adhere to these commitments and undertake measures to ensure that the standards which are set forth in the Code are met.

1. No child labor

Customers, suppliers and sub-contractors shall not employ minors. DESTA P.L.C. defines minors as those persons who have not yet reached their 16th birthday. In cases where local legislation stipulates a higher minimum age, the higher limit shall apply. (Conventions 138 and 182 of the International Labor Organization)

Persons with the ages between of 16 and 18 years will be considered young workers. Young workers shall not work during night hours or in hazardous conditions. **(ILO Recommendation 190 and Ethiopian labor proclamation 1156/2019 Article no 89)**

2. Prohibition of forced labor

DESTA P.L.C. shall not allow any form of forced or involuntary labor in their customers, suppliers and sub-contractors operational processes. They may not require their employees to make any kind of "deposits", nor are they entitled to retain employees' identity documents. Customers, suppliers and sub-contractors shall acknowledge the right of their employees to leave their employer after reasonable notice. **(Conventions 29 and 105 of International Labor Organization (ILO))**

3. Respect for freedom of association & collective bargaining

Customers, suppliers and sub-contractors shall ensure that their employees, without distinction, have the right of association, union membership and collective bargaining. No retaliation may arise from the exercise of such right and no remuneration or payment whatsoever may be offered to the employees in order to hinder the exercise of such a right. Likewise, they shall adopt an open and collaborative attitude towards the activities of Trade Unions.

Workers' representatives shall be protected from any type of discrimination and shall be free to carry out their representative functions in their workplace. 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. **(Ethiopian labor proclamation 1156/2019 Article 113-124 and ILO Conventions 87, 98 and 135)**

4. Health and safety

Customers, suppliers and sub-contractors shall provide a safe and healthy workplace to their employees, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures and access to a drinking water supply. Workers shall have access to clean toilets facilities and drinking water. Where necessary, facilities for food storage shall be provided. Accommodation, where provided, shall be clean and safe.

Customers, suppliers and sub-contractors shall take the required steps to prevent accidents and injuries to health of their workers, by minimizing as much as possible the risks inherent to work.

Customers, suppliers and sub-contractors shall provide their workers with regular training in the matter of health and safety at work. The company shall keep an appropriate record of the training courses done. Likewise, they shall appoint a person in charge of health and safety within the Management, duly authorized and with the appropriate decision taking power. **(Ethiopian labor proclamation 1156/2019 Article 92-94 and ILO Convention 155)**

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5. Prohibition of Harassment or Abuse

Customers, suppliers and sub-contractors shall treat their employees with dignity and respect. Under no circumstances shall physical punishment, sexual or racial harassment, verbal or power abuse or any other form of harassment or intimidation be permitted. (ILO Convention 2019 No 190, Constitution of the Federal Democratic Republic of Ethiopia Article 18)

6. Prohibition of discrimination

Customers, suppliers and sub-contractors shall not apply any type of discriminatory practice with regards the recruitment, compensation, access to training, promotion, termination of the employment agreement or retirement, based on race, caste, creed, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or membership or political affiliation. **(ILO Conventions 111 and Article 25 of the 1995 Ethiopian constitution Right to Equality)**

7. Compensation and benefits

Customers, suppliers and sub-contractors shall ensure that wages paid meet at least the minimum legal wage (if applicable) or collective bargain agreement, should this latter be higher. In any event, wages should always be enough to meet at least the basic needs of workers and their families and any other needs which might be considered as reasonable additional needs.

Customers, suppliers and sub-contractors 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 authorization of workers. Likewise, they shall provide all workers with: written and understandable information about their wages conditions upon their recruitment, and detailed information about the particulars of their wages every time that these are paid.

Customers, suppliers and sub-contractors 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 workers. **(ILO Conventions 26 and 131)**

8. Working hours

Customers, suppliers and sub-contractors shall adjust the length of the working day to the provisions of the applicable laws or of the collective bargain agreement applicable for the sector in question, if the latter affords greater protection for the workers.

Customers, suppliers and sub-contractors shall not require their employees to work, as a rule of thumb, in excess of 48 hours a week and workers shall be granted at least one day off for every 7 calendar day period on average.

Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate, pursuant to the provisions of the prevailing regulations in forced. **(Ethiopian labor proclamation 1156/2019 Article 61-64, 66-68 and ILO Conventions 1 and 14)**

9. Environmental awareness

Customers, suppliers and sub-contractors shall be duly committed at all times to protect the environment and shall comply with the standards and requirements of the applicable local and international Laws Likewise, they commit to comply with environmental standards established by DESTA P.L.C. including, if applicable, the necessary measures to reduce and compensate such impact in order to apply said standards. **(Environmental Impact assessment 299/2002 Environmental Pollution Control 300/2002)**

10. Traceability of production

Customers, suppliers and sub-contractors shall not assign any work to third parties without the prior written authorization of DESTA P.L.C. Those who outsource any work shall be responsible for the enforcement of the Code by these third parties and their employees.

Likewise, customers, suppliers and sub-contractors shall apply the principles of this Code to any home worker involved in their supply chain, and shall give transparency to the locations and working conditions of said home workers.

11. Customs Compliance

Customers, suppliers and sub-contractors shall ensure that they will comply with applicable customs laws, and in particular, will establish and maintain programs to comply with customs laws regarding illegal transshipment of finished products.

Customers, suppliers and sub-contractors shall ensure that all merchandise is accurately marked or labeled in compliance with all applicable laws. In addition, Customers, suppliers and sub-contractors shall keep records for all materials and orders, as well as maintain detailed production records.

12. Security

Customers, suppliers and sub-contractors shall ensure that they will maintain facility security procedures to guard against the introduction of non- manifested cargo into outbound shipments (i.e. drugs, explosives biohazards and/or other contraband).

Customers, suppliers and sub-contractors shall ensure adequate controls are in place to safeguard against introduction of any non- manifested cargo. In this regard, WRAP recognizes the United States Customs and Border Protection (CBP)'s C-TPAT Guidelines for Foreign Manufacturers as a best practice program, and has adopted those guidelines under this Principle.

13. Confidentiality of information

Customers' suppliers and sub-contractors shall preserve the integrity and confidentiality of the information they may receive as a consequence of their commercial relationship with DESTA P.L.C. The obligation of confidentiality will remain once the relation with DESTA P.L.C. is terminated and it will include the obligation to return any material related to the company held by the customers, suppliers and sub-contractors

14. Code implementation

Customers, suppliers and sub-contractors shall implement and maintain programs to set in motion this Code. They shall appoint a senior member of Management who shall be responsible for the implementation and enforcement of this Code.

Customers, suppliers and sub-contractors shall communicate the Code to all employees and those in any way involved in the DESTA P.L.C. Supply Chain.

A copy of the Code, translated into the local language, shall be displayed in accessible locations to all workers.

Company _____

Signed and Acknowledged _____

Printed Name _____

Title _____

Date _____