

LC Waikiki

CODE OF CONDUCT

1. INTRODUCTION

Within the scope of its vision and mission, LC Waikiki aims for the sustainability of main resources, environment and human resource along with our business partners. Accordingly, LC Waikiki expects all suppliers to adopt and implement the LC Waikiki Ethical Rules.

LC Waikiki will only continue to work with suppliers complying with these rules.

2. BASIS

LC Waikiki's Ethical Rules; The Universal Declaration of Human Rights; Children's Rights; UN Convention, ILO International conventions; Local Labour Law; Occupational Health; Safety Law; other relevant legal regulations, company-specific procedures and memoranda.

LC Waikiki requires that employees of all suppliers possess basic rights and freedoms without any limitation thereupon.

3. LC WAIKIKI SOCIAL COMPLIANCE CRITERIA

The LC Waikiki Social Compliance requirements are dealt with under the headlines below. A Management System required to meet and maintain the LC Waikiki Social Compliance requirements shall be adopted and implemented.

3.1. Transparency

All suppliers and producers shall be honest and clear in commercial activities.

They shall provide accurate information to auditors and implement any corrective action plan.

3.2. No Child Labour

LC Waikiki is against use of children. LC Waikiki does not approve the inclusion of children in working life before they complete their mental and physical development.

LC Waikiki regards as "Child Labour" anyone younger than age 15 (or 14 where the national law so allows). LC Waikiki does not accept such child labour.

3.3. No Forced Labour

LC Waikiki does not allow suppliers to employ persons against their will.

LC Waikiki does not accept any kind of forced labour. LC Waikiki does not accept employers to demand a deposit/bail or to confiscate worker's original IDs. LC Waikiki does not permit the use of prison labour under any circumstances.

3.4. No Discrimination

Suppliers shall not discriminate against their employees on the basis of their marital status, disability, age, religious belief, sexual orientation, political view, etc.

All employees must be treated equally. No employee can be threatened, sent to a disciplinary committee or dismissed from work for any reason which may be deemed discriminatory.

3.5. No Harsh or Inhumane Treatment

Suppliers shall not carry out bad treatment, oppression, harassment, physical and physiological violence or humiliating behaviour on their employees. They cannot communicate with employees in a threatening, offensive, perjorative, degrading, insulting or misleading way or in any way contradicting local customs and moral principles.

3.6. Freedom of Association and Collective Bargaining

Workers, without exception, have the right to join or form trade unions of their own choosing and to bargain collectively.

The employer should adopt an open attitude towards the activities of trade unions and their organisational activities.

Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3.7. Occupational Safety

3.7.1 – Building Safety

LC Waikiki expects all suppliers to run their business in safe and appropriate buildings. All high pressure vessels like boilers, compressors should be isolated from workers and working areas properly.

3.7.2 – Fire Safety

There should be sufficient exit doors in the facility and doors should be kept unlocked during working hours. Evacuation plans should be sufficient and correct for each section.

There must be sufficient fire fighting equipment and it needs to be fully functioning.

Fire drills should be done regularly and all workers should be trained for firefighting methods and systems.

3.7.3 – Electrical Safety

The electrical wiring, electrical boards, all the cables and ducts should be safe. The lighting systems in the facility should be safe. Periodical electrical checks must be done by accredited institutions and/or persons.

3.7.4 – Safety at Work

All the machinery should have the required protective equipment. Periodical checks should be made for production machines, industrial lifting and transportation machines, elevators, boilers and compressors. In case of using chemicals, Material Safety Data Sheets (MSDS) in the local language should be available in storage and working areas where chemicals are used.

3.8. Occupational Health

Health protection practices required to ensure that employees continue their work in a healthy way shall be implemented.

Within this scope, there should be sufficient first aid boxes and first aiders in the facility. The hygiene of the working environment should be acceptable.

3.9. Labour Profile

Appropriate facilities shall be provided as per local regulations and LC Waikiki standards to workers with special conditions.

Within this scope, the working conditions of young people, pregnant or breastfeeding women, disabled people should be compliant.

3.10. Wages and Working Hours

Payment and working hours of employees shall comply with local labour law.

Within this scope, employers shall pay at least the minimum wage to all workers. Wages should be paid regularly and on time.

Regular and over time working hours should be compliant according to local labour law. Personnel files should be kept for each worker with the required detailed documentation.

Annual and other leaves to be compliant according to local regulations and records.

3.11. Official Documents and Reports

All official trading documents and technical documents shall be kept in compliance with the local regulations.

Within this scope, the supplier should keep official public documents and licences, workplace physical condition measurement reports, technical operator licenses, occupational accident / injury records, other required records according to local regulations.

3.12. Periodical Maintenance and Control

Suppliers should have appropriate periodical control systems for all kind of machinery and equipment which have safety risks.

Periodical controls should be done for production machines, industrial lifting and transportation machines, elevators, boilers and compressors. Electrical wiring and grounding systems need to be maintained regularly.

3.13. Compliance Management System

LC Waikiki expects all suppliers to have authorised, named and qualified persons responsible for the compliance management.

3.14. Environment

LC Waikiki expects all Suppliers should manage all activities within the scope of sustainability in accordance with local environment regulation.

Within this scope, suppliers should have waste disposal and other environmental permits from authorised institutions.

Suppliers should have waste management system which must comply with applicable environmental laws.

4. IMPLEMENTATION AND FOLLOW-UP OF CORRECTIVE ACTION PLAN

Implementation and follow-up of the Social Compliance System is an integral part of LC Waikiki working standards. All non-conformities identified during social compliance audits shall be followed-up systematically and corrected within the target deadline.

LC Waikiki will continue to work only with suppliers adopting social compliance rules and demonstrating continuous improvement concerning these subjects.

Suppliers which do not implement these rules are reconsidered by LC Waikiki and business relations with them may be terminated.