

## TOMS SUPPLIER CODE OF CONDUCT

At TOMS, we believe we can improve people's lives through business. We expect that the suppliers who manufacture our products will conduct their business in a manner consistent with the unique values and spirit of our company and source materials from vendors that do the same. We have provided this Supplier Code of Conduct (this "Code") to clearly articulate specific *minimum* standards for those suppliers who manufacture our products and the subcontractors and vendors with whom they work.

We desire that by implementing and enforcing this Code, our products will be made in environments that protect workers' rights, ensure workers' health and safety and respect workers' dignity. We will work to seek out innovative suppliers that exceed our standards and strive for continuous improvement in identifying positive solutions to environmental and social issues. When differences or conflicts in standards arise, we shall apply the highest standard.

**Minimum Work Age** – Child labor is strictly prohibited. Suppliers' employees shall be at least 15 years of age or, if greater, the minimum age for employment according to local laws in the country of operation. This applies to all subcontractors as well.

**Voluntary Employment** – Suppliers shall not use any form of involuntary or forced labor (including, without limitation, prison labor, bonded labor, indentured labor or other forms of forced labor.)

**Non-Discrimination** – Suppliers shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in any hiring or employment practices.

**Wages and Benefits** – Suppliers' employees have a right to compensation for a regular work week that is sufficient to meet their basic needs and provide some discretionary income. Suppliers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, each supplier shall work with TOMS to take appropriate actions that seek to progressively realize a level of compensation that does.

**Hours of Work** – Suppliers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Suppliers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Suppliers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

**Freedom of Association/Collective Bargaining** – Employees' rights to associate, form or join a worker organization, and bargain collectively shall be recognized and respected without penalty or interference.

**Workplace Health, Safety and Environment** – Suppliers shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring during work or as a result of the operation of suppliers' facilities. Suppliers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.

**Positive Work Environment** – Employees shall be treated with respect and dignity. They should not be subjected to any form of harassment or abuse, including, without limitation, physical, sexual, verbal or psychological, at the workplace.

**Subcontracting** – Unapproved subcontractors should not be used to manufacture TOMS products.

**Legal Compliance** – Suppliers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

**Management System** – Suppliers shall adopt or establish a management system whose scope is related to the content of this Code. The management system shall be designed to ensure (a) compliance with applicable laws, regulations and customer requirements related to the Suppliers' operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement. Suppliers shall also maintain accurate financial books and business records in accordance with all applicable legal and regulatory requirements and generally accepted accounting practices.

**Code Implementation** – Suppliers must post this Code in the prominently in workplace in the local language and shall actively work to implement and integrate this Code into their operations. Suppliers shall ensure all subcontractors comply with this Code.

Suppliers, subcontractors and their facilities are subject to monitoring and verification of their efforts to comply with this Code. Facilities may be visited on an announced and unannounced basis by both TOMS' employees and third party auditors. TOMS is committed to work with Suppliers and support them in continued efforts to implement and comply with this Code, and

remediation efforts when necessary, however, failure to consistently show improvement or continuous failure to follow the Code may result in termination of our business relationship.

**Acknowledgment**

I have reviewed and understand the terms of the TOMS Shoes, LLC (“TOMS”) Supplier Code of Conduct (the “Code”), which I am required to comply with at all times in order to serve as a TOMS supplier (a “Supplier”). In consideration of my role as a Supplier to TOMS, I acknowledge, confirm and agree that:

- I understand TOMS’ interest in ensuring my compliance with the Code, and I will abide by the terms of the Code in all respects, including, without limitation, permitting inspections of my facilities by TOMS, its representatives, and designees, whether such inspections are scheduled, announced or unannounced.
  
- Should I fail to comply with the Code (as determined in TOMS’ sole and absolute discretion), TOMS shall have the right to immediately terminate me as a Supplier.

AGREED AND ACKNOWLEDGED:

\_\_\_\_\_  
Supplier Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_