

Acne Studios

Supplier Code of Conduct

FY 2023/2024



Supplier Code of Conduct Agreement

At Acne Studios, we put sustainability at the core of what we do. Since our supplying partners are key to our success, we want to integrate sustainability into our mutual business relationship. We developed this Code of Conduct to communicate our sustainability commitments to our suppliers and to align them with the expectations we have for all our suppliers throughout the company.

This document covers the following topics:

- Introduction**
 - Framework
 - Acne Studios sustainability strategy
- Acne Studios Supplier Code of Conduct**
 - General supplier expectations
 - Business ethics
 - People
 - Environment

Framework

Introduction

The mission of Acne Studios is to be a progressive fashion house, significant for our times. For us, significant for our times means to be courageous and creative within the planetary boundaries and to put sustainability at the core of what we do.

Times are more challenging and unpredictable than ever. There is an urgency to reduce global GHG emissions and to end the rapid loss of biodiversity. Global political instability requires us to adopt a holistic approach to our business strategies whilst being strongly anchored by our beliefs and values.

Partnership

Our suppliers are key to our success; we strive for excellence and want to work with suppliers that share this vision. At the same time, we aim to be a reliable business partner and want to do business with suppliers that also commit to the highest standards of integrity and conduct business responsibly. By way of dialogue, transparency and information sharing, we also wish to work together with suppliers on sustainability and involve them in the process of working with us on continuous improvement. To reach this, we strive to build long-term relationships with our suppliers.

Scope

This Acne Studios Supplier Code of Conduct (the “Code”) outlines our commitments towards our suppliers and defines the sustainability expectations we have from them. The Code applies to all suppliers that deliver goods or services to Acne Studios as well as their employees, agents and subcontractors. The expectations listed in the Code should be interpreted in relation to the supplier’s size, activities and business with us. The Code is based on our sustainability strategy and includes references to our Acne Studios Code of Labour Practices, as well as international conventions and standards of relevance. It also aligns with existing and upcoming legislation on human rights, environmental performance and traceability.

EU Due Diligence Directive

The Code has taken into account the EU Directive on Corporate Sustainability Due Diligence. This directive lays down obligations for companies to take measures to protect human rights and the environment with relation to own operations, those of subsidiaries, subcontractors, contractors, business partners and the broader supply chain. With this Code, we aim to proactively prepare ourselves and our suppliers for this legislative development.

Acne Studios Sustainability Strategy

The Code is based on our sustainability strategy. A recap of our current strategy and targets is presented here.

For more information on our sustainability strategy, please read our Sustainability Report [here](#)

Our collections



As a fashion house, we design, produce and present collections. When creating our products, sustainability should be considered through:

- Intentional design for longevity
- Choosing preferred materials
- Using low impact production processes

Our Partners



We cannot create collections without our supplying partners. To achieve our targets, we need to establish strong relationships.

This requires:

- Strategic partnerships with our suppliers
- Traceable supply chains
- Protection of workers' rights

Our Impact



To reduce the environmental impact of our business operations as a whole, we look at the impact of our activities.

The key priorities are to:

- Reduce our climate impact
- Have a circular approach to packaging
- Reach zero waste across all operations

General supplier expectations

The purpose of the Code is to ensure we align with suppliers on principles for collaboration with Acne Studios. This section is meant to establish common ground and define the essentials needed to be able to comply with the Code.

Legal compliance

We ask our suppliers to be aware of and comply with applicable laws and regulations. In case a requirement is covered by both the Code and applicable laws, the stricter regulation offering the greatest protection shall apply.

Performance

We expect our suppliers to have their own sustainability strategy respective to business size and activities. The strategy should cover the most important social, environmental and economic impacts of the business, and include concrete actions and regular performance assessment.

Our suppliers are encouraged to have their own Code of Conduct to clarify their rules of conduct. We can accept the supplier's Code as a replacement for this Code when confirmed that all topics are covered. Suppliers shall have internal procedures to manage all topics of the Code, in proportion to the size, complexity and risk environment of the supplier's business.

Supplier shall implement and make available appropriate communication channels to all employees for them to raise concerns, complaints, or recommendations.

Risk assessment

We expect our suppliers to identify the most significant risks in their supply chain. This risk assessment should form the basis for actions to prevent, mitigate and account for negative impacts of their own business operations and supply chain. This includes subsidiaries, subcontractors, contractors, business partners and suppliers further down the chain.

Traceability

Acne Studios has the ambition to reach 100% traceable supply chains down to raw materials by FY 26/27. Since this is crucial for further progress on sustainability, we are looking for suppliers to have a similar mindset and put effort in increasing knowledge on their supply chains.

Transparency

Acne Studios aims to have an open dialogue concerning achievements, trends and possibilities for improvements in the areas outlined in the Code. We expect our suppliers to be transparent on sustainability progress and challenges relevant to their business and industry, and to have transparent communication with us on this whenever needed. Information and data needed to verify compliance with the Code, should be made available to Acne Studios upon request.

Business ethics

Acne Studios aims to do business with the highest standards of integrity in mind and to work honestly and fairly throughout all operations and business relationships. To reach this, we have an internal Code of Ethics in place that applies to all employees globally. We expect our suppliers to conduct their business in a similar way.

Anti-corruption

We expect our suppliers to prevent all types of bribery or corruption, whether active or passive, in all business transactions. Policies and practices regarding gifts, invitations and benefits should include to not offer nor accept any form of improper benefit (cash, favours, travel, etc.) to or from a third party, with the purpose of obtaining or retaining business or any form of preferential treatment.

Money laundering

We require that in conducting business activities, our suppliers ensure that the source of all funds is legal, and in full compliance with all laws, rules and regulations regarding money laundering and financing of terrorism.

Conflict of interest

Supplier shall do business in an open and transparent way and prevent any situation where private, financial or other external interests, conflict with the job responsibilities of employees. All practices designed to promote, or otherwise allow, either direct or indirect personal interests should be avoided.

Fair competition

In order to promote fair competition in the market, suppliers shall respect and comply with all applicable fair trade, competition and anti-trust laws and regulations and shall not engage in discussions or activities that would lead to anti-competitive behaviours.

Confidentiality

We expect our suppliers (incl. but not limited to their employees and other partners) to commit to taking all necessary measures to guarantee the confidentiality of professional secrets and other non-public information they receive during their business relationship with Acne Studios.

Intangible assets

Acne Studios requires our suppliers to take all necessary measures to protect the intangible assets of Acne Studios, in particular our brand image and intellectual property rights.

Data privacy

Suppliers shall comply with their obligations under all applicable data protection and privacy laws to protect personal data that they receive, have access to and process, in relation to doing business with and for Acne Studios. To achieve that, suppliers shall implement appropriate technical and organisational measures.

People

We want to run our business with respect for human rights. Acne Studios is a member of Fair Wear Foundation (FWF) and commits to the Code of Labour Practices that is based on the International Labour Organisation (ILO) conventions and the Universal Declaration on Human Rights. We expect our suppliers to follow similar standards on human rights impacts of their own operations, business partners and supply chain.

Freely chosen employment

Acne Studios does not tolerate any form of modern slavery or forced labour, including but not limited to prison, bonded or compulsory labour and human trafficking. We also expect our suppliers, including their recruitment agencies, to not engage in or tolerate these practices.

Employment relationships

Working relationships should be legally binding and all obligations towards employees under labour or social security laws and regulations should be respected. This means that all employees should have a written labour contract and legal social security fees must be paid.

Freedom of association and collective bargaining

The right of all employees to form and join trade unions and bargain collectively shall be recognised. Where local law sets restrictions on the right to freedom of association and collective bargaining, suppliers shall allow alternative forms of worker representation, association and bargaining.

Discrimination

Everyone shall be treated with dignity and respect and provided equal employment opportunities and conditions based on the individual's ability to do the job. It should be regardless of characteristics including, but not limited to: gender, gender identity, age, nationality, race, cultural background, religion, pregnancy, disability or union affiliation.

Child labour

Our suppliers must refrain from hiring persons who are not the minimum age required to work for their business operations. They may only employ people under the age of 18 in specific cases allowed under local law and for jobs posing no risk to their health or safety.

Wages

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and be sufficient to meet basic needs of workers and their families and to provide some discretionary income. Employees shall be adequately and clearly informed about the specifications of their wages, including wage rates and pay period.

Working hours

Hours of work and weekly days off shall be determined in compliance with applicable regulations and industry standards. Suppliers are encouraged to comply with ILO standards on working hours, overtime and leave. In any event, overtime should be voluntary unless the work requires otherwise, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

Health & safety

A safe and hygienic working environment shall be provided and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Environment

We acknowledge the urgent worldwide need to reduce global greenhouse gas (GHG) emissions, to protect biodiversity and guarantee access to clean water for future generations. Therefore, we aim to reduce the environmental impact of our collections, supply chains and business operations with a circular approach in mind. We expect our suppliers to join us in this journey by working to reduce their negative environmental impacts.

Environmental management

We expect our suppliers to be aware of their environmental risks and to implement measures to manage these. This means that suppliers are expected to comply with applicable legislation and environmental standards specific to their industry. It also means that we expect suppliers to continuously monitor and reduce their environmental impact in terms of energy, water, chemicals and waste in proportion to the size and risks of the supplier's business and supply chain.

Climate impact

Acne Studios has set the climate target to reach 50% absolute reductions of Scope 1, 2 & 3 GHG emissions by FY 30/31 to base year FY 20/21. We encourage suppliers to commit to a similar science-based target in line with the global Paris agreement on climate change. This includes calculating climate emissions from business operations, taking measures on energy efficiency and introducing the use of renewable energy and fuels.

Sourcing of raw materials

Acne Studios is committed to a responsible sourcing of raw materials. We encourage our suppliers to have a similar approach and to make a sustainability assessment when purchasing materials in terms of biodiversity, environmental impact, human and animal rights. We also encourage the use of certified materials to verify compliance of best environmental, social and animal welfare practices.

Waste management

We require our suppliers to manage waste according to applicable laws and regulations, including a proper and safe handling of hazardous waste. Suppliers are encouraged to manage waste according to the waste hierarchy. This approach primarily aims to prevent waste from occurring and subsequently focuses on reducing, reusing and recycling waste. Any remaining waste should be disposed in a safe and environmentally responsible manner. In addition, suppliers are encouraged to promote circularity by striving to close the loop of their materials flows.



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