

Varner Homeworker Policy

This policy is developed by the Varner CSR team and is regularly revised by both Varner and expert organizations.

ABOUT VARNER

Varner is a leading Scandinavian fashion retailer comprised of the following private brand and retail concepts: Bik Bok, Carlings, Cubus, Dressmann, Dressmann XL, Urban, Volt and Wow. Responsibility is one of our core company values. Our Varner branded products are produced in selected countries in Asia and Europe. We cooperate closely with selected suppliers and factories and focus on mutually supportive relationships. We have production offices located in our four biggest production markets, China, Bangladesh, India and Turkey. Read more about the company on Varner.com.

OVERVIEW

Homeworkers exist in many supply chains working in a wide range of sectors, including the fashion industry. Homeworkers lack visibility in supply chains, and are generally employed informally, in a precarious position. Many are underpaid and have no security of employment. The vast majority of homeworkers are women, who are balancing paid work with domestic and family responsibilities, and who have few practical alternatives to homework.

The term homework¹ means work carried out by a person

(1) in his or her home or in other premises of his or her choice, other than the workplace of the employer;

(2) where the work is carried out for remuneration;

(3) which results in a product or service as specified by the employer, irrespective of who provides the equipment, materials or other inputs used, unless the person has the degree of autonomy and of economic independence necessary to be considered an independent worker under national laws, regulations and court decisions.

OUR POSITION

Our policy for human rights is our Supplier Code of Conduct, which is based on the United Nations Guiding Principles and key ILO Human Rights Conventions. The code also complies with ETI standard. It covers all our policies on labor rights, human rights and environmental requirements. The Code applies to all workers part taking in the production of our products, including homeworkers.

We recognize that homeworkers are entitled to equal treatment with other workers as set out in the ILO Convention on Homeworking (199, C177, Article 4), including pay, health and safety, the right to organize, social security and protection against discrimination². Varner accepts the presence of homework within our supply chain, if information has been given to us prior to production and approval of this has been given by Varner.

We recognize that any work to improve homeworkers' conditions must involve homeworkers themselves in the process and must not result in homeworkers losing their work.

By conditionally accepting the use of homeworkers in our supply chain, we can avoid the danger of hiding homeworkers and thus preventing any progress on improving their labour conditions or triggering unintended consequences whereby workers could have their means of income removed.

¹ Our definition of homework is based upon the International Labour Organisation (ILO) Convention (1996, C177, Article 1) which promotes equality of treatment between homeworkers and other wage earners.

² Where relevant, these provisions also extend to the homeworkers families.

COMMITMENTS

Varner is committed to:

- 1) Communicating our position on homeworking throughout our company and to all relevant business partners.
- 2) If approved by Varner, the presence of homeworkers in the respective supply chain will not lead to the relocation of work or cancellation of orders.
- 3) Work with our suppliers for the sustainable improvement of labour conditions with homeworkers in our supply chains, to establish a clear timeframe for action, and to involve homeworkers and/ or their representatives in this process.
- 4) Engage with other brands and organizations in the sustainable improvement for homeworkers in our supply chain when appropriate.

These commitments involve concrete measures:

- Mapping the use of homeworkers in our production together with our suppliers and performing assessments of the homeworkers' labour situations.
- Develop a system to improve the labour conditions and guarantee payments to homeworkers.
- Provide training and information to homeworkers about their rights and entitlements and an accessible grievance mechanism.

Expectations to business partners we are sourcing from

- 1) Inform Varner representatives and seek approval of the use of homework before production starts.
- 2) Work with us to identify where homeworking occurs in our shared supply chain.
- 3) Adopt a shared policy of acceptance of homeworking and commitment to improving homeworkers' labour conditions where these do not meet those set out in the ILO Convention on Homeworking (1996, C177, Article 4).
- 4) Communicate this policy to all those in the supply chains below them, including the homeworkers themselves.
- 5) Work with us to develop an action plan for improving labour conditions with homeworkers, and to involve homeworkers and/or their representatives in this process.

Varner Senior management approves this policy



Marius Varner
CEO