

# Esquel Workplace Code of Conduct

The philosophy at Esquel stems from the belief that every single employee has the potential to be an agent of positive change. We shall practice what we believe to be responsible and sustainable activities, and also be a catalyst for change in our industry and the communities in which we are active.

Esquel believes that outstanding business performance must be achieved through practices that are ecologically sustainable and based on the well being for and integrity of its employees and communities. We also believe that it is possible to generate prosperity and growth, deliver outstanding quality, and improve the livelihood of people while preserving and even enhancing opportunities for future generations.

## e-Culture: Esquel Culture

### Ethics

The strength and character of the Esquel organization come from the fact that each individual is expected to maintain impeccable ethical behavior under all circumstances. We want to be a company that is honest, reliable and trustworthy. We shall follow our own conscience, respect other people's properties, especially regarding intellectual capital, and always obey the law.

### Environment

As individuals and as an organization, we have a responsibility towards the environment. Through sustainable practices, we make efforts to contribute to the improvement of the overall health of the planet that we have inherited.

### Exploration

Esquel is committed to continually add value and seek solutions to problems by investing in research and development, technology, innovative processes and people. Discovering new ways of doing things and questioning the status quo are practices that are encouraged. We want to deliver compelling value to our customers by constantly exploring possibilities in making a difference to their business.

### Excellence

We strive for always delivering the very best. At Esquel, excellence is a continuous quest in every sphere of our activities. We are always striving to learn internally as well as from others and making every effort to become more efficient and effective in the work we do.

### Education

We put a strong emphasis on education and discovery through knowledge management, sharing and dissemination. We want to excel through the opportunities the information economy provides and the training and development activities that Esquel supports. We also want to help those in our communities who are less fortunate to get an education.

## Esquel Commitments

### Employment Relationship

Esquel facilities shall adopt and adhere to rules and conditions of employment that respect employees and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

### Forced Labor

Esquel facilities shall not use any forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

### Child Labor

No person shall be employed under the age of 15, or under the age of completion of compulsory education, or under the legal minimum age for employment in the country of manufacture, whichever is greater.

### Harassment or Abuse

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

### Nondiscrimination

No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

### Environment, Health and Safety

Esquel facilities shall comply with local environmental, health and safety regulations. Employees shall be provided with a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Esquel facilities. Management shall commit to reducing any negative impacts our business processes might have on the environment, including looking for ways to support environmental conservation in every step of our operations.

### Freedom of Association and Collective Bargaining

Esquel facilities shall recognize and respect the right of employees to freedom of association and collective bargaining.

### Compensation

Esquel recognizes each employee's right to compensation for a regular work week that is sufficient to meet the employees' basic needs and provide some discretionary income. Management shall pay at least the legal minimum wage or the appropriate prevailing industry wage, whichever is higher, comply with all legal requirements on wages and provide all legally mandated benefits. Where compensation does not meet employees' basic needs and provide some discretionary income, Esquel shall take appropriate actions that seek to progressively realize a level of compensation that does.

### Hours of Work

Esquel facilities shall comply with the legally mandated regular work hours or 48 hours per week, whichever is less. Employees shall not be required to work overtime. Except in extraordinary business circumstances, employees shall not be requested to work more than a total of 60 hours per week and shall be provided with at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be compensated at a premium according to local law.

