

PADMA

CODE OF CONDUCT

VERSION: 1.02

ISSUED: 03.08.2023

REVISED: 30.05.2024

INTRODUCTION

Padma Textiles Ltd. Code of Conduct defines the minimum standards of ethical and responsible behaviour that must be upheld by employees and suppliers to Padma. This Code of Conduct specifies what we require from all participants in our business and supply chain. Padma Textiles board, management team, and colleagues are committed to upholding this code.

Child labour

Production facilities are prohibited from employing workers below the legal minimum age or international standard (under 15 years). Any work by an employee between the age of 15 and 18 which does not comply with the following points is prohibited:

- The provisions of the relevant ILO standards are not met
- Work which is likely to be hazardous or to interfere with the young person's education
- Work which is harmful to the health or to the physical, mental, spiritual, moral or social development.

Forced labour (Bonded labour)

Padma does not accept any form of forced or bonded labour. Production facilities must not use any form of labour in which workers' freedom of movement, ability to willingly leave the workplace and human rights are denied or severely restricted. Contracted labor cannot be abused and any practice to facilitate or contribute to forced labour is prohibited.

Wages

All suppliers to Padma Textiles must ensure that they pay workers at least the legally mandated minimum wage. This also includes workers who are trainees or apprentices. The wages have to be paid on time and via a bank account.

PADMA

Working Time

The regular working hours in production facilities may not exceed 48 hours in a week. Even in exceptional cases, the total working hours and overtime in a week may not exceed 60 hours. All overtime must be consensual, compensated at a premium rate and agreed with the employee(s) in accordance with local laws.

Bribery and Corruption

Padma Textiles accepts and declares that it will show zero tolerance to bribery and corruption in all its fields of activity and commercial activities, that it will take the necessary measures against all kinds of bribery and corruption as defined below in accordance with the determined procedures. Padma Textiles reserves the right to immediately and permanently discontinue business with any factory engaging in counterfeiting or the use of counterfeit components.

Freedom of Association

Padma Textiles accepts that all workers have the right to form a union, become a member of a union and participate in collective bargaining. Workers' representatives will be protected against discrimination and can freely exercise their representative duties in the workplace.

Non-transparency

We expect our suppliers and other business partners to be transparent and not intentionally mislead auditors or client brand representatives.

Discrimination

Padma Textiles total supply chain shall not apply any type of discriminatory practice with regards to recruitment on the basis of religion, language, race, ethnic and social identity, political opinion, gender, marital status, disabilities, financial opportunities, age, skin color, sexual orientation or membership of any union.

Environmental awareness

Padma Textiles is committed to protecting the environment. Sustainability and continuous improvement are at the core of our journey towards lower impact production.

Factories have to follow local and international Laws and Regulations. Padma is committed to the reduction of potential environmental impacts caused by chemical-based production processing of garments. We aim to eliminate hazardous chemicals as defined in the ZDHC (Zero Discharge of Hazardous Chemicals Programme).

Health and Safety

All employees must work in safe conditions. All Padma suppliers must take the

PADMA

necessary measures to prevent accidents. All suppliers to Padma will provide a safe and healthy workplace by providing minimum conditions of light, ventilation, hygiene, safety measures, clean toilets and access to drinking water supply. Under no circumstances should the life and health of workers be in danger.

Production Traceability

All suppliers to Padma must be declared to and approved by Padma before starting production. Suppliers may not use production units without Padma's written approval.

Product Health and Safety

We as Padma Textiles are responsible for ensuring that all products comply with relevant health and safety standards or the applicable Brand's requested compliance standards.

Confidentiality of information

All Padma employees and suppliers must maintain 100% confidentiality of client information, protecting business sensitive data.