



## Portwest Ethical Trading & Code of Conduct Policy

### Introduction

Portwest ('the Company') has developed this Ethical Trading & Code of Conduct policy (Hereinafter referred to as "Code of Conduct") in order to set out the minimum requirements, and define standards for fair, safe and healthy working conditions and environmental responsibility throughout our supply chain.

Portwest recognises the importance of social and environmental sustainability when engaging with business stakeholders, as well as those across the wider supply chain. This Code of Conduct therefore outlines the basic principles governing all partnerships.

The principles outlined in this Code of Conduct act as minimum standards for our business relationships. The Code of Conduct is based on the following international guidelines and principles:

- Universal Declaration of Human Rights
- United Nations Global Compact (UNGC)
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work

In addition to the principles contained in this Code of Conduct, national and local laws and requirements, applicable in the countries in which business is conducted, must be complied with.

The standards set within this Code of Conduct shall be implemented and monitored by appropriate company procedures. Our Code of Conduct is a compulsory requirement and in addition to 3rd party audits, we will also verify that this is being adhered to by conducting our own audits periodically.

If this Code of Conduct is breached we will work with partners to improve and remedy identified issues. Any breaches of this Code of Conduct shall be considered serious, and will be investigated and actioned as required, including potential termination of agreements where there is a demonstrated lack of willingness to make changes necessary to comply.

This Code of Conduct is drafted and valid in the English language. Where different language versions of the Code of Conduct exist, these are considered translations for convenience only and this English version will prevail in case of any discrepancy.

### **Purpose**

Portwest is committed to the highest standards of both business and ethical behaviour including compliance with all relevant laws and regulations, as well as internal company policies, practices and procedures. This Code of Conduct details the standards we expect all relevant stakeholders to abide by, including:

- To comply with relevant legal regulations, policies and laws.
- To promote health, safety and environmental awareness throughout the organisation.



- To maintain a safe and healthy working environment for all employees, with adequate facilities appropriate to the nature of the business activities.
- To ensure all stakeholders fully comply with the principles outlined in our Code of Conduct.
- To minimise the social impact of the company activities and avoid damage to the environment through reviews of the business from environmental and management systems audits.

### **Policy Scope**

This Code of Conduct is developed to provide a non-negotiable requirement that applies to the whole supply chain of a Portwest product, including our suppliers, approved subcontractors and other parties involved in the production, processing and delivering of material or components that are used in, or for our products. (Hereinafter referred to as “supplier”), including Portwest fully owned factories. It sets out our requirements to ensure that workers in our supply chain have good working conditions and that workplace rights are afforded and respected. Portwest maintains a strong commitment to high standards that deliver a fair, respectable and safe workplace for all employees across our organisation and suppliers must comply with this Code of Conduct as well as all applicable laws and regulations in the countries and territories in which they operate. Where the requirements of this Code of Conduct are set to a higher standard than is required by local laws and regulations, suppliers must align with the requirements of this policy.

Suppliers are also responsible for ensuring that this policy and all relevant laws and regulations are complied with within their own supply chains. It is the responsibility of the supplier to inform and secure compliance with this Code of Conduct from all involved parties in the supply chain with whom Portwest do not have direct contact. These standards equally apply to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly paid, legal young workers (minors), part time, night, and migrant workers. (Hereinafter referred to as “employees”).

The Portwest Code of Conduct is a foundation for our business relationships and is therefore an integral component of how sourcing strategies and factory performance evaluation is approached and it also determines which factories Portwest will continue to engage and grow business with. Portwest expects the supplier to make improvements when any of these Code of Conduct standards are not met, and to develop internal strategies to ensure ongoing compliance. The timeline for achieving compliance shall be reasonable and clearly defined in an action plan presented to Portwest. Providing proof of correction to Portwest for each non-compliance is also required.

This policy applies to staff directly employed by Portwest on temporary or permanent contract, staff employed or provided by contractors or employment agencies to work on behalf of Portwest. In many areas we aim to operate above the minimum standards required by law to ensure our employees are safe, rewarded and valued. We establish recognised relationships with our employees in accordance with existing legislation in relevant countries.

Portwest is committed to demonstrating its ethical and social responsibility credentials to enable customers to make informed choices about whose services they purchase.



## Application

### **Human Rights and Labour Standards**

#### **1. Employment is freely chosen**

There must be no forced or compulsory labour in any form including bonded, indentured, trafficked, or prison labour. All overtime must be voluntary. Any fees associated with the employment of workers must be paid by the Employer. Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice as set out in their employment contract.

It must be ensured that no rough or cruel treatment occurs in the workplace. This particularly includes sexual harassment, corporal punishment, mental and physical coercion and the verbal abuse of employees. No such conduct may be threatened against employees either and all forms of intimidation shall be prohibited.

#### **2. No Discrimination is Practised**

There must be no discrimination of any form in hiring, compensation, access to training, promotion, termination or retirement. In particular, no person shall be disadvantaged on the grounds of their race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, social background, union membership or political affiliation. Discrimination occurs if a person is disadvantaged on the grounds of the above or for other objectively illegitimate reasons.

Equal opportunity for women and men must be ensured in all aspects of training, as well as personal and professional development.

#### **3. Wages and working hours**

All applicable laws, requirements and industry standards relating to wages and working hours must be adhered to. Wages and other benefits must, at the very least, comply with local legal requirements and the standards applicable to the local production industry. They must be clearly defined and paid and/or provided at regular intervals. The Employer shall pay the social security contributions required by law and the benefits to which employees are entitled under national law (e.g., insurance benefits, overtime pay and paid leave).

Employees shall receive clear and regular notification of the composition of their remuneration. The obligations arising out of the employment relationship must be set out in text form and provided to the employee in the form of an employment agreement in the local language of the region in which business is conducted.

Work shall be performed on the basis of recognised employment relationship established through national law and practice. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.



Working hours must comply with national laws and benchmark industry standards, whichever affords greater protection. Employees shall not work for longer than the working hours permitted by law. Official public holidays shall be observed. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime must be performed voluntarily, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate and separately in accordance with national law.

#### **4. Working conditions are safe and hygienic**

The company observing the code shall ensure a safe and hygienic working environment is provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Workplaces and work equipment must comply with applicable laws and requirements. Any violations of human rights in the workplace and in operational facilities shall be prohibited. In particular, fire safety and emergency care standards must also be complied with.

Young workers in particular shall not be exposed to any situations that are hazardous or unsafe to their physical and mental health and development. Employees shall be provided with recorded health and safety training in the workplace on a regular basis and such training shall be repeated for new or reassigned workers.

It must also be ensured that workplaces are sufficiently hygienic, including access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

A management representative shall be appointed to be responsible for ensuring a safe and healthy workplace environment for all employees and for introducing and implementing health and safety standards in the workplace.

#### **5. Freedom of association and the right to collective bargaining are respected**

Employees have, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. Employees must be guaranteed the right to freedom of association. Employees have the right to hold meetings in accordance with applicable laws and to establish or join unions and representative bodies. Employees representatives shall not be discriminated against and have access to carry out their representative functions in the workplace. Employees also have the right to engage in collective bargaining in order to resolve workplace and wage issues. Under no circumstances may the exercise of such rights be met with threats of reprisal.

Employers must adopt an open attitude towards the activities of trade unions and their organisational activities.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.



## **6. Disciplinary action**

Disciplinary action must be in accordance with national law, the Portwest Employee Handbook, and internationally recognized human rights. No unreasonable disciplinary action may be taken, particularly including withholding pay, social security contributions or documents (e.g., identification cards) or placing a ban on leaving the workplace. The company observing the code shall also respect its employees' right of termination.

## **7. Ban on child labour and the protection of minors**

The company observing this code shall not partake in any recruitment of child labour and shall comply with requirements relating to the protection of minors. The minimum employment age shall be in compliance with local law. Under no circumstances may employees be younger than 15 years of age, or 14 years of age if permitted under national law pursuant to ILO Convention 138.

National laws and international standards on the protection of minors must be complied with.

These policies and procedures shall conform to the provisions of the relevant ILO standards.

## **Environment**

Portwest requires all stakeholders to minimise adverse effects of operational activities on the environment as much as possible, including the following:

### **1. Environmental protection laws**

Companies observing this code shall comply with applicable environmental laws and regulations, as amended from time to time.

All operations shall meet waste regulations, emission control and water protection standards and requirements. The business partner shall comply with all regulations relating to hazardous substances. This particularly concerns the storage, handling and disposal of hazardous substances. Employees shall be instructed and trained on how to handle hazardous materials and substances.

### **2. Resources and pollution of the environment**

Pollution of the environment shall be avoided to the extent reasonably possible, or at least minimized. Protection of the environment, climate and promoting biodiversity is an ongoing challenge which can only be met by consistently improving the level of protection, achieved by permanently reducing the consumption of resources, level of pollution and emissions and reducing waste. Reasonable efforts shall be made to do this in the course of business activities.

## **Anti Bribery and Corruption**

Bribery and any other forms of corruption are prohibited. Stakeholders shall comply with all professional standards applicable in the industry in which it operates.

The making or receiving of illegal payments or inducements, such as bribes or facilitation payments or other corrupt practice, is contrary to the policy of Portwest.



A bribe may involve giving or offering any form of gift, consideration, reward or advantage to someone in business or government in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly or where it would be improper for the recipient to accept the benefit. Bribery can also take place where the offer or giving of a bribe is made by or through a third party.

Suppliers and their employees should comply with all applicable anti-bribery and corruption laws. If no such anti-bribery or corruption laws apply or are of a lesser standard to that prescribed in the Criminal Justice (Corruption Offences) Act 2018 and the UK Bribery Act 2010 ('the Acts'), suppliers and their representatives and employees should adhere to the terms of the Acts. Suppliers are required to have in place and periodically review their anti-corruption and bribery procedures designed to prevent employees or other persons associated with their business from committing offences of bribery or corruption.

***Examples of bribes/facilitation payments are:***

- gifts, meals, entertainment or travel expenses where they are disproportionate, frequent or provided in the context of ongoing business negotiations;
- cash payments, loans, loan guarantees or other credit;
- the provision of a benefit to a member of the family of a potential customer or a public or government official;
- providing a subcontract to a person connected to someone involved in awarding the main contract;
- engagement of a local company owned by a member of the family of a potential customer or a public or government official; and
- payments to speed up or facilitate the performance of routine government action (such as the provision of a visa or customs clearance).

**Confidentiality**

At times, suppliers of Portwest may be given access to information that may be confidential. No supplier should without proper authority access, modify, disclose or make use of any trade secrets, confidential commercial or personal information for any purpose other than as properly required for legitimately carrying out their duties. The obligation of confidentiality continues after the business relationship with suppliers has been terminated and covers disclosure to others. Suppliers are expected to comply with any non-disclosure agreements regarding our Company's confidential information.

**Sanctions**

Suppliers should ensure they conduct their business in compliance with all international trade laws and sanctions. Suppliers should not directly or indirectly provide our Company materials or services from a country, person or entity that would be in breach of any trade sanction, trade embargo, export control or other trade restriction.



## **Compliance**

### **1. Subcontractors**

Subcontractors engaged by any stakeholder to provide the services must comply with standards equivalent to those set forth in this Code of Conduct. Stakeholders engaging with subcontractors shall inform them of the provisions of this Code of Conduct and shall require them to meet the requirements and standards set forth herein.

### **2. Reporting of breaches and duty of cooperation**

All stakeholders shall report any suspected breach of this Code of Conduct of which it becomes aware without undue delay. A written report of breaches shall be provided upon request. The report must include a detailed description of the breach, the persons involved and the actual or potential consequences of the breach (e.g., regulatory action). The stakeholder shall cooperate with investigative measures taken in relation to any breach. Such notification shall preserve the legitimate interests of the stakeholder and have regard to the rights of employees, particularly data protection and the protection of trade secrets. The foregoing also applies to breaches at the subcontractor level.

A company-internal system for reporting violations of these standards shall also be established; employees who report any violations may not be disciplined or discriminated against as a result.

### **3. Audits**

Companies observing this code will allow its compliance with the Code of Conduct to be audited. For this purpose, it shall provide written responses to queries and shall allow on-site inspections of its business to be conducted. The Company shall grant access to relevant documentation to the extent required for the purpose of the respective audit. Third parties (e.g., auditors) may be engaged to carry out the audit. Upon request, the stakeholder shall require subcontractors it engages to provide the services to grant corresponding rights of audit.

### **4. Termination**

In the event of any breach of the obligations provided in this Code of Conduct, stakeholders may be given a reasonable period within which to remedy the breach or, if this is not possible due to the nature of the breach, may be issued with a notice of breach. If the stakeholder fails to remedy the breach within the set period or repeatedly breaches the Code of Conduct, the agreement for supply may be terminated without notice. In the case of repeated or serious breaches, the agreement may be terminated without notice, without setting a grace period or issuing a notice of breach. Further rights, particularly any potential claim for damages, shall remain unaffected.



Portwest reserves the right to amend or modify the Code of Conduct at any time and will inform suppliers of any change.

**Review**

This policy will be reviewed on an annual basis to ensure it reflects updated practices and regulations in relation to labour and human rights and ensure our objectives outlined above are being met. The company shall actively seek feedback on the implementation and review of this policy from Portwest teams.

A handwritten signature in black ink, appearing to read 'Cathal Hughes', written over a horizontal line.

Portwest Group

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