



PDS MULTINATIONAL – SUPPLIER CODE OF CONDUCT

PDS MULTINATIONAL GROUP'S CODE OF CONDUCT FOR VENDOR

SELECTION

Our code is derived from the values and standards set by our customers, the United Nations, more particularly the Declaration of Human Rights and many of the ILO core conventions. We have also endeavoured to incorporate the perspectives and insights from NGOs.

1. It will be our earnest endeavour to meet all the aspects of our buyers' code of conduct. We will only work with such factories which are approved by our buyers. In addition to that we explicitly state our expectations below which will also be part of our sourcing guidelines.
2. **Child labor:** Use of Child labor will not be tolerated. We will not work with such business partners who employ workers lesser than 15 years of age. Further, no worker shall be younger than the mandatory school going age in the respective countries of operation. If the local law stipulates a higher minimum age than 15 years, then the more stringent limit shall be applicable. However, as per the prevailing local laws, we will support workplace apprenticeship programs if it is a part of the educational program of young people in the country.
3. **Forced labor & Modern Day Slavery:** We will not work with any factory or organization which engages in forced or bonded labor or Modern Day Slavery in any contracting relationships. Forced labor in any form, subtle or overt, direct or indirect is not acceptable.
4. **Disciplinary practices:** We expect all our business partners to establish a clear disciplinary action procedure in line with the local law. We will not work with factories whose employees use abusive language, or practice corporal punishment, in the form of mental or physical abuse or any coercive practice in any form against workers.
5. **Legal requirements:** We expect all our business partners to comply with the local laws applicable to the conduct of their business.
6. **Ethical standards:** We will try to identify and work with such organizations whose ethical standards are not divergent from ours

- 7. Working hours:** We will prefer to work with business partners who try and meet the 60 hour week limit. Whenever the regular work hour limit is exceeded we expect the workers to be compensated per the local law for the additional hours. We will accept flexibility in scheduling work hours however we will not use business partners, who on a regular and systematic basis work more than the 60 hour week. Also, workers should be given one day off in seven days.
- 8. Wages and Benefits:** We will only work with such business partners who compensate their workers as per the prevailing law and provide all benefits legally due to them.
- 9. Freedom of Association:** We respect the rights of workers to join an association of their choice and their right to Collective Bargaining. We will work with such business partners who share this belief and they should ensure that workers who participate or associate with such movements are not discriminated against. No Punitive action should be taken against such workers for being a part of such association or movement as long as they don't violate any of the local laws.
- 10. Discrimination:** While being cognizant of cultural, religious and other differences, we firmly believe that workers should be given an opportunity to work based on their skills only. Caste, Creed, Race etc: shall not be a part of the process used to decide employability.
- 11. Unauthorized Subcontract:** At PDS Multinational, unauthorized subcontracting is considered a Zero Tolerance Violation. No vendor shall subcontract any aspect of production without prior information to and approval from the group companies. Any violation will result in delisting of such factories.
- 12. Health & safety:** We will engage only with such factories who provide their workers a safe and healthy work environment.
- 13. Environment:** We will want all our business partners to ensure that their work process does not affect the environment adversely in any way. It is expected of all our business partners to meet the legal requirement on all environmental aspects and continuously strive to go beyond just meeting the law.
- 14. Dormitories:** Any business partner providing residential facilities to their workers should ensure that it is safe and hygienic.



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We have a clear **ZERO TOLERANCE VIOLATION (ZTV)** policy on the following points:

1. Child labor
2. Forced labor in any form overt or covert
3. Discrimination in any form.
4. Harassment and Abuse
5. Unauthorized subcontracting including Tier 2 operations regardless of brands.
6. Failure to provide access to records or workers' interview or any mode of denial that will hamper the social compliance audit process.
7. ****Shared building unless approved by Head of Compliance (any other factory owned by different owner located in the same building) or factory located in building which has shops/markets**
8. Factory building approved for residential purposes.
9. Modern Day Slavery
10. Any unethical practice, such as bribery in the form of cash or kind to facilitate any process.