



Pentland Brands Zero Tolerance Policy & Process

Introduction

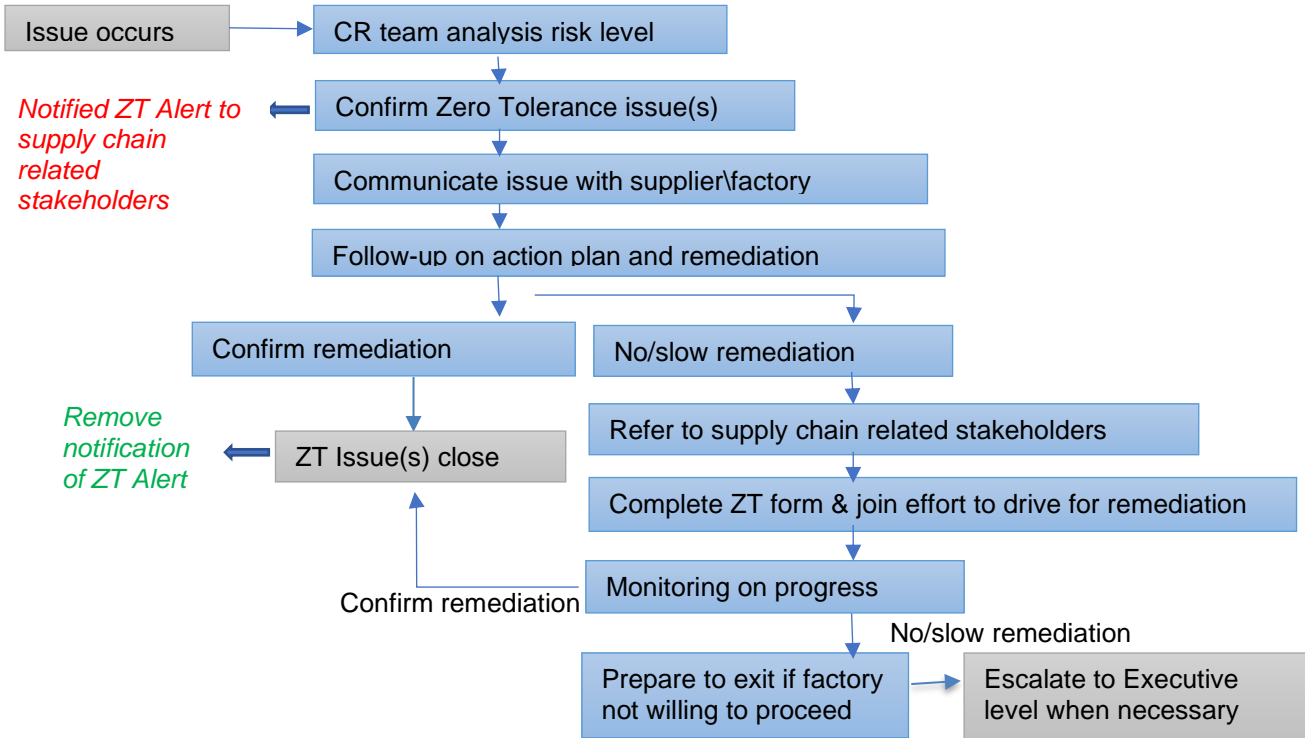
Pentland Brands is committed to doing business ethically. We expect our suppliers to comply with local & national law, and our Code of Conduct which reflects the Ethical Trading Initiative (ETI) base code and International Labor Organization (ILO) conventions.

Policy

In the event of a zero tolerance (ZT) issue being identified in a factory in which our goods are manufactured, this policy and process will be applied. This policy includes our internal procedure outlining the steps to be taken by the Pentland Corporate Responsibility (CR) team to inform and engage the relevant stakeholders on how to proceed once Pentland Brands have been notified on ZT non-compliance. It allows us to work with our partners to address the issues and remediate them effectively and ensures that we continue to put the worker at the core of our ethical trade program. These include the behaviour in addressing the issues, and also developing and delivering agreed, time bound improvement plans where necessary. Pentland Brands is prepared to suspend/terminate its relationship with business partners or suppliers if it is found they are in deliberate breach of this policy or unprepared to engage with appropriate remedy.

[Last reviewed: April 2022](#)

Our Process



Internal Stakeholder Involved

Executive Team	Supply Chain Operations Director	Head of Sourcing & teams
Supply Chain President	Positive Business Director	Head of Material & teams

Zero Tolerance Issues Defined

Clause	Zero Tolerance
**Management Systems and Code Implementation:	<ul style="list-style-type: none"> • Factory operating without legal business license • Withholding true records, manipulation/ falsification of factory records • Access to factory, dormitory, workers or documentation denied
Employment is Freely Chosen:	<ul style="list-style-type: none"> • Controlled access from site / Withholding travel documents /Restrictions on returning home • Original copies of government issued documents retained by factory (E.G. Passports or official ID Cards) • Charge workers for recruitment or placement fees or agency service fees / transport fees/ training fees • Use of bonded labour - unreasonable interest rates / unreasonable evaluation of services provided • Use of financial deposits • Use of involuntary prison labour • Terminating or disciplining workers who refuse to work overtime
Freedom of Association and Collective Bargaining:	<ul style="list-style-type: none"> • Worker's legal rights to associate freely or to join unions or employment committees are denied • Worker's representatives are discriminated against or are unable to carry out their functions
Working Conditions Are Safe and Hygienic: Management / Training	<ul style="list-style-type: none"> • Children allowed on factory production area
Working Conditions Are Safe and Hygienic: Fire Safety	<ul style="list-style-type: none"> • Electrical installation presenting imminent risks to workers' life, e.g., exposed wiring, naked wiring, etc. • Fire alarm system not fitted throughout entire facility (fire alarms missing) or fire alarms not working or not accessible • Insufficient unblocked/unlocked emergency exits • Only 1 exit per floor in workplaces or dormitories • Lack of basic fire safety equipment (no system to raise the alarm in a fire /portable fire extinguishers) • No applicable structural integrity certificate/inspection where where it is observed there is an immediate risks of building and constructions for workers health and safety. • Structural defects noted (e.g., cracks in walls)
Working Conditions Are Safe and Hygienic: Chemicals	<ul style="list-style-type: none"> • Use of banned substances by either Pentland Brands or National Law
Working Conditions Are Safe and Hygienic: Worker Health	<ul style="list-style-type: none"> • Air quality test reports show high levels of pollutants in the air (exceeding legally permissible limits)
Working Conditions Are Safe and Hygienic: Accommodation	<ul style="list-style-type: none"> • Restricted liberty in dormitories including unreasonable curfews/ dormitory rooms is locked from the outside at night • Areas of dormitory building used for production and/or storage of hazardous materials • Production (or material warehouse) and worker dormitory buildings are attached
Child Labour Is Not Used:	<ul style="list-style-type: none"> • Use or recruitment of workers younger than 15, or higher if required by law, either on or off the books

Living Wages Are Paid:	<ul style="list-style-type: none"> • Illegal fines or monetary penalties used as a form of disciplinary action affecting the basic wage • No pay record for any sampled months • Pay or piece rate earnings less than statutory minimum wage • Payment or part payment of wages is delayed for more than 1 legal pay period
Working Hours Are Not Excessive:	<ul style="list-style-type: none"> • Average workweek hour > 72 hours in a month of any sampled months (For 25% or more of sampled workers) • Daily working hours exceed 13 hours • No one day off in a month in the sampled months (any workers) • No time records available for review. • Workers are not allowed to take any entitled leave, e.g., annual leave, sick leave, parental leave.
No Discrimination is Practised: Regular Employment is Provided: Sub-Contracting and Homeworking	<ul style="list-style-type: none"> • Lack of equal pay (basic wage) for equal work • Mandatory pregnancy testing except when required by law • Unfair dismissal or abuse of vulnerable workers: cover pregnant workers, migrant workers, homeworkers / members of trade unions • Verifiable incidents of discrimination based on race, gender, religion, ethnicity, sexuality, nationality or personal beliefs. • Unauthorised sub-contractors used for Pentland production (cutting, sewing, and linking processes only) • Refusal to provide OR non-disclosure of subcontractor details used for Pentland product
There is No Harsh or Inhumane Treatment:	<ul style="list-style-type: none"> • Physical punishment, sexual harassment, extreme verbal abuse, intrusive searches
Entitlement to Work	<ul style="list-style-type: none"> • No or invalid right to work documentation
Environment	<ul style="list-style-type: none"> • Asbestos found in factory in high risk/high traffic areas where condition not monitored or safely maintained • Improper discharge of hazardous waste with significant impact to worker or community e.g., Discharge of untreated industrial effluent to water body
Bribery	<ul style="list-style-type: none"> • Attempts to bribe company representatives