

PAGANI CODE OF CONDUCT

All suppliers are subject to an audit inspection to confirm they meet all our requirements. The following requirements are non-negotiable.

1.1 LEGAL REQUIREMENTS

Suppliers must follow the legal requirements and standards of their industry under the national laws of their country and under any New Zealand applicable laws.

1.2 CHILD LABOUR

There shall not be any use of child labour whatsoever. No supplier shall engage in or support the use of child labour under 16 years of age, unless the minimum age for work or mandatory schooling is higher by local law, in which case the stipulated higher age applies in that locality. Employers must verify the age of their employees and maintain copies of their workers proof of age.

1.3. FORCED LABOUR

There shall not be any use of forced labour whatsoever. No supplier shall engage in or support the use of forced or compulsory labour, including prison labour, bonded or indentured labour. No supplier shall retain original identification papers and shall not require personnel to pay 'deposits' to the organization upon commencing employment.

1.4. NON-DISCRIMINATION

There shall not be any discrimination in employment, including; hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of; gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

No supplier shall engage in or support discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on race, national or territorial origin, social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or any other condition that could give rise to discrimination.

1.5. HEALTH & SAFETY

There shall be the provision and promotion of a safe and healthy work environment with systems in place to reduce worker injury and accidents in the workplace. This will include compliance with up-to-date fire safety laws and the implementation of evacuation procedures and emergency plans. Employers shall ensure that workers have access to clean drinking water, sanitary washing facilities and an adequate number of toilets. All suppliers shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential health and safety incidents and occupational injury or illness arising out of, associated with, or occurring in the course of work. All suppliers shall minimize or eliminate, so far as is reasonably practicable, the causes of all hazards in the workplace environment, based upon the prevailing health and safety knowledge of the industry sector and of any specific hazards.

Hazards shall include, but not be limited to; fire safety, building safety, machine safety, chemical safety, and health safety.

These standards must also be met in any canteen, dormitory, rest and recreational area provided for workers.

1.6. WAGES & BENEFITS

All suppliers shall ensure that wages for a normal work week, not including overtime, shall always meet the legal industry minimum standard or collective bargaining agreement (where applicable) at least, and shall provide all legally mandated benefits. Wages shall be at least sufficient to meet the basic needs of personnel.

As a company we support Living Wage and encourage our suppliers to meet Living Wage benchmarks.

All overtime shall be reimbursed at a premium rate as defined by national law or established by a collective bargaining agreement (where applicable).

We prohibit the use of excessive Overtime.

Normal hours of work per week shall not exceed the maximum hours established by local law, overtime hours shall not exceed the maximum hours established by local law, and workers are to receive leave entitlement of at least one day off per working week.

All suppliers shall comply with applicable laws, collective bargaining agreements (where applicable) and industry standards on working hours, breaks and public holidays.

Personnel shall be provided with at least one day off following every six consecutive days of working. Exceptions to this rule apply only where both of the following conditions exist:

- a) National law allows work time exceeding this limit; and
- b) A freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods.

1.7 DISCIPLINARY PRACTICES

All suppliers shall treat their personnel with dignity and respect.

No supplier shall engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel. No harsh or inhumane treatment is allowed.

1.8. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

All suppliers shall recognize the right of employees to freedom of association and the right to collective bargaining.

All suppliers shall ensure that their personnel have the right to form, join or organize a trade union(s) of their choice to bargain collectively on their behalf with the supplier. The supplier shall not interfere in any way with the establishment, functioning or administration of workers' organization(s) or collective bargaining.

1.9. ENVIRONMENTAL RESPONSIBILITY

Compliance with all local laws, and general respect and awareness towards our actions and how this can affect our environment.

All suppliers shall comply with local environmental law and take effective steps to prevent potential environmental incidents arising out of its activities. All suppliers shall minimize or eliminate, so far as is reasonably practicable, the causes of all environmental impacts based upon the prevailing environmental protection knowledge of the industry sector and of any specific impacts. Suppliers must maintain procedures for notifying local authorities in the event of an environmental accident resulting from the suppliers operations.

1.10 RAW MATERIALS

All raw materials used by suppliers must be ethically sourced and the standards outlined in this code of conduct must flow into all parts of their supply chain.

Suppliers must not under any circumstances knowingly use cotton that is sourced from Uzbekistan or from any origin where child labour is known.

1.11. SUB CONTRACTORS

All suppliers must ensure that their contractors and suppliers adhere to our Code of Conduct.

All suppliers must provide Pagani with current, accurate information regarding the name and location of all production facilities that are being used to manufacture our product.

1.12. RIGHT OF INSPECTION

Our company expects all suppliers and their contractors to respect and comply with our Code of Conduct.

Our company reserves the right to make unannounced visits to all associated manufacturers and suppliers by Pagani staff or by nominated third-party inspection companies on our behalf, to ensure all suppliers and production facilities comply with our Code of Conduct document.

1.13. NON-COMPLIANCE

Non-compliance with any of these requirements may result in the immediate cancellation and termination of all outstanding orders and further business relations.