



PANGAIA
**Responsible
Business Conduct**

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PANGAIA is committed to the highest standards of social and environmental responsibility and ethical conduct. Our goal is to build a Positive Earth business that gives back more than we take and has a positive impact on people and the planet. To accomplish this goal we depend on the relationships we have with our partners throughout our supply chain. We recognise that our behaviour, processes and values are crucial to ensure that we have fair, productive and reliable partnerships.

This policy is our minimum standards of responsible business conduct that we commit to adhere to, we aim to uphold these standards with all our direct partners and Suppliers.

As a certified B-Corp business we have put impact and responsible business into every business decision and strive to consider the impact of our decisions on every stakeholder across our value chain. We are proud to be part of this global movement to champion an inclusive, equitable and regenerative economy.

Support for the Environment

At PANGAIA, we are dedicated to the health and longevity of our planet. Our commitment to minimising environmental impact is outlined in our Code of Conduct and policies, which also detail partner expectations. We manage our impacts responsibly through a planet roadmap, emphasising climate action, water stewardship, and biodiversity promotion. From materials to manufacturing partners, we collaborate with those who share our respect for the natural world and strive to create products made to last.

Support for Human & Labour Rights

PANGAIA is committed to respect for all human rights as outlined in our Code of Conduct and detailed in our policies. This is also where we outline our partner expectations. We support dignified work and the individual and collective wellbeing of our employees, workers in our supply chain, the communities where we operate, those affected by our operations, and our customers. We do not condone, nor will we tolerate abuse of human rights within any part of our business or supply chain, and we take seriously any allegation that rights have not been respected. We are committed to assessing the actual and potential harms to people touched by our value chain and have set our strategy to support the most salient needs. Our aim is to empower the people in our value chain by responding to their needs and by cultivating responsible sourcing practices where human rights are respected and promoted. This strategy includes; advancing fair livelihoods; advocating for equity; promoting worker voices and dialogue; and promoting better wellbeing, safety and health.

Due Diligence

We conduct environmental and human rights due diligence across our value chain including our owned operations and activities. We embed this approach with our business processes and follow a continuous flow of identifying harms, ceasing, preventing, or mitigating negative impacts and remediating where necessary. Such due diligence will be both forward-looking and backward-looking, preventative, risk-based, and ongoing. We track our progress and use annual reporting to communicate our findings and actions. Whilst we shall ensure that human rights due diligence addresses all relevant rights we will pay particular attention to the risk of modern slavery (including child and forced labour), gender inequality, right to a minimum wage, freedom of association and access to grievance mechanisms.

Transparency

We hold ourselves and our partners to a high level of transparency and strive to have visibility of where our products and materials are sourced and made as well as the conditions and impacts that these sourcing decisions have on the people and planet. PANGAIA strives to have a traceable and transparent supply chain which we publicly disclose as part of our Transparency Pledge. We work with our suppliers to understand their suppliers (which we often nominate/select together) and subcontractors (which are only allowed with prior approval). Our partners support us on data collection about social and environmental metrics which helps inform our strategy to promote the welfare of people and mitigate any inhumane practices or negative environmental impacts.

Working Together as Partners

PANGAIA can only achieve our ambitious goals of a Positive-Earth vision if we work in partnership across the value chain. We respect our suppliers, partners, stakeholders and communities, and aim for mutual trust, honesty and transparency. We partner with suppliers who share our goals and values for sustainable material development and responsible production. We know that even the best relationships have challenges to overcome so having collaborative dialogue is the best way to work in partnership and problem solve together.

Principles of Responsible Purchasing Practices

- We seek to build mutually beneficial, long term partnerships with carefully selected manufacturers which meet sustainable compliance and improvements. We want our suppliers to be able to invest in both the individuals that work there and the facilities they provide.
- We aim for collaborative production planning considering business needs and opportunities of multiple stakeholders. We intend to give our suppliers steady business and keep our partners up to date with product design and direction, forecasts and lead times, order volumes and pricing expectations.
- PANGAIA strives to avoid practices that negatively impact our suppliers ability to meet our human rights and environmental requirements.
- We commit to fair payment terms, to pay in full and on time and any retrospective changes are mutually agreed. We support sustainable costings that allow all production to be completed within our responsible production expectations.
- In the rare cases where we do have to end a business relationship we follow our responsible exit process and aim to be transparent and fair to all parties.

Responsible Exit Process

There are various reasons that a business relationship might end and PANGAIA reserves the right to leave a supplier due to commercial reasons or to a breach of ethical standards. We are very careful when reviewing a relationship and want to act responsibly to avoid any adverse impacts on the workers.

Before taking the decision to exit any supplier we engage internal departments to collect information about the supplier relationship, investigate any ethical concerns and review the order quantities, relationship history and duration before taking any action. We ensure that the supplier is informed of our decision if there is reason to exit and that an appropriate timeline is agreed. This timeline will differ based on volume and frequency of orders. We also might gradually decrease order numbers so that the supplier has the opportunity to build up business with other customers or if absolutely necessary adjust the number of workers at the facility in the appropriate manner.

If we are considering disengagement due to critical ethical concerns PANGAIA will endeavour to support the supplier to conduct any remediation to ensure that the concerns are addressed before exiting.

Evolution & Collaboration

We will continue to collaborate with relevant stakeholders, including suppliers, industry organizations, and NGOs, to promote responsible practices and continuous improvement. We seek to follow the best standards and we will work with our partners including but not limited to B-Corp, Fair Wear and Textile Exchange to learn, evolve and be held to account for our actions. We welcome collaboration with other brands (especially those sharing suppliers), as well as with our innovation partners, and aim to cooperate with them to find common solutions to improve our industry together.

For any queries, feedback, disclosures, or whistleblowing please contact: impact@thepangaia.com