

# Our Code of Business Integrity

This Code of Conduct (hereinafter “Code”) outlines the requirements for all suppliers working with Parade, including sub-suppliers and subcontractors.

Parade is committed to conducting business in an ethical, legal and responsible way and expects its suppliers, as an extension of the Parade family, to do the same. We have outlined a set of 10 labour and environmental management requirements in this Code which our suppliers must adhere to.

## Implementation of the Code

Parade requires its suppliers to provide written confirmation that they have understood and agreed to the standards laid out within the Code. Parade, or a third party engaged by Parade, has the right to carry out monitoring activities to verify suppliers’ compliance with this Code.

## Non-Compliance

In the event of uncovering breaches of our Code, Parade will work with the identified party to develop a corrective action plan leading to conformance. Parade reserves the right to terminate an agreement with any supplier that does not comply with the Code.

## *Upholding Human Rights*

Our Code aligns with the [Ethical Trading Initiative Base Code](#) which represents the international standards for fair labour conditions and fundamental labour rights. All clauses outlined below apply to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part time, night workers, homeworkers, young workers and migrant workers.

### **1. Forced, bonded and involuntary prison labour**

- 1.1. All work must be conducted on a voluntary basis and not under threat of any penalties or sanctions.
- 1.2. The use of forced, bonded or involuntary prison labour is prohibited in all of its forms in line with ILO Convention 105 - Abolition of Forced Labour Convention, 1957.
- 1.3. Workers are free to leave their employer after reasonable notice, as outlined in their contract.
- 1.4. Suppliers must not require workers to lodge “deposits” or take employee identity papers.

### **2. Freedom of association and the right to collective bargaining**

- 2.1. All workers have the right to join or form trade unions of their own choosing and to bargain collectively in line with ILO conventions.
- 2.2. Suppliers must not discriminate against workers representatives and ensure they have access to carry out their representative functions in the workplace.
- 2.3. Where the right to freedom of association and collective bargaining is restricted under law, suppliers must facilitate and not hinder the development of parallel means for independent and free association and bargaining.

### **3. Child Labour**

- 3.1. Suppliers must comply with the national minimum age for employment and shall not employ any person under the age of 15. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- 3.2. There shall be no new recruitment of child labour or exploitation of children in any way.
- 3.3. Children and young persons under 18 shall not be employed at night or in hazardous conditions.

### **4. Health and Safety**

- 4.1. Suppliers shall ensure a safe and hygienic workplace in compliance with all applicable regulations, including through maintaining appropriate systems for emergency preparedness, fire protection and personal safety.
- 4.2. Our suppliers should provide regular health and safety trainings to all workers, including for new or reassigned workers, and assign the responsibility for health and safety to a senior management representative that will carry out regular risk assessments to prevent accidents and injuries.
- 4.3. Our suppliers shall ensure that all employees have access to clean toilet facilities, clean water and, if appropriate, sanitary facilities for food storage.

### **5. Fair treatment, discrimination, harassment and abuse**

- 5.1. Suppliers must treat each employee with dignity and respect and not use corporal punishment, threats, verbal harassment, abuse, intimidation, or other forms of physical, sexual or psychological violence.
- 5.2. Suppliers shall establish clear and understandable disciplinary procedures in line with the above. Where any disciplinary measures have taken place, these should be recorded.
- 5.3. Suppliers must ensure that no discrimination takes place based on, but not limited to, an individual's race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. Discrimination must not be tolerated in hiring, compensation, access to training, promotion, termination, discipline or retirement.
- 5.4. Suppliers shall base all terms and conditions of employment on an individual's ability to do the job, not on the basis of personal characteristics or beliefs.

### **6. Working hours**

- 6.1. Working hours must comply with national laws and/or collective agreements, whichever affords the greater protection to ensure the health, safety and welfare of workers.
- 6.2. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. \*
- 6.3. Suppliers shall ensure that the total hours worked in any 7-day period by any individual shall not exceed 60 hours, unless there are exceptional circumstances and where the following is met:
  - this is permitted by national law
  - this is permitted by a collective agreement
  - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies

- 6.4. All overtime shall be voluntary and used responsibly, and no workers shall be forced to perform overtime. Overtime shall always be compensated in line with all relevant laws and regulations, and if not determined by relevant laws, preferably at a premium rate of 125% of the regular rate of pay.
- 6.5. Workers should be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period. \* Workers should also be given adequate holiday in line with all relevant laws and regulations, preferably three working weeks of annual paid holiday for one year of service.

*\* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced*

## **7. Wages and benefits**

- 7.1. Suppliers must provide Parade with valid evidence that they pay employees living wages as defined by the wages in Appendix 1: Living Wages by Country
- 7.2. Suppliers must pay employees wages and benefits for a standard working week that is always sufficient to meet the employees' basic needs.
- 7.3. Suppliers shall provide workers with written and understandable information about their wages, in particular with regards to their wages and period concerned each time that they are paid.
- 7.4. Deductions from wages shall not be permitted without the expressed permission of the worker concerned, unless provided for by national law.

## **8. Employment Terms**

- 8.1. Suppliers shall provide all workers with a written contract that contains understandable information about their employment conditions before they enter employment. This includes working hours, wages, pay period and when they will be paid.
- 8.2. Where possible, all work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.3. 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, homeworking arrangements, apprenticeship schemes where there is no real intent to impart skills or provide regular employment, excessive use of fixed-term contracts of employment.

## **9. Bribery, corruption and legal compliance**

- 9.1. Suppliers shall have in place anti-corruption and bribery procedures designed to prevent employees, or persons associated with its business, from committing offences of bribery or corruption, including;
  - 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.
  - participation in any other form of corrupt practice (such as theft, fraud, conspiracy to defraud, blackmail, participation in a criminal organisation and money laundering).
- 9.2. Suppliers and their employees must comply with all applicable anti-bribery and corruption laws and must adhere to Title 18 United States Code Section 201 and the Foreign Corrupt Practices Act.

- 9.3. Suppliers shall conduct their business activities in full compliance with all applicable local and national laws in the United States and in all countries in which Suppliers are operating.
- 9.4. Suppliers must ensure that products, services and shipments adhere to all applicable international trade compliance laws, rules and regulations.

#### **10. Social certification requirements**

- 10.1. Suppliers shall, as a minimum, provide proof of BSCI or SMETA approved audit.
- 10.2. Suppliers must agree to begin the certification process to the more stringent social standards WRAP or SA800 by the end of 2022.

## *Environmental Safeguarding*

We expect our suppliers to share our value of protecting the environment, as per the standards set out below.

#### **11. Environmental Management**

- 11.1. Suppliers must operate in a manner that respects relevant local and international environmental laws and regulations
- 11.2. Parade promotes the active protection of the environment and therefore encourages its suppliers to implement measures aimed at mitigating the environmental risks and negative impacts of its operations on ecosystems.
  - Suppliers shall share environmental data with Parade, specifically data on annual energy consumption, water use and waste disposal.
  - Suppliers should adopt an Environmental Management System (EMS), possibly ISO 14001 or EMAS aligned.
  - Suppliers must have proper waste management in place, with attention to hazardous waste which may not be discharged in an unlawful manner.
  - Suppliers shall provide training to all relevant personnel on environmental policies and procedures.

#### **12. Chemical use and management**

- 12.1. Suppliers shall comply with the ZDHC Manufacturing Restricted Substances List (ZDHC MRSL), which prohibits the use of potentially toxic or harmful substances which can be present in finished products.
- 12.2. 1.2. Suppliers shall risk-assess all materials and product for compliance as part of product development process.
- 12.3. Suppliers shall operate in line with all relevant chemical laws and regulations, especially with respect to chemical use, disposal and handling. All products, materials, dyes and other resources used by suppliers must comply with all local and national laws and standards relating to chemical use.
- 12.4. Suppliers must provide adequate training on chemicals, including use, handling and disposal, for employees who work in contact with these substances.
- 12.5. Suppliers shall ensure adequate procedures and protective equipment are in place to correctly and responsibly use, handle and dispose of chemicals.

## Contact us

Parade would like to know If any of our suppliers are violating any of the standards outlined above. Please email us at [violation@yourparade.com](mailto:violation@yourparade.com) in your own language. All information that we receive will be kept confidential and your identity will be protected.

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## Acknowledgement

Suppliers agree to implement this Code of Conduct and abide by applicable laws and regulations. The standards outlined in this Code are in addition to, and not in lieu of, existing provisions of any legal agreement or contract between the supplier and Parade.

The supplier agrees to ensure compliance to this Code and to work with Parade to ensure responsible business operations are in place.

Date: .....

<b>Recipient Company:</b>	
<b>Authorised Signature:</b>	
<b>Printed Name of Signee:</b>	
<b>Title of Signee:</b>	
<b>Email of Signee</b>	

## Appendix 1 – Living Wages by Country

<b>Country</b>	<b>Living Wage (2021)</b>	<b>Source</b>
<b>Bangladesh</b>	<ul style="list-style-type: none"> <li>• Cities and Districts Surrounding Dhaka - ₳ 13,630 p/m</li> <li>• Dhaka City - ₳ 16,460 p/m</li> </ul>	Global Living Wage Coalition: <i>calculated using the Anker Methodology</i>

<b>China</b>	<ul style="list-style-type: none"> <li>• Zhengzhou - ¥3,036 p/m</li> <li>• Chengdu - ¥2,597 p/m</li> <li>• Hangzhou - ¥4,159 p/m</li> <li>• Shanghai - ¥4,502 p/m</li> <li>• Shenzhen - ¥3,004 p/m</li> <li>• Suzhou - ¥3,875 p/m</li> </ul>	Global Living Wage Coalition: <i>calculated using the Anker Methodology</i>
<b>India</b>	<ul style="list-style-type: none"> <li>• Rural Nilgiris, Tamil Nadu - ₹12,665 p/m</li> <li>• Tirupur, Tamil Nadu - ₹15,570 p/m</li> <li>• Bhadohi, Uttar Pradesh - ₹10,627 p/m</li> </ul>	Global Living Wage Coalition: <i>calculated using the Anker Methodology</i>
<b>Romania</b>	<ul style="list-style-type: none"> <li>• Romania (all) - 3500 RON (2018)<sup>[1]</sup></li> </ul>	Clean Clothes Campaign: <i>calculated using the Asia Floor Wage</i>
<b>Turkey</b>	<ul style="list-style-type: none"> <li>• Rural Turkey - TRY 3,551 p/m<sup>[2]</sup></li> </ul>	Global Living Wage Coalition: <i>calculated using the Anker Methodology</i>
<b>Vietnam</b>	<ul style="list-style-type: none"> <li>• Rural Zone 4* - ₫4,618,167 p/m<sup>[3]</sup></li> <li>• Ho Chi Minh Cit - ₫7,446,294 p/m<sup>[4]</sup></li> </ul> <p><i>*includes Hanoi and Can Tho</i></p>	Global Living Wage Coalition: <i>calculated using the Anker Methodology</i>

[1] Clean Clothes Campaign, Romania Country Profile [link](#)

[2] Global Living Wage Coalition, Rural Turkey [link](#)

[3] Global Living Wage Coalition, Rural Vietnam, [link](#)

[4] Global Living Wage Coalition, Ho Chi Minh City [link](#)