



RM HOLDING'S (PVT) LTD

WRAP MANUAL 2021



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INTRODUCTION

The World Representative Accredited Production (WRAP) is an independent, objective, non-profit team of global social compliance experts dedicated to promoting safe, lawful, humane and ethical manufacturing around the world through certification and education. It has headquarters in Arlington, Virginia, USA (and with branch offices in Hong Kong and Bangladesh, along with a representative in India and Thailand).

WRAP's Certification Program seeks to independently monitor and certify compliance with the **12 WRAP Production Principles**.

These Principles are based on the rule of law within each country and include the spirit or language of relevant International Labour Organization conventions.

The first nine Principles cover *child labour and forced labour, health and safety, harassment and abuse, discrimination, hours of work, compensation and benefits and freedom of association*.

A *Principle on environment* serves to demonstrate the industry's commitment to environmentally responsible business practices.

The final two Principles, on *customs compliance and security*, ensure that the shipment of goods complies with applicable customs laws, and that no non-manifested cargo (drugs, bombs, etc.) is transported along with finished products. WRAP certified facilities can demonstrate compliance with US C-TPAT Guidelines.

The WRAP Principles are based on generally accepted international workplace standards, local laws and workplace regulations that encompass human resources management, health and safety, environmental practices, and legal compliance also including import/export and customs compliance and security standards.

WRAP – 12 PRINCIPLES

1. Compliance with Laws and Workplace Regulations

Facilities will comply with laws and regulations in all locations where they conduct business.

All facilities will comply with the legal requirements and standards of their industry under the local and national laws of the jurisdictions in which the facilities are doing business, along with any applicable international laws. This will cover all labor and employment laws of those jurisdictions, as well as laws governing the conduct of business in general, including rules and standards of ethics dealing with corruption and transparency, and any relevant environmental laws.

2. Prohibition of Forced Labor

Facilities will not use involuntary, forced or trafficked labor.

Facilities will maintain employment strictly on a voluntary basis. Facilities will not use any forced, prison, indentured, bonded or trafficked labor. This will include ensuring that any workers they hire will be under labor contracts that fully comply with all relevant legal requirements and do not impose any form of coercion (including imposing substantial fines or loss of residency papers by workers leaving employment or restricting a worker's ability to voluntarily end his/her employment). In addition, when hiring workers through an employment broker or agency, facilities will ensure that the workers' passports are not withheld, all written contracts are in the native language of the workers, and recruitment fees are not borne by the workers themselves.

3. Prohibition of Child Labor

Facilities will not hire any employee under the age of 14 or under the minimum age established by law for employment, whichever is greater, or any employee whose employment would interfere with compulsory schooling.

Facilities will ensure they do not engage in any form of child labor, including, but not limited to, the internationally recognized worst forms of child labor. Facilities may not employ any person at an age younger than the law of the jurisdiction allows and in any case not below the age of 14, even if permitted by local law. In addition, facilities will adhere to local legal requirements regarding mandatory schooling. Further, if, where permitted by local law, a facility employs young workers (defined as workers whose age is between the minimum age of employment and 18 years), the facility will also comply with any applicable legal restrictions on the nature and volume of work performed by such young workers, as well as any other requirements imposed by law, including ensuring that such young workers do not perform any hazardous work (e.g., chemical handling or operating heavy machinery).

4. Prohibition of Harassment or Abuse

Facilities will provide a work environment free of supervisory or co-worker harassment or abuse, and free of corporal punishment in any form.

Facilities will ensure a workplace that is respectful of a worker's rights and dignity. This includes ensuring that no corporal punishment or physical coercion be used. Facilities will not engage in or tolerate sexual harassment, indecent or threatening gestures, abusive tone or language or any other kind of undesired physical or verbal contact, such as bullying. In particular, facilities will ensure proper training at all levels - including management, supervisors and workers - to secure a workplace free of harassment or abuse.

5. Compensation and Benefits

Facilities will pay at least the minimum total compensation required by local law, including all mandated wages, allowances & benefits.

Facilities will ensure proper compensation for their employees for all the work done, by providing in a timely manner all the wages and benefits that are in compliance with the local and national laws of the jurisdiction in which they are located. This will include any premiums for overtime work or work done during holidays, as well as any other allowances or benefits, including any mandatory social insurance, required by local law.

6. Hours of Work

Hours worked each day, and days worked each week, should not exceed the limitations of the country's law. Facilities will provide at least one day off in every seven-day period, except as required to meet urgent business needs.

Facilities are required by local law to adhere to any limits set on regular working hours as well as any limits set on overtime work. Long term participation in the WRAP Certification Program is contingent upon meeting the limitations set by local law. WRAP recognizes that this can be a particularly challenging requirement, especially when taking into account local enforcement norms and customs. In light of this reality, WRAP will permit full compliance with local laws on working hours to be achieved incrementally, provided that a given facility meets the following conditions: is fully transparent about its working hours; ensures that those hours are all being worked voluntarily, in conditions that protect worker safety and health; compensates all employees in keeping with WRAP Principle 5; and shows improvement toward meeting the working hours requirements from one audit to the next.

7. Prohibition of Discrimination

Facilities will employ, pay, promote, and terminate workers on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs.

Facilities will ensure that all terms and conditions of employment are based on an individual's ability to do the job, and not on the basis of any personal characteristics or beliefs. Facilities will ensure that any employment decision - involving hiring, firing, assigning work, paying or promoting - is made without discriminating against the employees on the basis of race, color, national origin, gender, sexual orientation, religion, disability, or other similar factors (pregnancy, political opinion or affiliation, social status, etc.).

8. Health and Safety

Facilities will provide a safe and healthy work environment. Where residential housing is provided for workers, facilities will provide safe and healthy housing.

Facilities will provide a safe, clean, healthy and productive workplace for their employees. Facilities shall prioritize worker health and safety above all else, and proactively address any safety issues that could arise. This will include a wide variety of requirements, such as, ensuring, among other things, the availability of clean drinking water (at no charge to workers), adequate medical resources, fire exits and safety equipment, well-lighted and comfortable workstations, clean restrooms. Further, facilities shall adequately train all their workers on how to perform their jobs safely.

9. Freedom of Association and Collective Bargaining

Facilities will recognize and respect the right of employees to exercise their lawful rights of free association and collective bargaining.

Facilities will respect the freedom of each employee to choose for him- or her-self whether or not to join a workers' association. Facilities cannot discriminate against workers based on whether or not they choose to associate. Both the facility and the workers shall ensure they conduct themselves in accordance with all relevant laws in this regard. Facilities will ensure an effective mechanism is in place to address any workplace grievances.

10. Environment

Facilities will comply with environmental rules, regulations and standards applicable to their operations, and will observe environmentally conscious practices in all locations where they operate.

Facilities will ensure compliance with all applicable legally mandated environmental standards, and should demonstrate a commitment to protecting the environment by actively monitoring their environmental practices. In particular, facilities will ensure proper waste management, including monitoring the disposal of any waste material - whether solid, liquid or gaseous - to ensure such disposal is done safely and in a manner consistent with all relevant laws.

11. Customs Compliance

Facilities will comply with applicable customs laws, and in particular, will establish and maintain programs to comply with customs laws regarding illegal transshipment of finished products.

Facilities will ensure that all merchandise is accurately marked or labeled in compliance with all applicable laws. In addition, facilities will keep records for all materials and orders, as well as maintain detailed production records.

12. Security

Facilities will maintain facility security procedures to guard against the introduction of non-manifested cargo into outbound shipments (i.e. drugs, explosives biohazards and or other contraband).

Facilities will ensure adequate controls are in place to safeguard against introduction of any non-manifested cargo. In this regard, WRAP recognizes the United States Customs and Border Protection (CBP)'s C-TPAT Guidelines for Foreign Manufacturers as a best practice program, and has adopted those guidelines under this Principle.

APPLICATION OF WRAP PRINCIPLES TO RUSALU CLOTHING (PVT) LTD.

1. COMPLIANCE WITH LAWS & WORK PLACE REGULATIONS

Policy

Our Policy of RM Holding's (Pvt) Ltd is to create an efficient & fair environment within the factory by complying with national laws, local laws and work place regulations promulgated by Government, B.O.I and provincial councils etc.

Procedure

1. Obtain current information on Local and National laws and regulations by accessing the current publications on national and local laws.
 - Labour standards and Employment Relations Manual B.O.I. (31st march 2004)
 - B.O.I. guidelines for the formation and operation of employees' Council (31st March 2004)
 - Factories Ordinance (1956)
 - Employees' Trust Fund Act. (47 of 1992)
 - Maternity benefits Act. (43 of 1985)
 - Payment of Gratuity Act. (62 of 1992)
 - Workmen Compensation Ordinance-Revision (1956)
 - Employment of women, young people and children Act. (12 of 2003)
 - Industrial dispute Act. (32 of 1990)
 - Customs Ordinance (83 of 1988)
 - Drugs ordinance (22 of 1952)
 - National Environmental Act. (47 Of 1980)
 - Circular for Minimum Wages for the year 2016
2. When amendments are done for the above Laws and regulations, the Human Resource Manager is responsible to update the employees accordingly.
3. For each principle, the relevant person will be addressed to ensure that the factory is in compliance with all the laws and workplace regulations.
4. Revised Laws and regulations must be updated and incorporated on a timely basis. Subsequently original document will be sent to the Factory management, middle management will be informed by email & factory workers by notices.
5. Above policy and the procedures is communicated to all the employees
6. Maintain relevant programmed record and material

The Managing Director is responsible for the compliance with this principle, in absence of him the Chief Operating Officer, Human Resource Manager or the Finance Manager will be responsible.

2. PROHIBITION OF FORCED LABOUR

Policy

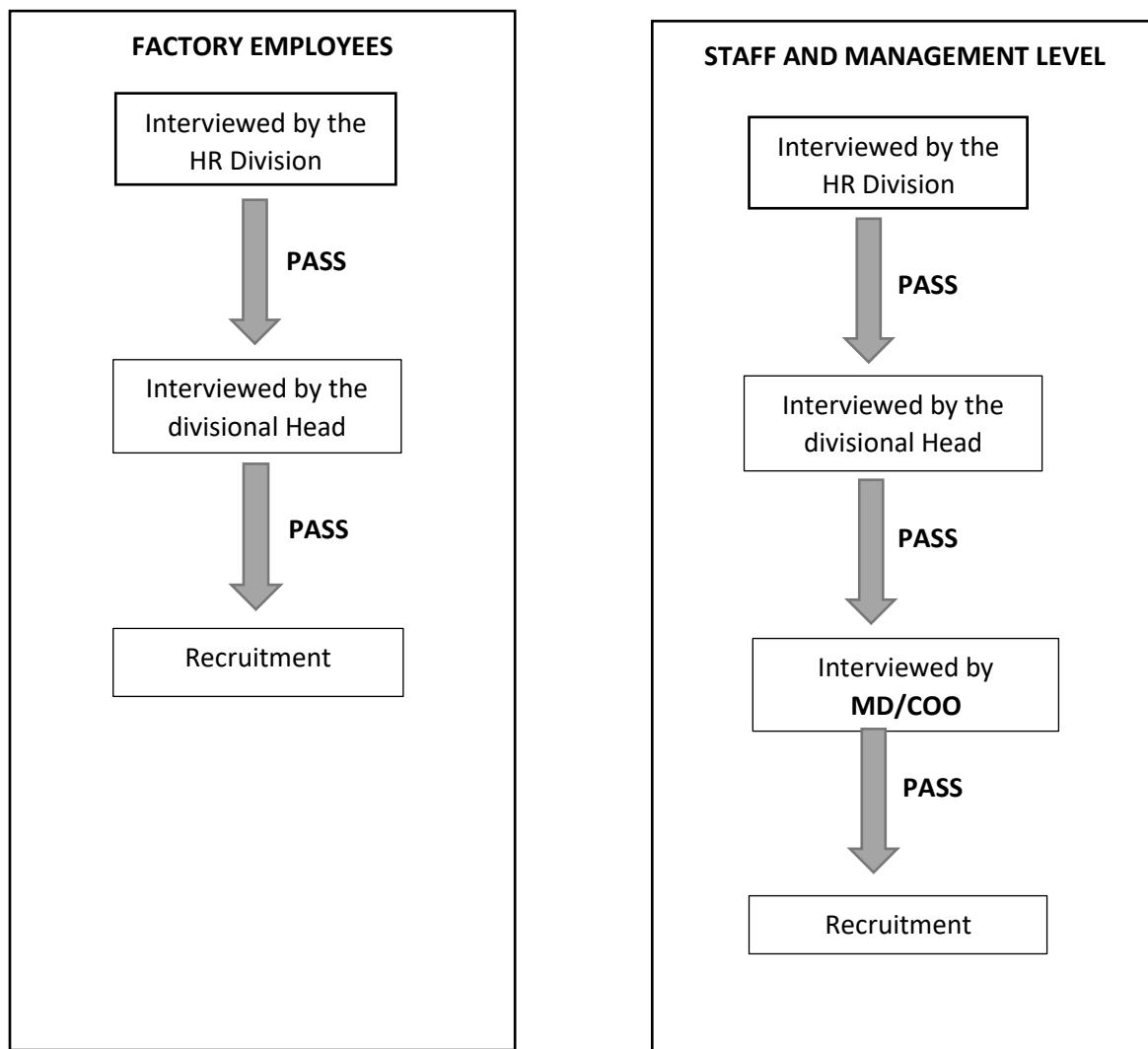
Employment in our facility is based on voluntary labour and we desist from using forced, prison, indentured, bonded or trafficked labour.

Any worker hired must be under labour contracts, that fully comply with all relevant legal requirements and there should not be any form of coercion (including imposing substantial fines or loss of residency papers by workers leaving employment or restricting a worker's ability to voluntarily end his/her employment).

Procedure

1. Recruitment of the employees at RM Holdings (Pvt) Ltd. takes place only upon the receiving the job application, which must be duly signed by the job applicant.
2. Recruitments are done through a well-defined procedure by the HR division and no personal favouritations are considered in the process.

INTERVIEW PROCEDURE



***** Interview checklist will be marked by the HR member and the relevant Divisional Head. Given marks of both will be considered when assigning the employee for the particular position.

Interview

3. After the interview, the job will be assigned to the applicant only after the appointment letter has been signed. The copies of the original certificates will be retained, whereas the original documents will be returned to the applicant.
4. Prohibition of forced labour has become part of the company culture. This is implemented by educating top to bottom of the company hierarchy, including the security section as well.
5. HR division is given the full authority to take disciplinary actions against the employees who violate the above policy and procedures.
6. All employees have the right to make complaints against people who do not follow the procedures, they can directly inform the HR division or through the suggestion box.

The Managing Director is responsible to ensure the implementation of the above policy and procedure. In his absence the Chief Operating Officer, HR Manager and relevant divisional head will be responsible.

COMPLAINTS/ SUGGESTION BOX PROCEDURE

Any employee could make a complaint or a suggestion by placing a comment into the suggestion box which will be checked by the Human Resource Manager weekly.

- If there is no response within two weeks, the employee can complain to the HR Manager or to the COO directly.
- Complaints during a week will be analysed and total number of complaints and solutions taken will be informed to all the employees.
- HR division shall maintain a logbook for procedure maintenance.

3. PROHIBITION OF CHILD LABOUR

Policy

We do not recruit employees under the age of sixteen.

Procedure

1. Information of the employees between ages 16 – 18 years will be maintained in a Young Employee Register.
2. Human Resources Division is responsible for carrying out the law requirements and manages the divisional heads to comply with.
3. When recruiting an employee, it is strictly considerable Date of birth & age of candidates.
4. The proof of age documentations such as, original birth certificate and Gramasevaka certificate (A written certificate from the head of village) is compulsory when the employee is recruited, those are filled in employee's personal file.

5. All divisional heads are educated frequently using the BOI Labour Standards and Employment Relations Manual, Employment of Women Young Person and Children's Act. And when changes in laws and regulations related to this policy take place, we update consequently.

The individual responsible for compliance of this principle is HR Manager. In her absence the Factory Manager will be responsible.

4. PROHIBITION OF HARASSMENT AND ABUSE

Policy

It is our policy and responsibility to ensure that the employees do not undergo any form of physical or mental harassment and corporal punishment during the day to day running of the business.

Procedure

1. The management should clearly understand that such behaviour is not accepted by our company. We believe in the honest contribution of the management in achieving this policy. The HR division is responsible in ensuring that the policy is in place (signed acknowledgments of their understanding have been obtained)
2. We will take disciplinary actions against employees who do not adhere to the above policy regardless of his/her position at RM Holdings (Pvt) Ltd. (please refer the disciplinary procedure).
3. Employees are advised to carry out only lawful orders.

4. All the employees are educated on the above policy and the procedure on "How to report an abuse or harassment" to HR Division is displayed in the factory Notice board (suggestions Box procedure – Refer Policy 02 Procedure) together with the contact numbers of relevant authorities.
5. If the employee's complaint is pending without any reaction, employee shall directly report the matter to the Managing director or make a request from the MCT for the breach of above policy.

***** Management Counselling Team*****

The Management counselling meeting is held by three members of the management team. Employee representatives are being selected to talk about their main issues and concerns. During this meeting the various complains and suggestions collected from the suggestions box are also discussed.

The Management Counselling Team offers the opportunity to all the employees to solve their issues in a secured manner. Meetings are held every month.

Disciplinary Procedure (BOI manual Chapter 13 is followed & all the records are maintained)

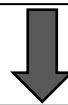
MINOR SCENARIO

Divisional Head is informed

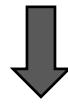
The divisional head will have a discussion with the employee and will solve the problem

MAJOR SCENARIO

HR Division will be informed



Disciplinary enquiries will be carried out by the HR Division



All the evidences of complaint and the witness's will be taken in to consideration



Conclusions will be made accordingly and if there is a violence of Principle, the witness (with his/her signed acknowledgement) will be given warning letter by the HR division.

If three warning letters are issued for the same breach of principle to the same employee.

Disciplinary committee will come to a conclusion with the following punishment:

- **Major scenario** – Interdict work with no pay
- **Critical scenario** – terminate

The individual responsible for compliance of this principle is HR Manager. In her absence the relevant Divisional Heads will be responsible.

5. COMPENSATION & BENEFITS

Policy

We provide high compensation and benefits to our employees as a means of increasing motivation and job satisfaction.

Procedure

1. Employees are educated about the compensation and benefits that they are entitled to receive on their first day of work at RM Holdings (Pvt) Ltd.
2. The employee will be informed about the basic salary through the appointment letter and other benefits will be informed through the employee hand book.
3. Wages, other related dues and allowances including overtime hours are paid to the workers within the minimum legal standard as per guidelines based on B.O.I Regulations, factories Ordinance, and shop & Office Act.
4. Each employee is assigned with an Employee number and EPF number on recruitment. A detailed pay sheet is given to each employee on regular basis.
5. HR division maintains payroll records in a very secure manner.

Benefits

- Evening snack and two cups of tea, free of charge.
- Provision of Lunch
- Attendance bonus up to Rs. 3000.00 and a value pack worth Rs. 2000.00
- Incentive payment
- Well-equipped first aid box in the nursing unit with a trained First Aid team.
- Workmen compensation
- Cash payment for funerals of family members
- Maternity leave
- Provision of two hours daily for breast feeding mothers, for a period of one year
- Provision of uniforms
- Annual bonus, provided three times a year
- Annual Trip.

The Managing Director is responsible for compliance with this principle. In his absence, the Chief Operating Officer, Human Resource Manager and the Finance Manager will be responsible.

6. HOURS OF WORK

Policy

We do not exceed the legally limited hours of work.

Procedure

1. At the time of recruiting, every employee is provided with a job contract which describes the employment conditions including hours of work, weekly holidays, Poya day and annual holidays etc.
2. Working days for RM Holdings (Pvt) Ltd. is from Monday to Friday. Saturday and Sunday are considered as weekly holidays. This does not apply when there is a requirement of meeting "**urgent business needs**". Subjected to the provisions of law, workers may be employed on Sundays, Poya days and on public Holidays.
3. When there is an urgent business need, employees are informed through a notice and their prior willingness to work overtime in order to cover in advance will be taken into consideration. Divisional Heads are educated as well.

4. Any work performed in excess of the normal working hours will be treated as overtime work and shall be remunerated accordingly.
5. Our facility utilizes finger print system for each employee's attendance and it reflects the date, time and the number of hours worked every day.
6. Factory also maintains an attendance record, payroll records in a secure manner.

Signed statements were obtained from Management and staff affirming their understanding.

The "Urgent Business Need" demonstrates,

An urgent circumstance where an issue or a delaying occurred on export cargo due to any other delay outside the control of the local management.

Occasions such as delays in production for shipments caused by natural disaster, curfew imposed by the Government, delay in supply of fabric/accessories etc. which requires additional hours of work to meet an export dead line by the buyer etc.

The individual responsible for this principle is the Managing Director. In his absence the Chief Operating Officer, HR Manager or relevant Divisional Head will be responsible for the above policy.

7. PROHIBITION OF DISCRIMINATION

Policy

At RM Holdings(Pvt) Ltd we place a great value in our human asset. We believe that our employees are the key to the success of the business.

In other words, we believe that keeping our employees happy and creating job satisfaction is very crucial in a global economy, as they determine the happiness of our customers.

We ensure that no employee is discriminated at work. At recruitment, only their ability to do the job and their working experience are considered. We follow the guidelines based on factories Ordinance, Shop & Office Act and B.O.I Regulations.

Procedure

1. We do not consider race, religion, creed, caste, gender or handicap of any employee on any process.
2. Bonuses, promotions & salary increments are offered according to their ability & performance on their Job and it will not be a single person's decision. (Divisional Head, HR Manager & Managing Director are involved in).

3. Although with bearing Authorities in Supervisory level, all employees wear the same uniform from the bottom level.
4. We do not require mandatory pregnancy testing as a condition of employment or continued employment.
5. All the management staff, middle management, office staff and security officers follow the above procedure and signed statements have been obtained affirming their understanding on the above policy.
6. Factory also provides training on this principle for relevant individuals and this principle is well communicated to all workers.

The individual responsible for this principle is the Managing Director. In his absence, the Chief Operating Officer, HR Manager and relevant Divisional Head will be responsible.

8. HEALTH & SAFETY

Policy

Our policy involves in the creation of a healthy and strong workforce along with a safe environment to work by following right procedures of Health and Safety from the very beginning to the end of the process.

Procedure

1. We have a Health and Safety Committee for the purpose of making decisions of reasonable practical measures to avoid causing unnecessary or unacceptable risks of Health and Safety of our employees, customers and visitors to our premises.

- Health and Safety Committee

Health and Safety Committee is led by the HR division consisting of 18, trained First Aid team members and a Fire fighting team. Meetings are held monthly to discuss health and safety concerns, minutes are maintained and forwarded to the management for corrective action.

- First Aid team

The First Aid team consists of 15 employees from each division who were trained by the Red Cross Society. Leaders are appointed for each division.

It is the responsibility of the team members to avoid employees from dangerous accidents and in case of any accidents, team members should response immediately to give First Aid or send the injured person to the hospital before the injury become serious.

- Fire Fighting team

Firefighting consists of 27 members from all the divisions and they are responsible to prevent any kind of fire injury to the employees as well as to the Factory as well.

- a. Adequate numbers of fire extinguishers are located and fire extinguisher inspections are done on a timely basis and maintained by the relevant employees who are trained as fire fighters and other personal training programs conducted and records maintained as well.
- b. Fire evacuation plans, fire assembly points are displayed and a fire drill is conducted once in every six months and relevant records are maintained.
- c. All the exits including emergency exits, pathways and aisles are kept clear and free of obstruction. Emergency lights are checked periodically.
Most of the doors are open outward according to standard requirements.

2. For sick employees, a separated sick room is provided and for each division relevant records are maintained.
3. Maternity leave register is maintained. Leave and feeding hours are granted as described in the Maternity Benefit Act B.O.I guidelines.
4. Proper training will be provided for every worker upon the commencement of the work along with all the suitable personal protective equipment. Only the authorized people are permitted to carry out jobs such as compressor maintenance, doing electrical repairs etc.

RM Holdings (Pvt) Ltd.

1. A uniform is provided to each employee with protective masks and scarves. Every employee is entitled to wear the uniform while performing work.
2. Cutting section
 - Band knife cutter user - A pair of metal gloves are provided to be worn by both hands while on work.
 - Manual cutter users – A metal glove is provided to be used by the hand that holds the cutting bundle.
3. Production section
 - Safety devices are installed on all machines to ensure operator's safety.
 - Protective equipment is also provided to mechanics to ensure safety at work.
 - Broken needle and sharp tool handling procedure.

The following procedures are followed to ensure employee and customer safety.

- i. **Broken needle procedure** – Proper documentations are maintained when needles are issued to employees. If one needle is broken the operator should certify that no garment carries the broken needle piece. A “hand needle detector” is used for inspection. The procedure is carried out accordingly.
- ii. **Sharp tool handling procedure** – The line leader is responsible for all sharp tools used by line members. Proper records are maintained for every tool issued and received for safety purposes.

A needle procedure is available in the Health and safety file.

Note: We have implemented our Health and Safety procedure according to the 6th chapter of the BOI Hand Book (Labour Standards and Employment Relations Manual)

4. Machinery Safety

Periodic examination of machinery such as Generators, Air compressor etc. is carried out by an authorized Examiner to ensure safety. Relevant certificates and records are properly maintained by the HR division.

5. Hygienic conditions

*** According to the BOI guide lines, we follow satisfactory hygienic conditions in out the factory premises, especially inside washrooms, toilets and the canteen.

*** Cleaners are employed to maintain above procedure as well as the cleaning procedure. However, every employee is told to keep their working place clean. The factory manager is responsible for monitoring the procedure in the whole factory.

Head of each division will be responsible for their division’s safety & health procedures. We will ensure all their activities are conducted safely and in an acceptable manner by the community.

The individual responsible for the compliance of this principle is the HR Manager. In her absence the Factory Manager or the Quality Manager will be responsible.

9. FREEDOM OF ASSOCIATION

Policy

RM Holdings (Pvt) Ltd policy is to recognize and respect the rights of employees to exercise their lawful rights of free association.

Procedure

1. At RM Holdings (Pvt) Ltd, employees are allowed to join worker's Council or Union at any time.
2. We have a Worker's Committee and also most of the concerns are directly addressed to the HR division and solved accordingly. Either the management counselling team or the Director has advised to discuss with him directly in any complain regard.
3. Concerned matters raised and the remedial action taken by the Management counselling team in each meeting will be reported to the Managing Director accordingly.
4. Employees are satisfied on Counselling Committee reactions.

The individual responsible for compliance of this principle is HR Manager, in her absence the Factory Manager will be responsible.

10. ENVIRONMENT

Policy

With the increasing global concern on the environment, RM Holdings (Pvt) Ltd. pays a huge emphasis on our Corporate Social Responsibility. We aim to create a positive impact on the environment and stakeholders including consumers, employees, investors, communities, and others. Our environmental procedure is in accordance with the National Environmental Act, No. 47 of 1980.

Procedure

1. We have obtained Environmental protection license of the National Environmental Act, No. 47 of 1980.
2. Waste management
 - Off-cuts
Fabric off-cuts wastes and other stocks of production wastes (plastic tubes of fabric rolls, papers, thread, elastic etc.) are sold to an outside buyer who has been certified by the central environment Authority.
 - Other wastage
Food Polythene and other wastes are collected separately and disposed through a licensed waste handler who will then send to a facility for re-use.

- Waste water

The waste water of the building (including hand basins, sinks, showers, baths, laundry) and storm water flaws in a sewerage pipe to the treatment plant.

- Broken blunt needle

Twice a year, broken needles and blunt needles are collected and disposed into a buried tube. A demarcated area of the factory land is used for the burying tube. A separate needle procedure document is available.

3. No chemicals are used for production process; therefore, no toxic substances are discharged at all.
4. Environmental conscious practices are observed from the start to the end of the production process.
5. Above policy and procedure is communicated to all the workers.

The individual responsible for compliance of this principle is Factory Manager. In his absence the HR Manager will be responsible.

11. CUSTOMS COMPLIANCE

Policy

It is the policy of RM holdings (Pvt) Ltd to offer the best quality product to customers according to their requirement. For being complied on this policy we are committed to the local legal provisions stipulated in the Customs Act as regards transshipment of sewn products.

Procedure

1. The planning executive provides the confirmed shipment plan to all the divisional Heads they follow the plan and take necessary actions accordingly.
2. On receipt of the shipment plan, the Finance division shall check the actual cargo ready dates from PCU & FG warehouse department and process the relevant documents and get the approval from BOI/SLPA.
3. Once cargo is ready for shipment FG warehouse Manager shall issue a packing list for the shipment quantity. Based on shipment quantity the Finance division informs the freight forwarder about the container requirement, vehicles to transport the goods to cargo freight stations/port after BOI verifications.
4. On arrival for loading of export cargo, FG warehouse manager and the security shall inspect the vehicle/ container condition before they load goods. After they are satisfied with vehicle/

container condition they shall load goods into the lorries/containers under security supervision.
(container check list)

5. When the export cargo is loaded according to the packing list, containers will be checked and sealed by the BOI customs officer.
6. Freight forwarder shall accompany the goods until they are delivered to cargo freight stations/port to protect goods from any damage and pilferage.
7. After the Finance division's confirmation of shipping instruction, freight forwarder, shall issue bill of Lading (B/L)
8. On receipt of Certificate of origin & commercial invoice which is certified by the Chamber of Commerce - Sri Lanka, along with other shipping documents a full set of shipping documents shall be couriered to the customer.

The Managing Director is responsible to ensure the implementation of the above policy and procedure. In his absence Finance Manager and PCU Manager will be responsible.

12. SECURITY

Policy

RM Holdings (Pvt) Ltd. maintains a course of actions to safeguard against the introductory of non-manifested cargo into outbound shipments. By taking preventive actions to avoid violence of Drugs ordinance along with explosive, Bio hazards and any contraband material.

Procedure

1. The security system is outsourced to an external party. They ensure the high security standards throughout the day through constant monitoring and supervising.
2. RM Holdings employees can enter the premises through finger print scanning and individual visitors will be physically checked for drugs, contraband material etc. and finally a "Company visitor ID" will be issued to enter the premises.
3. A factory identity card is provided to all employees for recognition purposes and any visitor who comes in to the factory premises should be given a visitor pass after approval from the relevant divisional head and records must be maintained accordingly.
4. Visitors are not allowed to the factory premises without prior approval from the management.

- Inbound logistics

- a. When an import cargo arrives to the factory, the security will check the import document and the endorsement of BOI Verification Unit.
- b. The vehicle number should be checked and if it is a FCL, the container number should tally with the cart note.
- c. Inform the PCU or the RM store
- d. Regarding the arrival of goods, after the approval of divisional head, visitor passes are issued to the members who come to deliver the import cargo.
- e. After the arrival of the BOI verification officer, the unloading will start and the package count will be taken by the RM stores and the security to ensure that the quantity stated in the packing list has been fully received.
- f. Any variations in the inbound cargo from the packing list, should be reported immediately to the PCU.

- Outbound logistics
- a. When the empty container or lorry arrives for export at the factory, the security will inform the PCU Manager and the FG warehouse manager.
- b. Note down the vehicle number in the outbound vehicle register
- c. Issue the visitor passes to the driver and to the cleaner and permit them to take in the vehicle.
- d. Check export container/ lorry carefully and inform the FG warehouse Manager of the status especially if any unauthorized cargo is found inside. When shipments are loaded take the package count and record the details in the Google Out-going Register, and for the FCL cargo the shipment Arrival/Departure Record is also maintained.
- e. The security will stay at the loading point to ensure that the cargo is loaded from the finish goods Warehouse and that no unauthorized cargo is loaded.
- f. Any variations of out – bound cargo with the Packaging List and Gate pass will be reported immediately to the PCU Manager.

5. This policy and procedure is communicated to the Management and Production staff by memo and their signature obtained after ensuring their understanding. For the workers, the policy and procedure is communicated through notices in the notice board.

Further the WRAP principles and procedures are distributed to all the employees by leaflet.

The individual responsible for this principal is Managing Director in his absence the Chief Operating Officer, Factory Manager, PCU Manager and HR Manager will be responsible for above policy.

WORKPLACE CODE OF CONDUCT

Introduction

RM Holdings (Pvt) Ltd. has a tradition of conducting its business in an ethical manner that reflects our respect for the public franchise under which we operate. As such we are concerned with the worldwide state of being of human rights and environmental degradation. RM Holdings (Pvt) Ltd is committed to the highest standards of business conduct in our relationships with each other and with our customers, co-workers, suppliers and others. This requires that we conduct our business in accordance with all applicable laws and regulations, and in accordance with the highest standards of business conduct. The Company's Business Ethics helps each of us in this endeavor by providing a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. In addition to the ethical guidelines included in this Code, there are many laws and regulations that affect us in Sri Lanka and foreign markets where we do business. Each of us must comply with the requirements of all applicable law. If a law conflicts with the Code or any Company policy, you must comply with the law. Those who violate the law, the Code or Company policy will be subject to disciplinary action, up to and including suspension or termination of employment.

Your Responsibility to the Company

All members of the company are expected to protect and enhance the reputation and assets of the Company by conducting our business in accordance with the highest ethical standards. Company conduct should reflect the Company's values, demonstrate ethical leadership and promote a work environment that upholds the Company's reputation for integrity, ethical conduct and trust.

Fair Treatment of Employees

The Company has established comprehensive programs to ensure compliance with labor and employment laws, including equal employment opportunity policies and procedures, safety and health programs, and wage and hour compliance procedures. For further information on particular labor and employment compliance policies, see your supervisor or contact the Human Resources Department.

In addition to compliance with applicable laws regarding workplace conduct, the Code requires that all of the Company's employees, officers and directors conduct themselves in a manner that is respectful of others in the workplace and permits others to carry out their duties free from harassment, bullying, threats, coercion and intimidation.

Respecting One Another

The way we treat each other and work environment impacts the way employees do their jobs. You want and deserve a workplace where they are respected and appreciated. Everyone who works for the Company must contribute to the creation and maintenance of such an environment, and supervisors and managers have a special responsibility to foster a workplace that supports honesty, integrity, respect and trust.

- Non-discrimination and Equal Employment Opportunity**

The Company is an equal opportunity employer. We embrace and value a diverse workforce and pledge to provide equal employment opportunity to all job applicants and employees. We will not tolerate discrimination against applicants or employees on any impermissible basis including race, religion (including religious dress and grooming practices), cast, gender, age, marital status, ancestry, marital status, or any other basis protected by local law. This policy applies to all aspects of employment, including recruitment, hiring, promotions, training and career development, compensation, termination, and any other term or condition of employment. This also means we will treat all our employees, customers, suppliers and other people with whom we come in contact with respect, dignity and honesty.

- Harassment, including Sexual Harassment and Abusive Conduct**

We will not tolerate the use of discriminatory slurs, or any other remarks, jokes or conduct that, create an offensive or hostile work environment or otherwise constitute abusive conduct. We does not tolerate harassment, including abusive conduct, of, or directed towards, any of our employees, whether by another employee, supervisor, officer, Managers, or a third-party, such as a vendor or customer. Harassment including abusive conduct, directed towards third parties by Company employees is also prohibited. Any form of harassment on the basis of race, religion (including religious dress and grooming practices), cast, gender, age, marital status, ancestry, marital status, or any other basis protected by local law is a violation of the Code and will be treated as a disciplinary matter. Any form of abusive conduct is also a violation of the Code and will be treated as a disciplinary matter.

For reference, abusive conduct is conduct that a reasonable person would find hostile, offensive and unrelated to the Company's legitimate business interests, including verbal abuse (for example, derogatory remarks, insults and epithets), verbal or physical conduct that a reasonable person would find threatening, intimidating or humiliating and the sabotage or undermining of a person's work performance.

Each employee, officer and manager must comply at all times with the Company's Policy against Harassment and Discrimination.

- **Reporting Responsibilities and Procedures**

If you believe that you have been discriminated against, harassed, or retaliated against in violation of the Code, Company policy and/or the law, or if you have witnessed what you believe to be discrimination, harassment or retaliation you should promptly report the incident to Human Resources in person by phone or through suggestions box. Complaints of discrimination, harassment and retaliation will be investigated promptly and thoroughly and will be kept confidential to the extent possible, consistent with the Company's obligation to conduct an adequate investigation. Any employee, officer or manager found to have engaged in sexual harassment or any other kind of abusive behavior shall be subject to disciplinary action, which may include termination. No person who in good faith makes a report or claim under the Code or Company policy shall be retaliated against.

Safety in the Workplace

The safety and security of employees is of primary importance. You are responsible for maintaining our facilities free from recognized hazards and obeying all Company safety rules. Workplaces should be maintained in a clean and orderly state to encourage efficient operations and promote good safety practices.

- **Weapons and Workplace Violence**

No employee may bring firearms, explosives, incendiary devices or any other weapons into the workplace or any work-related setting, regardless of whether or not employees are licensed to carry such weapons. Similarly, the Company will not tolerate any level of violence in the workplace or in any work-related setting. Violations of this policy must be referred supervisor, manager or our RM Holdings Employee Committee immediately. Threats or assaults that require immediate attention should be reported to the police at 119 or 118.

- **Drugs and Alcohol**

The company intends to maintain a drug-free work environment. Except at approved Company functions, you may not use, possess or be under the influence of alcohol on company premises.

You cannot use, sell, attempt to use or sell, purchase, possess or be under the influence of any illegal drug on Company premises or while performing Company business on or off the premises.

You cannot use, sell, attempt to use or sell, purchase, possess or be under the influence of any legal or prescription drug in a manner inconsistent with the law on company premises or while performing company business on or off the premises.

Employees cannot work while impaired by the use of a legal drug whenever such impairment might endanger your safety or the safety of any other person, pose a risk of damage to property, or adversely affect your job performance or the efficient operation of the company's business.

Employment Standards

- **Wages and Benefits.**

We will provide wages and benefits that comply with any applicable law and match the prevailing local apparel Industry practices.

- **Working Hours**

We will identify prevailing local work hours and company do not exceed them except for appropriately compensated overtime. The company only utilize less than sixty-hour work and employees are allowed at least one day off in seven.

- **Child Labor**

RM Holdings (Pvt) Ltd employ only workers who meet the applicable minimum legal age requirement or are at least 16 years of age, whichever is greater. Company also comply with all other applicable child labor laws. Company has registered all the workers under 18 years of age in the young worker register.

Company encourages and allows eligible workers, especially younger workers, to attend weekend classes and participate in work-study programs and other government-sponsored educational programs.

Company maintains official documentation for every worker that verifies the worker's date of birth such as Birth Certificate and National Identity Card.

- **Prison Labor/Forced Labor**

We will not utilize prison or forced labor in our company and also we will not utilize or purchase materials from a business partner utilizing prison or forced labor.

- **Collective Bargaining**

We have provided a suggestions box to suggesting employees problems anonymously and there are RM Holdings Employee Committee meetings in every 3rd week of the month to review those suggestions and address them.

Whistleblowing

We encourage all the employees to blow the whistle to report certain kinds of wrong doings. This will usually be something you've seen at work - though not always. The misconduct you disclose must be in the public interest. This means it must affect others, e.g. the general public.

As a whistleblower you're protected by law - you shouldn't be treated unfairly or lose your job because you 'blow the whistle'. You can raise your concern at any time about an incident that happened in the past, is happening now, or you believe will happen in the near future.

As such, we ask that if you have questions, ask them; if you have ethical concerns, raise them; if you believe something to be suspicious or inconsistent with the Company's best interests, report it to the RM Holdings Employee Committee at monthly meeting or contact the Human Resources Division, at hr@rusalu.lk or +94 31 7655800 (400-3). Each member of the company is responsible for helping foster a culture of ethical conduct through our own actions, which should embody the spirit of the Code at all times.

- **Complaints that count as whistleblowing**

You're protected by law if you report any of the following:

- A criminal offence, e.g. fraud

- Someone's health and safety is in danger
- Risk or actual damage to the environment
- A miscarriage of justice
- The company is breaking the law, e.g. doesn't have the right insurance
- You believe someone is covering up misconduct

- **Complaints that don't count as whistleblowing**

Personal grievances (e.g. bullying, harassment, discrimination) aren't covered by whistleblowing law, unless your particular case is in the public interest.

Waivers of the Code

We will waive application of the policies set forth in this Code only where circumstances warrant granting a waiver. Waivers of the Code for managers and executive officers may be made only by Management Team or the Audit Committee of Management Team and must be promptly disclosed as required by law or regulation. Other waivers must be approved in writing by the RM Holdings Employee Committee.

Compliance with the Code

We take the Code very seriously. Employees must understand the Code and take responsibility for seeking the advice of your supervisor or other appropriate officials of the Company if you need clarification on any point.

The Code contains policies that are in addition to the Employee Handbook, but in some places summarizes or supplements policies in the Employee Handbook. The Code shall not limit the construction of a policy in the Employee Handbook, and similarly, the Employee Handbook shall not limit the construction of a policy in the Code of Business Conduct and Ethics.

Reporting Violations

If employee know of or suspect a violation of applicable laws, rules or regulations, accounting standards, internal accounting controls, the Code or the Company's related policies, the Company urges that they immediately report that information to the HR or RM Holdings Employees' Committee. If you wish to make a confidential report, you may contact the Human Resources Team. No one will be subject to retaliation because of a good faith report of a concern, suspected misconduct or violation.

Disciplinary Action

Every employee, executive officer, manager and director of the Company is responsible for contributing to the creating a culture of ethical conduct at the Company by acting in accordance with the Code at all times. The Company intends to use every reasonable effort to prevent the occurrence of conduct not in compliance with the Code and to halt any such conduct that may occur as soon as reasonably possible after its discovery. Company employees and officers who violate the Code and other the Company policies and procedures may be subject to disciplinary actions, which may include suspension or termination. Disciplinary measures will also apply to anyone who directs or approves infractions or has knowledge of them and does not move promptly to report and correct violations of the Code in accordance with Company policies. In addition, persons who violate the law during the

course of their employment may be subject to criminal and civil penalties, as well as payment of civil damages to others.

Management Team shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of the Code by the Company's managers and officers. Such actions shall be reasonably designed to deter misconduct and to promote accountability for adherence to the Code and may include written notice to the individuals involved that Management Team has determined that there has been a violation, censure by Management Team, demotion or re-assignment of the individual involved, suspension with or without pay or benefits and termination of the individual's employment. In determining what action is appropriate in a particular case, Management Team or Management Team's designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation appears to have been intentional or inadvertent, whether the individual in question was advised prior to the violation as to the proper course of action or sought out such advice in accordance with the Code and Company policy and whether or not the individual in question had committed other violations in the past.

No Rights Created

The Code is a statement of policies for individual and business conduct and does not, in any way, constitute an employment contract, an assurance of continued employment or a guarantee of continuing Company policy. The Company reserves the right to amend, supplement or discontinue the Code and the matters addressed herein, without prior notice, at any time. The Code is not intended to and does not create any rights in any employee, manager, customer, supplier, competitor, stockholder or any other person or entity.

MANAGEMENT COMPLIANCE ON WRAP

We are committed to comply with the above policies and follow the procedures accordingly.

Roy Munaweera	Managing Director
Shenal Sethunga	Chief Operating Officer
Lalith Kahawalage	General Manager
Lasantha Kumara	Operation Manager
Udaya Disanayake	Production Manager
Pathum Asanka	QA Manager
Dhananjaya Sampath	Head of HR /Safety & Compliance Officer

