



HR POLICY

POLICY NAME: CHILD PROTECTION POLICY

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I. PREFACE

In accordance with International Labour Organization (ILO) Conventions 138 (Minimum Age for Admission to Employment) and 182 (Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour) and the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 this Child Protection Policy ("**Policy**") is made available to the employees, vendors, contractor and suppliers of CottonConnect South Asia Private Limited (hereinafter referred to as "**CottonConnect**" or "**Company**" or "**We**" or "**Our**")

The policy aims to provide you with insights into CottonConnect's operations and regulations. It offers a swift introduction to the organization, outlining our goals and objectives in establishing a workplace that adheres to all relevant laws. Its primary goal is to inform employees, vendors, contractors and suppliers about their responsibilities during their tenure with the Company.

The objective of this policy is to implement measures that guarantee adherence to child protection regulations, to start a positive engagement to ensure a healthier and safer environment for the family of the workers, safeguard the basic rights of children and ensure such situations are handled with sensitivity without affecting the livelihood of farmers & rightsholders in our supply chain. Its purpose is to ensure that the Company, along with its employees, agents, officers, vendors, contractors and/or suppliers, conducts business in a socially responsible and ethical manner.

We hope that you will read the policy in its entirety.

We wish you a productive and rewarding association with CottonConnect.

Abhishek Nambiar

Chief People Officer

II. INTRODUCTION

We strive to be responsible and ethical in our business practices and to keep our communities at the centre of our work. Thus, this policy is not just a compilation of information on policies and processes but is a reminder of our responsibilities in ensuring effective implementation of the same.

We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure child labour is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling child labour throughout our supply chains. We expect the same high standards from all of our contractors, suppliers, farmers and other stakeholders and, as part of our contracting processes, we include specific prohibitions against the use of forced or trafficked labour, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

We strongly encourage you to read and comply with the terms of this policy. The information in this policy may be amended from time to time. You will be notified of any changes, and we recommend updating your copy as this happens.

Please do not hesitate to talk to us if you have any questions regarding any matters relating to this policy.

III. SCOPE OF THIS POLICY

This Policy applies to CottonConnect employees, consultants (both full-time and part-time), contractors, vendors, suppliers, farmers, seasonal workers, local partners, agents and representatives (as applicable).

IV. CHILD PROTECTION POLICY

1. Definition and Meaning

1.1. **"Child"** means a person less than 15 years of age.

1.2. **"Child Labour"** means labour that deprives children of their childhood, their potential and their dignity, and that is harmful to physical or mental development. It includes work that (i) is mentally, physically, socially or morally dangerous and harmful to children, and (ii) interferes with their schooling. Whether certain work constitutes harmful or illegal child labour varies from country to country and depends on, among other things, the child's age, the type of work performed, the number of hours worked and the conditions under which the child works. Child Labour does not include youth employment or student work, such as internships or apprenticeships, which comply with local laws and regulations.

In short, child labour means any work involving a child that is mentally, physically, socially or morally dangerous and harmful to children, prevents him or her from attending school or concentrating at school, or negatively impacts on the health, social, cultural, psychological, moral, religious and related dimensions of the child's upbringing.

1.3. **"Forced Labour"** means all work or service exacted from a person under threat or penalty (including slavery, servitude and forced recruitment), which includes penal sanctions and the loss of rights and privileges where the person has not offered himself or herself voluntarily.

1.4. **"Minimum Age of Admission to Employment"** means: (a) not less than the age of completion of compulsory schooling and will not be less than 15 years. b) light work is permissible for children and could include work that is not likely to be harmful to their health or development and not such as to prejudice their attendance at school, their participation in vocational orientation or training programmes.

2. **Policy Statement**

- 2.1. CottonConnect is committed to refraining from (i) tolerating, engaging in, or supporting Forced Labour or Child Labour in any form within CottonConnect's operations, and (ii) aiding CottonConnect's clients or any other parties in such practices.
- 2.2. CottonConnect unequivocally prohibits (i) the tolerance, engagement, or endorsement of Forced Labour or Child Labour in any capacity within CottonConnect's operations, and (ii) any facilitation of such practices for CottonConnect's clients or any other entities.
- 2.3. CottonConnect shall ensure to verify that its employees meet the legal working age requirements for their respective positions, considering the Minimum Age of Admission to Employment during the recruitment process. CottonConnect shall adhere to local regulations concerning the employment of youths or students, including provisions for internships or apprenticeships.
- 2.4. Child Labour and Forced Labour are pervasive problems throughout the world. As an employer and purchaser of services and goods, CottonConnect has an important role to play in these issues.
- CottonConnect guarantees compliance with regulations prohibiting the employment of individuals under the age of 15 in the workplace, irrespective of whether such individuals are relatives or family members of CottonConnect employees.
 - CottonConnect prohibits the use of forced or compulsory labour in all operations.
 - CottonConnect ensures that no employee is made to work against his / her will or to work as bounded / Forced Labour or subjected to corporal punishment or coercion of any kind, related to work.
 - CottonConnect refrains from engaging with vendors, clients and suppliers who resort to using Child Labour and Forced Labour in their operations.
- 2.5. To this end, CottonConnect has adopted the following principles to reinforce its core value of treating all people with dignity and respect:
- CottonConnect will not tolerate the use of Child or Forced Labour in our supply chain.
 - We will not tolerate the exploitation of children, their engagement in unacceptably hazardous work, and the physical punishment, abuse, or involuntary servitude of any worker.

- We expect our suppliers, vendors and contractors with whom we do business to uphold the same standards.
- 2.6. Should a pattern of violation of these principles become known to CottonConnect and not be corrected, the business relationship may be discontinued at the discretion of CottonConnect management. It is the responsibility of local management to implement and ensure compliance with these principles.
 - 2.7. CottonConnect has the responsibility for ensuring the implementation and compliance with the principles by CottonConnect's representatives and compliance with the Policy will be regularly monitored and evaluated.

3. **Implementation**

The following efforts shall be taken by CottonConnect and its employees, vendors, contractors and supplier to reduce the Engagement of Child Labour in our workplace and supply chains:

- 3.1. Strict adherence to the provisions of the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 and the Child and Adolescent Labour (Prohibition and Regulation) Rules, 1988. (Both are India Acts)
- 3.2. Comply with the principles outlined in the Convention on the Rights of the Child.
- 3.3. Refrain from employing or supporting the employment of child labour as defined by the International Labour Organization (ILO) Convention 138.
- 3.4. Prohibit and actively work towards eliminating the most egregious forms of child labour in alignment with the standards set forth in ILO Convention 182.
- 3.5. Refuse to engage with entities that employ child labour.
- 3.6. Base decisions regarding child labour on expert guidance regarding available alternatives for children within the local context, prioritizing the best interests of the affected children.

4. **Procedure for Prevention**

CottonConnect is fully committed to improving the detection and elimination of Child Labour in our cotton farming community supply chain, at both the local and corporate levels. To meet this commitment and promote ethical cotton sourcing, the following measures will be implemented:

- 4.1. Providing education and training to employees and farming communities regarding child protection commitments to ensure the effectiveness of this Policy.
- 4.2. Launching awareness campaigns utilizing various mediums such as websites, posters, brochures, and other media platforms.
- 4.3. Organizing effective collaboration with non-governmental organizations (NGOs), farmers and worker organizations, clients, governments, and other stakeholders to drive complementary policy, practice, and regulatory reforms to eliminate Child Labour in cotton production.
- 4.4. Conducting farm visits by trained staff to monitor compliance with child protection standards in our cotton farming operations.
- 4.5. Maintaining honest and transparent recording and reporting of incidents while safeguarding the confidentiality of those involved. This includes thorough investigations and the establishment of effective resolution processes specific to cotton farming.
- 4.6. Implementing follow-up monitoring to ensure that effective resolutions are implemented and taking additional measures, when necessary, with a focus on cotton farming practices.
- 4.7. Conducting periodic independent third-party audits and assessments specifically targeted at cotton farming operations to validate compliance with child protection policies.
- 4.8. Utilizing the results obtained from monitoring activities and external assessments to inform and enhance all relevant internal functions related to cotton farming.

5. **Reporting Mechanism**

- 5.1. CottonConnect requires all employees, vendors, contractors and suppliers to promptly notify CottonConnect of any working sites, including subcontractors, that use Child Labour. Failure to disclose any such working sites will constitute a violation of this Policy.

- 5.2. Employees/Stakeholders must understand that they have a moral and ethical obligation to report such instances and will not face any form of retaliation.
- 5.3. CottonConnect places utmost importance on confidentiality and may grant anonymity to complainants upon request, provided that such anonymity does not hinder the investigation or resolution of the dispute.
- 5.4. There shall be no restrictions on the submission of complaints, and employees/stakeholder are encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of our business or supply chains of any supplier tier at the earliest possible stage.
- 5.5. There are a number of channels for reporting a concern and these should be sent without delay to:
 - 5.5.1. The senior HR compliance representative with designated responsibility under this policy. This position is held by Senior Manager - HR
 - 5.5.2. For employees, their immediate line manager
- 5.6. CottonConnect guarantees that appropriate measures and disciplinary actions will be enforced in the event of non-compliance with this Policy.
6. **Your Responsibilities**
 - 6.1. The CottonConnect directors have overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
 - 6.2. The senior HR compliance representative has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries and ensuring any complaints received are dealt with appropriately under this policy.
 - 6.3. Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training.
 - 6.4. It is mandatory for all employees, vendors, contractors and suppliers to thoroughly read, understand, and strictly adhere to this Policy.
 - 6.5. The prevention, detection, and reporting of Child Labour, Forced Labour, and human trafficking are the direct responsibility of every individual associated with our organization, including consultants & local partners.

6.6. CottonConnect retains the right to immediately terminate contractual relationships with any vendors, contractors and suppliers found to be in violation of this Policy.

7. **Standard Operating Procedure (SOP)**

CottonConnect commits to the following activities to ensure the effective implementation of this policy and ongoing monitoring of compliance.

7.1. Employees Training:

7.1.1. All employees will be educated about the organization's commitment to child protection practices during onboarding.

7.1.2. Periodic training sessions will be conducted to reinforce awareness.

7.2. Monitoring:

7.2.1. Regular audits and inspections will be conducted to verify the age of workers.

7.2.2. Conduct thorough checks to verify the age of all workers involved in the supply chain.

7.2.3. Maintain accurate records of worker age verification.

7.2.4. By virtue of this Policy, CottonConnect retains the right to conduct unannounced visits to any working sites, including those of subcontractors, at any time.

7.2.5. CottonConnect reserves the authority to engage independent third parties for inspections, solely at its discretion, to ensure strict adherence to this Policy.

7.3. Reporting

7.3.1. Provide a clear and easily accessible reporting mechanism for the prompt and confidential raising of any concerns. Encourage employees, vendors, contractors, and subcontractors to report any suspected cases of Child Labour to the Company.

7.3.2. Ensure confidentiality and protection for whistleblowers.

7.4. Compliance

7.4.1. Ensure compliance with relevant Indian laws and regulations concerning Child Labor.

7.4.2. Regularly review and update this Policy and SOP to reflect changes in laws, industry standards, and best practices.

7.5. Documentation:

7.5.1. Maintain accurate records of age verification, reports of suspected child labour, investigations, and actions taken in response.

7.5.2. Retain documentation in accordance with legal and regulatory requirements.

7.6. Communication

7.6.1. Disseminate the Policy and SOP to all relevant stakeholders, including employees, suppliers, vendors, contractors, and subcontractors.

7.6.2. Provide training and support to ensure understanding and compliance with the Policy and procedures.

7.7. Review

7.7.1. Conduct periodic reviews of the effectiveness of this Policy and SOP.

7.7.2. Make necessary adjustments and improvements based on feedback, evaluation, and changes in circumstances.

8. **Remediation and Punishment**

8.1. **Level 1 - Investigation**

8.1.1. 'Chief People Officer' or alternative appointed person will conduct an initial investigation upon receiving a report or suspicion of child labour.

8.1.2. Immediate steps will be taken to suspend operations involving the suspected child worker.

8.1.3. If child labour is confirmed, take immediate action to remove the child from the work environment and provide appropriate support and remediation.

8.2. **Level 2 - Comprehensive Investigation**

8.2.1. An interdisciplinary team comprising HRDD, legal, and compliance experts will conduct a thorough investigation.

8.2.2. Findings will be documented and reported to senior management.

8.3. Level 3 - Escalation and Legal Action

8.3.1. Following completion of the investigation, the Chief People Officer will determine the appropriate course of action, which may include termination of contracts, legal action, and reporting to relevant authorities.

8.3.2. Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

8.3.3. Legal and regulatory authorities may be involved if necessary.

8.3.4. Should an employee or representative of CottonConnect be guilty of negligence in enforcing this Policy, prompt remediation will be provided to the affected parties. Remediation options are outlined in the Remediation Plan.

8.4. Remediation Plan- CottonConnect will engage qualified organizations/experts to develop responsible solutions in the best long-term interests of the children involved.

8.5. **Actions in Remediation Plan: Please refer to Child remediation framework.**

9. COMPLIANCE FOR SUPPLIERS, CONTRACTORS, AND VENDORS

9.1. In the event that a supplier, contractor, or vendor becomes aware that a farmer, who is employed by them, has engaged their child in work within the supply chain, it is essential to handle the situation with sensitivity and consideration for the livelihood of the farmer. Therefore, the Company establishes a procedure to address such instances without allowing the termination of the farmer's employment by the supplier, contractor, or vendor.

9.2. Procedure:

9.2.1. **Initial Warning:** Upon discovery or suspicion of Child Labour involving a farmer, supplier, contractor, or vendor (as the case may be) will issue an initial warning to the farmer. This warning will emphasize the seriousness of the issue and the Company's commitment to preventing Child Labour within its supply chain.

9.2.2. **Monitoring and Support Period:** Following the initial warning, the farmer will be closely monitored, and the farmer will be provided with support

to facilitate compliance with child protection policies. This support may include access to educational programs, and guidance on child welfare.

- 9.2.3. **Second Warning:** If there is evidence of continued involvement in Child Labour practices after the monitoring and support period, a second formal warning will be issued to such farmer. This warning will reiterate the Company's zero-tolerance policy towards Child Labour and emphasize the consequences of non-compliance.
- 9.2.4. **Termination as Last Resort:** Termination of farmer engagement with the supplier, contractor, or vendor, as the case may be, will only be considered as a last resort if they fail to rectify the situation despite repeated warnings and support. Such decisions will be made with careful consideration of the impact on the farmer's livelihood and efforts will be made to minimize adverse consequences.
- 9.3. By implementing this procedure, the Company aims to address instances of Child Labor within its supply chain while also supporting the livelihoods of farmers. Compliance with child protection policies is essential for upholding ethical standards and promoting a safe and sustainable working environment.

Reviewed By:

HR Department

Approved By:

Abhishek Nambiar

Chief People Officer