# Anti-Bribery and Corruption Policy

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| **Version** | **Issued** | **Revised** | **Next review due** | **Owner** |
| 1.02 | 03.08.2023 | 16.07.2025 | 16.07.2026 | AMDAP ESG Leadership Group |

## Scope

This policy applies to all PADMA employees, freelancers, contractors, business partners, service providers, administrative staff, and all organisations working with PADMA. It is designed to prevent and detect bribery and corruption, and to ensure compliance with all applicable laws, regulations, including the European Corporate Sustainability Reporting Directive (CSRD).

## Purpose

PADMA is committed to conducting business in an ethical, honest, and transparent manner. We recognise that bribery and corruption, including facilitation payments, are serious offenses that can undermine the integrity of our business, damage our reputation, and erode the trust of our stakeholders. This policy outlines our commitment to preventing and detecting all forms of bribery and corruption, and to ensuring that PADMA complies with all applicable laws, regulations, As well as the CSRD, which requires companies to report on their anti-corruption efforts.

PADMA Directors are fully committed to the implementation of this policy and to fostering a culture of ethics and integrity. We believe that conducting business in a responsible and sustainable manner is essential to our long-term success.

## Definitions

**Corruption:** The misuse of entrusted power or authority, directly or indirectly, for personal gain or gain for another party.

**Bribery:** The offering, promising, giving, accepting, or soliciting of anything of value (which may include money, gifts, hospitality, services, or employment opportunities), directly or indirectly, to any person or organization, with the intent to influence them to act or refrain from acting in relation to a business or official capacity. This includes facilitation payments, which are small payments made to secure or expedite routine government actions.

**Facilitation Payments:** Small, unofficial payments made to secure or expedite routine government actions. While they may be perceived as customary in some jurisdictions, they are prohibited under this policy.

**High-risk roles/functions**: Those roles or functions deemed to be at risk of corruption and bribery as a result of their tasks and responsibilities.

## Our Commitment

PADMA has a zero-tolerance policy on bribery and corruption in all its forms. We are committed to:

* Conducting our business ethically and with integrity.
* Implementing and enforcing effective systems to prevent and detect bribery and corruption.
* Complying with all applicable anti-bribery and corruption laws and regulations.
* Taking steps to ensure that our employees, business partners, and suppliers are aware of our anti-bribery and corruption stance and adhere to this policy.
* Providing training and guidance to our employees on how to identify and avoid bribery and corruption.
* Investigating any suspected violations of this policy and taking appropriate disciplinary action
* Meeting regulatory reporting requirements, including the CSRD which requires the disclosure of our anti-corruption policies, procedures, and performance..

## Policy and Procedures

PADMA strictly prohibits all forms of bribery and corruption, including facilitation payments. This prohibition applies to all our business dealings, whether with public or private sector entities, and extends to our entire global operations and supply chain.

**5**.**1 The following conduct is prohibited**:

* Offering, promising, or giving anything of value, directly or indirectly, to any person or organisation to influence a business decision or gain an improper advantage.
* Soliciting or accepting anything of value, directly or indirectly, from any person or organisation to influence a business decision or gain an improper advantage.
* Making or accepting facilitation payments.
* Engaging in any other conduct that constitutes bribery or corruption under applicable laws and regulations.

**5.2 Record Keeping:** We will maintain accurate and complete records of all financial transactions and business dealings to ensure transparency and accountability.

**5.3 Internal Controls:** We will establish and maintain robust internal controls to prevent and detect bribery and corruption, including segregation of duties, authorisation procedures, and regular audits.

1. Gifts and Hospitality

PADMA understands that the giving and receiving of gifts and hospitality where nothing is expected in return helps to form positive relationships with third parties, where it is proportionate and properly recorded. This does not constitute bribery and is not considered a breach of this policy. 

PADMA appreciates that the practice of giving gifts or hospitality varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable.

Any gifts or hospitality must be reasonable, proportionate, and properly recorded to ensure that they are not used for bribery purposes. Gifts or hospitality with a value of more than 150 euros per person/ BDT 1000 (or the equivalent thereof in other local currency) per person, should not be given, offered or accepted unless the individual giving or receiving the gift has the approval of a PADMA Director.

Any such gifts or hospitality of a value of more than 150 euros should be recorded in the PADMA Gifts and hospitality register.

All gifts and hospitality should meet the following criteria:

* Given openly, not secretly
* Proportionate, transparent, reasonable and for genuine purposes related to the aims and objectives of PADMA
* Not made or received with the intention of influencing PADMA or a third party to obtain or retain business or a business advantage.
* It does not include cash or cash equivalent (e.g. gift cards or vouchers).
* Cannot be viewed as lavish or excessive under local standards and customs and is only provided as a courtesy or token. *If you are unsure whether a gift or hospitality could be viewed as lavish or excessive you should seek advice from your line manager.*
* Of an appropriate type and value and given at an appropriate time, considering the reason for the gift. *If you are unsure whether a gift or hospitality is appropriate you should seek advice from your line manager*;
* Not offered to, or accepted from, government officials or representatives or politicians or political parties.
* Permissible under all applicable laws.

1. Donations and Sponsorships

All donations and sponsorships must be made for legitimate charitable or business purposes, be properly authorised, and fully documented, and approved by a PADMA Director.

Normally, PADMA does not make donations to political parties or election candidates. Any proposed donations to a political organisation must be pre-approved by a director of AMDAP Ltd and be in line with the Group’s policy on Responsible Lobbying and Policy Influencing. In all situations PADMA will ensure that any political contributions are made in accordance with applicable laws and regulations and are properly authorised and recorded.

## Implementation and Responsibilities

PADMA will conduct due diligence on new and existing business partners, suppliers, and agents to assess the risk of bribery and corruption.PADMAwill regularly assess the risk of bribery and corruption in our operations and implement appropriate controls to mitigate these risks.

**AMDAP ESG Leadership Group** is responsible for overall communication, implementation and management of this policy.

**Employees and Directors:** All employees and directors are responsible for understanding and complying with this policy, recording gifts and hospitality in the PADMA register. And reporting any issues of concern. They must be vigilant in identifying and avoiding any conduct that could be construed as bribery or corruption or which seeks to gain improper advantage.

**PADMA Country Directors:** Country Directors are responsible for fostering a culture of compliance and ensuring that employees receive adequate training on anti-bribery and corruption and this policy.

**The Global Head of ESG** oversees this policy on behalf of AMDAP leadership group and is responsible for ensuring a record of grievances related to Anti-Competition is maintained.

**PADMA ESG Committee** is responsible for reviewing the effectiveness of this policy.

1. Reporting Mechanisms

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of everyone at  PADMA.

We maintain confidential and anonymous reporting mechanisms for (1) employees and (2) other stakeholders to report suspected violations of this policy. We will ensure that all reports are investigated promptly and thoroughly, and that whistleblowers are protected from retaliation

If you have any suspicion or information that this Policy, or any anti-corruption law or regulation has been or may have been violated, you must immediately report it to your line manager, relevant PADMA contact or Global Head of ESG, or you can report it to [esg@padmatextiles.com](mailto:esg@padmatextiles.com) in accordance with the Employee / External Grievance Policies as soon as possible.

1. Training

PADMA will provide guidance to employees, particularly those in high-risk roles, on this policy and their responsibilities in preventing bribery and corruption.

Third Parties working with or on behalf of PADMA will be informed of this Policy as appropriate as part of their engagement with PADMA.

## Consequences of Non-Compliance

Any employee who violates this policy will be subject to disciplinary action, up to and including termination of employment. PADMA may also take legal action against any employee or third party who violates this policy.

## Monitoring and Review

The effectiveness of this policy will be regularly monitored and reviewed to ensure its continued suitability, adequacy, and effectiveness. This will include:

* Regular assessments of the company's exposure to bribery and corruption risks.
* Analysis of reports received through the whistleblowing hotline.
* Reviews of internal controls and due diligence procedures.
* Monitoring of legal and regulatory developments.

The findings of these reviews will be used to inform any necessary updates to this policy and related procedures.

## Related Policies

Code of Business Ethics including:

Anti-Competition Policy

Responsible Lobbying and Policy Influencing Policy

Employee Suggestion and Grievance Policy

External Feedback and Grievance Policy

PADMA Supplier Code of Conduct

## Approval

**Approved by Padma Textiles ESG Leadership Group**

**16.07.2025**

**Approved by Marvic Fenech Adami, CFO, on behalf of AMDAP Ltd.**

**16.07.2025**