

AKANJO
MADAGASCAR

ETHICS POLICY

WHY WE HAVE THIS ETHICS POLICY

The purpose of this ethics policy is to officially lay out AKANJO's code of conduct and corporate moral commitment and highlight its implementation monitoring system. It defines the line of conduct that guides and directs our decision-making and day-to-day actions. The ethics policy serves as a theoretical and practical benchmark in business dealings with all our stakeholders: staff, customers and suppliers.

Our dynamic progress towards these objectives, together with the qualitative and quantitative development of our projects are shared in our annual CSR Reports.

This policy is aimed at establishing a relationship of trust between you and us. As members of society, we are convinced that we have a duty to listen to others, for better understanding and more effective action.

Ethical principles and standards of behaviour

The AKANJO guideline throughout this ethics policy is aimed at complying with the following laws and principles:

Madagascar national laws and regulations

- Labour law
- Environmental charter
- Environment-compatible Investment decree (MECIE)

Traditions and customs of the local population

- Granting rights and favours for various cultural events according to company regulations

International law

- Universal Declaration of Human Rights
- Guiding Principles of the Organisation for Economic Co-operation and Development (OECD)
- Children's Rights under the United Nations Convention
- International Labour Organisation Standards
- Sustainable Development Organisation
- United Nations Guiding Principles on Business and Human Rights
- Women's Empowerment

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PREAMBLE: AKANJO, an inspired company aiming to inspire ...

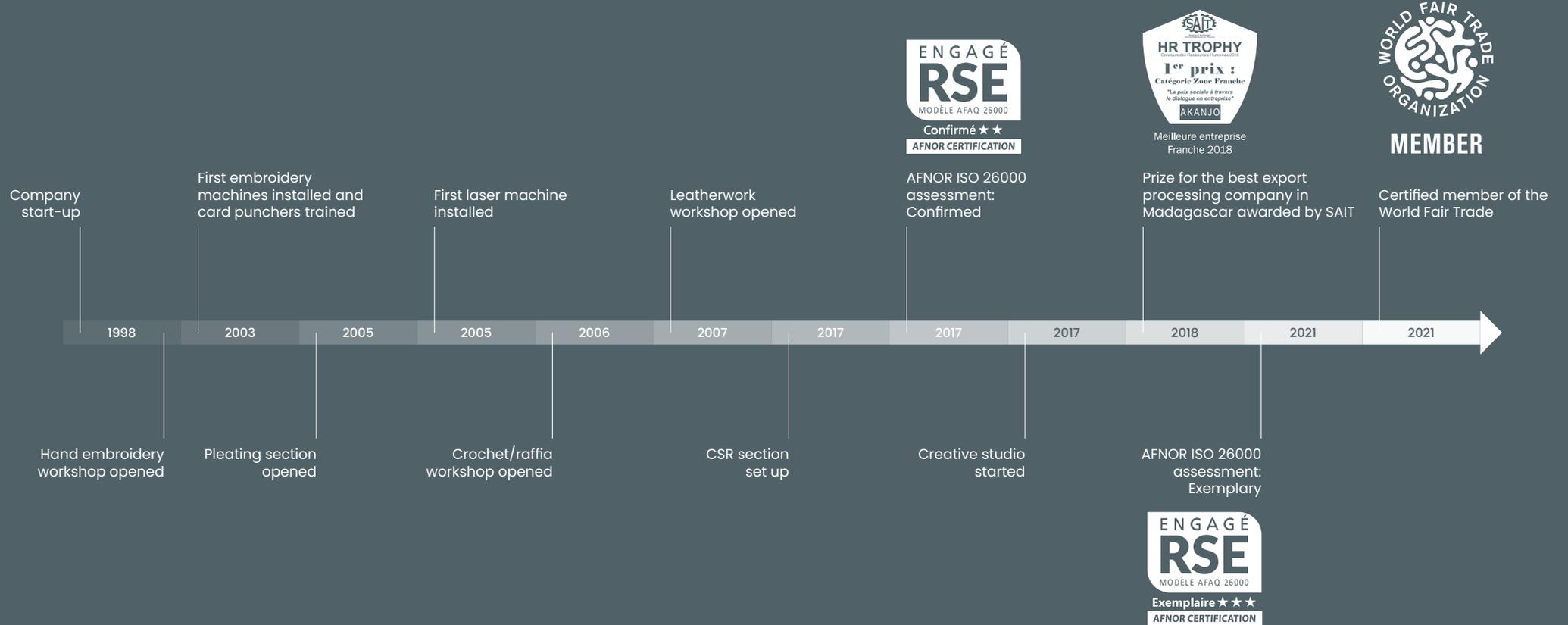
AKANJO is an export-processing company that first set up in Madagascar in 1998. As it specialises in making women's clothing for upmarket ready-to-wear and global haute couture firms, AKANJO pays great attention to detail and places excellence at the core of its vision. Its identity is characterised by multiple kinds of expertise, from garment manufacture to added values, with a concern for being an authentic, textbook model in both its products and values.

"Creativity, development and innovation are the pillars of our business."

Being based in an island state, the AKANJO company has been aware from the outset of its impact in developing and preserving the Malagasy ecosystem. Our trade means we carefully weigh up each player in our production chain at their true value, from sourcing to shipping, because every element has a considerable impact on the conservation of this ecosystem. So AKANJO focuses its projects and day-to-day business on promoting crafts, developing the local economic and social fabric, and protecting the environment.

Together, we make sustainability our guideline and plan our action over the long term, instead of as a mere trend. In this way, we aspire to be a model and inspiring company both in Malagasy society and overseas, by optimising our resources, technical prowess and creativity to develop our raw materials in a sustainable fashion.

A few outstanding dates for the AKANJO company



1 621

EMPLOYEES

1 190 WOMEN - 431 MEN

I. THE BOARD OF DIRECTORS

"We firmly believe that, as a sector of excellence and innovation, the luxury goods industry has a duty to convey a key message in changing attitudes."

As AKANJO's Senior Management, we are collectively in charge of the company's business and take full personal responsibility for publicising and implementing this Ethics Policy. We consider it essential to defining our values, together with the policies and procedures required for strict compliance with all laws and regulations applicable to relations with our stakeholders.



DELPHYNE DABEZIES,
Chief Executive Officer,
Strategy & Brand Development



CHRISTOPHE DABEZIES,
Chief Executive Officer
Production/Management/Finance



ALEXANDRE GUERRIER,
Partner



FRANCOIS DOUESSY,
Partner

II. THE EMPLOYEES

A) Commitment to our employees

AKANJO gives top priority to respecting its employees, their well-being and safety in the company. We are committed to supporting them in their personal and professional development in the most appropriate way possible, taking into account Malagasy customs and the local context.

Made-to-measure work entry

We are committed to providing our staff with ongoing training at the highest level, as well as giving everyone opportunities to develop within the company. This is how we raise all our employees to the rank of agents of excellence in a family-oriented company. They start work via a structured schedule, with personalised support and the help of a welcome booklet and training booklet (See welcome booklet). All the stages of the work-entry process are summarised in that document and regularly updated.

Compliance with fundamental workplace principles and rights

AKANJO undertakes to pay its staff more than the minimum wage and meet the deadline for paying wages, before the end of the month as agreed. If a worker is transferred from one section of the company to another, we are committed to providing them with the same benefits as in their previous section: same requirement, without demotion. In addition, we are committed to protecting jobs by complying with the four fundamental workplace principles and rights (see International Labour Organisation).

Career plan, promotion opportunity and sense of belonging

We aim to develop employment by providing a career plan for all our staff, with opportunities for promotion as well as the option of changing jobs in-house. Workers receive strict support throughout their careers. We are committed to instilling a sense of belonging and the notion of excellence in the company.

Occupational health and safety (HSSE)

In AKANJO, respect for employee physical and mental integrity is a fundamental value. We are committed to preventing workplace accidents, occupational and psychosocial illnesses as much as possible. Prevention is the key word in our HSSE approach. A Health Security Safety Environment Committee has been set up, and an Occupational Health and Safety Manager has been appointed to ensure that procedures run smoothly. These procedures include strict hygiene monitoring, access to clean drinking water from wells and the local utility company JIRAMA, as well as an ergonomic work environment adapted to each activity in the company workshop. Collective (CPE) and individual (PPE) protective equipment is also provided by the company. CPE includes emergency evacuation training, strict checks on the condition of fire extinguishers and paint and floor markings. PPE is aimed at protecting each employee from any potential risk related to their job, including risks of exposure when using chemicals, and ensuring full protective equipment (= goggles, gowns, masks, gloves) and job rotation every 6 hours.

Respect for the individual

Each individual has their own identity, and it is essential to provide an inclusive work environment. We are committed to respecting beliefs and personal identity choices such as our employees' religion and sexual orientation. We are also working on accessibility and special provisions for people with disabilities in the company. Finally, we adhere strictly to our principle of equal pay: equal pay for equal work. Any conduct that undermines the integrity of the company and its staff, such as harassment or bribery at any level, is prohibited and subject to drastic sanctions by the company and punishable under national laws.

Workplace well-being

Beyond the fundamental respect for our employees, we want AKANJO to be a place conducive to personal fulfillment and development, bringing added value to everyone's well-being. Team building sessions, a children's nursery, and a library have been set up, through which we aim to promote social dialogue and encourage initiatives to develop an innovative environment attentive to everyone's needs.

B) Employee commitment to AKANJO

- Compliance with company regulations
- Compliance with privacy rules
- Employee charter
- Respect for AKANJO values
- Using one's skills to serve AKANJO
- Mutual respect among employees
- Commit to being a player in innovation

By joining the company, an employee agrees to respect AKANJO's values as well as comply with company regulations and privacy rules. During their contacts inside or outside AKANJO, every employee has a duty to protect company data and business and stakeholder privacy. Finally, everyone is committed to mutual respect among employees and must be a player in responsible innovation.

III. THE CUSTOMER

A) Our commitment to the customer

An outstanding product meeting the customer's quality requirements

We dedicate our best professional efforts to our customers and the firms we work with. We guarantee an outstanding quality product designed with great care and attention, subjected to a strict inspection to meet the specifications received as well as the regulations and manufacturing standard shared between the parties. AKANJO workers can carry out a detailed request accurately, or express their creative and innovative qualities, using their skills according to the customer's needs. We are committed to creating a climate of lasting trust, with mutual respect at the core of our relationship.

Competitive deadlines and prices

As an export processing company, we are committed to providing competitive prices and deadlines, respectful of the work done upstream by our staff and all elements in the line. AKANJO is Indeed, AKANJO is committed to standing out in terms of prices, but also wishes to showcase its technical and creative skills in a quest for innovation consistent with its environment.

A privacy and transparency approach

Our customers control how their information is used, and we take care to safeguard their privacy. According to the privacy charter, we undertake to respect their right to consult, delete or modify data. It is our duty to ensure non-disclosure of confidential information about our customers, responsible communication from all members of the company, as well as protection of company data.

Responsible and committed collaboration

We are committed to preserving the environment and wish to promote craftsmanship « made in Madagascar » through training and job creation shared with our customers. We invest in research and development in eco-design, including a subscription to a responsible material library (the name of which is only circulated to stakeholders for privacy reasons). In addition, we set up a creative laboratory in our design department in 2017, in order to stimulate our workers' creativity.

B) Customer commitment to AKANJO

See customer charter

By entering into a business relationship with AKANJO and requesting its services, a customer undertakes to comply with the customer charter it has previously received. It is important to comply with company working hours, which are designed to prioritise the physical and mental health of its employees. In order to provide meticulous work to meet the customer's request, we ask them to provide a timeline for their expectations. Furthermore, we expect customers to carry out their duty of care. We take very seriously the creation and communication of the parent company's due diligence plan, so as to preserve all human and environmental rights and prevent any potential risk of corruption throughout the work process, from request to delivery, including procurement.

IV. THE SUPPLIER

A) Our commitment to the supplier

- Promote local suppliers
- Create a supplier network for a lasting partnership strategy
- Comply with a fair price
- Make accurate and realistic requests
- Comply with payment deadlines
- Clear answers / Transparency
- Respect for confidential data
- Deadlines met
- Reliable, diverse and quality supply
- Propose eco-responsible alternatives

Madagascar is a country rich in natural resources that we want to promote and share responsibly. We therefore prioritise local suppliers for sourcing our materials. Our goal is to create a network of suppliers across the island according to a sustainable partnership strategy, in order to guarantee them financial stability and enable lasting collaboration between various sectors. Our duty is to pay our suppliers the right price in the given time, and respect the hard work as well as the working time put in. Our requests must be precise and realistic, according to mutual agreement, making it possible to clarify our orders.

B) Supplier's commitment to AKANJO

Once a business relationship has started, the supplier undertakes to work openly and respond sincerely to our requests within the set deadlines. We demand respect for our sensitive and confidential data, and its use should be subject to prior consultation with AKANJO. Our suppliers' offers must be reliable, qualitative and diversified. Each supplier is invited to propose eco-responsible alternatives to every request. All expectations of our suppliers are clearly stated and can be found in the Supplier Charter.

V. CORPORATE SOCIAL RESPONSIBILITY

A) ISO 26000 standard

Why we have this standard

According to the Dutch economist Charles Van Marrewijk, social responsibility “refers to a company’s activities - by definition voluntary - demonstrating that social and environmental considerations are included in interaction with stakeholders” (Van Marrewijk, 2003). Corporate Social Responsibility (CSR) is the voluntary application of sustainable development in business. In order to ensure consistency between what AKANJO undertakes and the expectations of society, an area for rules of conduct has been set up. ISO 26000 is the only international standard that defines all CSR guidelines, so it is natural that the AKANJO company looked to implementing this standard in 2015.

History of integrating the standard into the company

- ISO 26000 was adopted by AKANJO in 2016 after setting up the ISO 26000 Steering Committee in 2015 in order to implement it. On Alexandre Guerrier’s initiative, this committee is designed so that every company sector is represented and takes part in the process. It includes the Purchasing and Production Manager, the Health, Safety, Security & Environment (HSSE) Manager, the Maintenance Manager, the CSR Director as well as the Production Director, providing the fullest possible outreach in the company. A quarterly meeting reports on the progress of projects, boosts their effectiveness and proposes new strategies. AKANJO’s first ISO 26000 assessment was done in 2017.

- CSR is not fixed but constantly evolving in line with contemporary challenges. ISO 26000 demands guidelines instead of requirements, which is why ISO 26000 does not lend itself to certification like other standards but has a rating. So AKANJO is assessed every 18 months by the Association Française de Normalisation (French standards authority - AFNOR), the company’s assessment body. AKANJO reached the highest rating level “Exemplary”, after its second assessment.

The standard objectives

The establishment of this standard is a driving force in our desire to be a CSR model and leading company in Madagascar. It also enables us to raise awareness in the industry at large and encourage our staff and other stakeholders to adopt more responsible behaviour.

The 7 principles of social responsibility according to ISO 26000

ISO 26000 organises its social responsibility guidelines around seven principles:

- structure governance
- human rights
- working conditions and workplace relations
- environmental responsibility
- fair practices
- consumer issues
- communities and local development

These core subjects enable a diagnosis of the environment and challenges to be taken into account, and identify the most relevant areas for action. The company can therefore set its own priorities and decide on its actions accordingly.



B) WFTO: World Fair Trade Organisation

AKANJO has been an official member of the World Fair Trade Organisation (WFTO) since March 2021. This achievement marks a big step in our journey and institutionalises our fair trade actions.

The 10 principles are:

- Opportunities for disadvantaged producers
- Transparency and accountability
- Fair trade practices
- Fair prices
- No forced labour or child labour
- No discrimination, gender equality, freedom of association
- Good working conditions
- Skill development
- Promotion of fair trade
- Respect the environment

Guarantee System

The WFTO is an organisation that supports, approves and audits social enterprises and/or those committed to fair trade. Its Guarantee System is the only international assessment model that puts workers, artisans and farmers at the forefront. The WFTO membership approval process requires qualitative and quantitative audits, as well as physical audits. Successful audits show that the company's objectives meet the WFTO's 10 fair trade principles.

Approval procedure

The AKANJO approval process was completed in just 4 months, instead of the usual year, highlighting our ongoing efforts, responsibility and proactive way of working. In order to maintain its membership in the WFTO, the company will be audited again every 4 years.



C) Social commitment

AKANJO is committed to its CSR approach under the leadership of its senior management, who are keen to share these values and dynamism with their staff and their immediate environment. In order to strengthen the social fabric and encourage sustainable social development where every individual can find their place and thrive, AKANJO commits to several objectives:

Roots in the local community: developing the local economic and social fabric

- Creating direct and indirect employment
- Social inclusion of its workers in the life of its neighbourhood
- Cooperating with the local environment and encouraging responsible approaches
- Maintenance and repair of neighbourhood roads often affected by torrential rains
- Waste removal and cleaning public canals in the insertion area

Working for development with local charities and NGOs

- AKAMASOA, founded by Father Pedro: setting up training courses in crafts for women in precarious financial situations
- Actions for the Development of Madagascar (ADEV): support for digital education and the empowerment of women and girls in difficulty.
- CBM Projet Mihary: a project to provide appropriate training for people with disabilities to encourage their self-reliance
- Malagasy Express Holding: participation in waste treatment

D) Environmental commitment

CSR investment includes an environmental approach. As an export-processing company producing directly from suppliers of raw materials, it is our duty to minimise our impact on the climate and conservation of the planet. To this end, AKANJO has set itself overall goals that are taken into account in all of the company's projects:

Promoting collective commitment

- Raising awareness on environmental issues among our suppliers and employees through training and talks
- Providing our customers with eco-responsible products
- ANDRALANITRA dump project: as AKANJO was being impacted by wild fires at the dump, the company decided to undertake site monitoring and research and implementation of sustainable ways to fight fires

Preserving and saving the use of natural resources

- Recycling, reusing and processing as much as possible
- Preventing environmental risks (incl. wildlife monitoring)
- Reducing greenhouse gas emissions
- Company waste treatment
- Redirecting to other energy alternatives according to local possibilities, first approach to solar power

Detailed progress on these projects, with CSR assessments and quantitative data, can be found in our annual CSR reports.

VI. MEANS OF SUPPORT

As stated throughout this policy, our commitment is quantified and monitored, not only by the in-house AKANJO team, but also by audit bodies and outside organisations. Below is a non-exhaustive list summarising the means of support for our code of conduct:

- **Governance**

- The Senior Management complies with rules drawn up in advance so as to avoid any conflict of interest.
- The ISO 26000 Steering Committee and the CSR Department play a key role in implementing and applying the company's sustainable development strategy.

- **Qualitative and quantitative audits**

- **Due diligence**

- **Inspection**

- **Internal assessment**

- **Internal and external satisfaction rating**

RELATED DOCUMENTS

Privacy Policy

Employee Charter

Work-entry documentation:

- Welcome booklet
- Training booklet

IT responsible best practice

Customer Charter

Supplier Charter



AKANJO

MADAGASCAR

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