

# Suppliers' Environmental & Social Responsibility Guidance

OGILBY

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## **Intro.**

OGL's benchmark document outlines international best practices in human rights and environmental responsibility for suppliers. Benchmarks are aligned to each OGL code of conduct element. In the spirit of continuous improvement, suppliers will be assessed for compliance to these benchmarks with audit findings and remediation tracked per benchmark. OGL's benchmarks meets the Fair Labor Association's (FLA) benchmarks and exceed them within this benchmark document.

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# I.Environment(ENV)

## Intro.

Environment first is what must come first when it comes to operation. OGL expects our suppliers must have related policies in managing its operation in order to minimize their environmental footprint. This includes resources consumption, water and usage and air emissions, and reduce the use of chemicals and hazardous materials. Suppliers must strictly follow local environmental requirements and laws to fulfill their environmental responsibilities, and should continuously look for innovative ways to minimize its carbon footprints. Suppliers shall continuously monitor, and disclose their energy and natural resource usage, emissions, discharges, carbon footprint and disposal of wastes to OGL as requested.

### Notes:

1. Depending on factory processes, garment suppliers with low chemical usage may not be evaluated on the following sections: ENV.4(D) Wastewater, ENV.5(E) Air Emissions, ENV.14(N) Contaminated land, Soil and Groundwater Pollution Prevention, and ENV.15(O) Land Use & Biodiversity.
2. The following benchmarks are our minimum environmental requirements for suppliers and are based on both Global Social Compliance Programme(GSCP) and the facilities Higg Index environmental standards. Full Scope of our environmental requirements can be found in our environmental audit tool.

## ENV.1(A) Environmental Management Systems(EMS)

ENV.1.1 The facility shall have in place EMS management systems including written policies, procedures, training and appointed people to ensure compliance with all legally required environmental regulations and the reduction or elimination of negative environmental impacts.

## ENV.2(B) Energy and GHG Emissions

ENV.2.1 The facility shall comply with all applicable laws, regulations and maintain valid permits governing the facilities' energy consumption. Facilities shall have a strategy and management systems in place to facilitate the reduction of energy consumption.

ENV.2.2 The facility shall comply with all applicable laws, regulations and maintain valid permits governing the facilities' greenhouse gas emissions. As inventory of main point source emissions shall be maintained and measured, and facility considers and reduces or eliminates fugitive emissions.

## ENV.3(C) Water Use

ENV.3.1 The facility shall comply with all applicable laws, regulations and procedures related to water use including maintaining all required permits and measuring and reducing water consumption.

## ENV.4(D) Wastewater

ENV.4.1 The facility meets legal requirements, holds all relevant, up-to-date permits and meets all OGL environmental audit specifications governing wastewater including: drainage plans, water treatment, identification of all contaminants, and continuous improvement plans for waste water reduction.



## **ENV.5(E) Air Emissions**

**ENV.5.1** The facility shall comply with all applicable laws, regulations and procedures governing air emissions including: possessing all current records and permits, and keeping an inventory of main emissions and emission points.

**ENV.5.2** Facilities shall have a strategy and management systems in place to facilitate the reduction and elimination of air emissions.

## **ENV.6(F) Ozone Depleting Substances(ODS)**

**ENV.6.1** The facility shall comply with all applicable law and holds all relevant, up-to-date permits governing ozone depleting substances including: preventative maintenance of ODS-containing equipment.

**ENV.6.2** Facilities shall have a strategy and management systems in place to facilitate the reduction and elimination of ozone depleting substances.

## **ENV.7(G) Solid Waste**

**ENV.7.1** Solid waste produced by the facility shall be handled and stored, in a manner which complies with all applicable laws and regulation.

**ENV.7.2** Solid waste produced by the facility shall not be disposed of in a manner which violates applicable laws, regulations and OGL specifications including: onsite burning.

**ENV.7.3** The facility shall have on-file all valid, up-to-date, and applicable permits, records and other documentation governing solid waste including: storage, handling, onsite disposal, offsite disposal, transportation, and waste contractors. All documents shall be available for review upon request.

**ENV.7.4** Suppliers must have a written and implemented recycling program in place which manages in industrial waste including paper, paperboard, cardboard, plastics, fabric scraps, wastewater sludge, scrap metal, and any other recyclable material.

**ENV.7.5** Suppliers must have a written and implemented recycling program in place which manages non-industrial waste including all: paper, paperboard, cardboard, plastics, and any other non-industrial recyclable material.

**ENV.7.6** Suppliers must have a written and implemented management system in place which works towards the reduction and elimination of solid waste.

### **ENV.8(H) Hazardous Waste**

**ENV.8.1** Suppliers shall comply with all applicable laws, regulations and procedures governing asbestos and PCBs in their facilities. Suppliers must properly remove or safely contain, monitor, and train employees on asbestos and PCB safety.

**ENV.8.2** The facility shall maintain a complete and up-to-date list of all chemicals used onsite.

**ENV.8.3** The facility shall comply with all applicable laws, regulations and procedures governing the storage and handling of hazardous materials including: proper containers, labeling, management systems, trainings, and the use of MSDS.

**ENV.8.4** The facility shall have on-file all valid, up-to-date, and applicable permits, records and other documentation governing hazardous waste including: storage, handling, onsite disposal, offsite disposal, transportation, and waste contractors. All documents shall be available for review upon request.

**ENV.8.5** Facilities shall not dispose of hazardous waste in any way that violates applicable laws, regulations and procedures including: onsite disposal, offsite disposal, chemical drum disposal, transportation, and waste contractors. All documents shall be available for review upon request.

**ENV.8.6** Facilities shall have a strategy and management systems in place to facilitate the reduction and elimination of hazardous waste.



## **ENV.9(I) Nuisances**

**ENV.9.1** The facility maintains applicable permits and has an understanding and awareness of nuisance levels from onsite activities and their associated impacts.

## **ENV.10(J) Footprints Metrics**

**ENV.10.1** The facility shall record, and upon request disclose to OGL the consumption of all resource usage including: electricity, water, natural gas, oil, propane, and solid waste recycling.

## **ENV.11(K) Continuous Improvement Effort**

**ENV.11.1** The facility shows continuous improvement on environmental audit findings and displays a genuine effort to progress to higher levels of environmental management.

## **ENV.12(L) Major Incident Management**

**ENV.12.1** The facility shall have a major incident management system in place which includes having an emergency plan that complies with all applicable laws. Employees must be sufficiently trained on the emergency procedures and functioning equipment readily available at all times.

## **ENV.13(M) Contaminated Land, Soil and Groundwater Pollution Prevention**

**ENV.13.1** The facility meets all legal requirements and holds all relevant, up-to-date permits governing contaminated land, soil and groundwater pollution prevention.

**ENV.13.2** The facility understands and is aware of site setting/ sensitive receptors in site's vicinity.

**ENV.13.3** The facility is not causing or knowingly permitting contamination of soil and groundwater.

## ENV.14(N) Land Use & Biodiversity

ENV.14.1 The facility meets legal requirements, holds all relevant, up-to-date permits and meets all client specifications governing land use and biodiversity.

ENV.14.2 Suppliers shall not have a negative impact on designated protection areas or species.



## II.Child Labor(CL)

### Intro.

OGL strictly follow The Fair Labor Standards Act(FLSA) and International Labor Organization(ILO) in prohibits the employment of “Oppressive child labor”, we do not allow any employment of youth under the age of 16 at any circumstances. At no conditions workers under the age of 18 should be participate in hazardous occupations, that include but not limit to access to hazardous unsafe or unhealthy working conditions or materials.

## **CL.1 General Compliance Child Labor**

**CL.1.1 Employers shall comply with all national laws, regulations and procedures concerning the prohibition of child labor.**

## **CL.2 Child Labor**

**CL.2.1 Employers shall not employ anyone under the age of 15 or under the age for completion of compulsory education, whichever is higher.**

## **CL.3 Government Permits and Parental Consent Documentation**

**CL.3.1 Employers shall abide by all relevant rules and procedures where the law requires government permits or permission from parents as a condition of employment, and shall keep documentation on-site for inspection at all times.**

## **CL.4 Employment of Young Workers**

**CL.4.1 Employers shall comply with all relevant laws that apply to young workers, (e.g.those between the minimum working age and the age of 18) including regulations related to hiring, working conditions, types of work, proof of age documentation, and overtime.**

## **CL.5 Hazardous Work for Young Workers**

**CL.5.1 No person under the age of 18 shall undertake hazardous work, i.e. work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of persons under the age of 18.**

## **CL.6 Young Workers Identification System**

**CL.6.1 Employers shall have a system for identifying work stations and operations that are inappropriate for young workers according to applicable laws.**



## **CL.7 Apprenticeships and Vocational Training/ Minimum Working Age**

**CL.7.1 Apprentices for vocational students shall not be under the age of 15 or under the age for completion of compulsory education, whichever is higher.**

## **CL.8 Apprenticeships and Vocational Training/ Legal Compliance**

**CL.8.1 Employers shall comply with all regulations and requirements of apprentice or vocational education programs, and shall be able to document to monitors that these are legally recognized programs. Informal arrangements of any kind are not acceptable.**

## III.Wage(W)

### Intro.

Labor are the essential part of our operation, OGI values each labor both internally and externally and consider them as company assets. Therefore, every worker working for OGI has the right to compensation for a regular week that is sufficient to meet the worker's basic needs and provide discretionary income. All our partner shall pay at least the minimum wage as requested in local legal requirements, and should be written formally in labor contract.



## W.1 General Compliance Compensation

Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.

W.1.1 In any case where differences or conflicts in national law and FLA Workplace Code arise, employers are expected to apply the highest standard.

W.1.2 In any case where national laws, regulations and procedures do not address the payment of compensation to workers, employers shall follow all standards in FLA Workplace Code that apply to administration and payment of compensation and shall provide an employment contract that includes stipulation of compensation payment to workers.

W.1.3 Where compensation for a regular work week is not sufficient to meet workers' basic needs and provide some discretionary income, each employer shall work with the FLA to take appropriate actions that seek to progressively realize a level of compensation that does.

W.1.4 If not provided by law, employers must provide protection to workers who allege violations of compensation laws, regulations, and procedures.

## W.2 Minimum Wage

W.2.1 Employers shall pay workers at least the legal minimum wage or the prevailing industry wage, whichever is higher, for regular working hours(not including overtime). Workers should also be informed about the legal minimum wage.

## W.3 Training and Probation

W.3.1 Where probationary or training employment is legally allowed, the wage shall not be below the legal minimum and no workers shall work more than three months cumulatively in those employment categories.

## W.4 Timely Payment of Wages

W.4.1 All wages, including payment for overtime, shall be paid within legally defined time limits. When no time limits are defined by law, compensation shall be paid at least once a month.

## W.5 Accurate Calculation, Recording, and Payment of Wage

W.5.1 All payments to workers, including hourly wages, piecework, fringe benefits and other incentives shall be calculated, recorded, and paid accurately.

## W.6 Accurate Length of Service Calculation

W.6.1 All workers shall be credited with all time worked for an employer for purposes of calculating length of service and determine the fringe benefits to which workers are entitled.

## W.7 Nonpayment Incentives

W.7.1 Regardless of any production quotas, incentives shall not be reduced or not paid if the result shall be wages below the legal minimum wage or the prevailing industry wage, whichever is higher.

## W.8 Deposit of Legally Mandated Deductions

W.8.1 All legally mandated deduction for taxes, social insurance, or other purposes shall be deposited each pay period in the legally defined account or transmitted to the legally defined agency. This includes any lawful garnishments for back taxes, etc.

W.8.1.1 Employers shall not hold ever any of these funds from one pay period to the other unless the law specifies that deposits are to be made less frequently than pay periods(e.g.monthly deposits, weekly pay).

W.8.1.2 If the law does not specify, then deposits shall be made before the next pay period in all cases.

## W.9 Voluntary Wage Deductions

W.9.1 Voluntary wage deductions for savings clubs, loan payments, etc. Can only be made with the express and written consent of workers and fall within the limits and conditions specified by law

W.9.1.1 Written consent shall be documented in employee files.

W.9.2 All such voluntary deductions shall be credited to proper accounts and funds shall not be held illegally or inappropriately by employers.

## W.10 Voluntary Wage Deduction/ Workers Access to Information

W.10.1 Workers shall have access to regular and full information concerning the status of relevant accounts and the status and level of their payments thereto.

## W.11 Pay Statement

Employers shall provide workers a pay statement each period and not less frequently than once a month, which shall show:

W.11.1 earned wages,

W.11.2 wage calculations,

W.11.3 total number of hours worked,

W.11.4 regular and overtime pay,

W.11.5 bonuses

W.11.6 all deductions, and

W.11.7 Final total wage.

## W.12 Compensation Recipe

W.12.1 All compensation records, including wages and fringe benefits whether in cash or in-kind, must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing(e.g.signature,thumbprint).



W.12.2 No one can receive wages on behalf of a worker, unless the worker concerned has, in full freedom, authorized in writing for another person to do so.

## W.13 Record Maintenance

W.13.1 Employers shall ensure that all legally required payroll documents, journals and reports are available, complete, accurate and up-to-date.

## W.14 False Payroll Records

W.14.1 Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.

W.14.2 Payroll records maintained shall be authentic and accurate.

## W.15 Workers Awareness and Understanding of Compensation

W.15.1 Employers shall make every reasonable effort to ensure workers understand their compensation, including:

W.15.1.1 the calculation of wages,

W.15.1.2 incentives systems,

W.15.1.3 fringe benefits, and

W.15.1.4 bonuses they are entitled to at the workplace and under applicable laws.

W.15.1.5 Employers shall communicate orally and in writing to all workers all relevant information in the local language or language spoken by the workers, if different from the local language.

## IV. Forced Labor(FL)

### Intro.

OGL believes fair labor should be built upon common interests, that is, it benefits for both parties. Thus, forced labor is not accepted at any circumstances. Our supplier must acknowledge that they have no rights to use involuntary or forced labor, whether indentured, bonded, prison or labor obtained through slavery or human trafficking. Suppliers must ensure workers have access to control of their citizenship and travel documents at all times, and are not limited to freedom of movement. All labor contract should be written formally in their native language, workers must clearly understand terms and conditions in regards to employment relationship, and shall be informed of such terms before leaving home. If recruiting from third party agencies, suppliers shall monitor and ensure that recruitment process does not include and not only limited to any forms of forced, deception, intimidation and coercion.

## FL.1 General Compliance Forced Labor

FL.1.1 Employers shall comply with all national laws, regulations and procedures concerning the prohibition of forced labor and human trafficking.

## FL.2 Freedom in Employment

FL.2.1 All workers shall have the right to enter into and to terminate their employment freely.

## FL.3 Debt/Bonded Labor

FL.3.1 Employers shall not bind workers to employment as a condition of fulfilling terms of a debt to a third party or to the employer.

## FL.4 Freedom of Movement

FL.4.1 If workplace entrances are locked or guarded to prevent nonemployee access to the premises for security reasons, workers shall have free egress at all times, subject to work rules.

FL.4.2 No employment term shall confine or restrict employees' freedom of movement.

## FL.5 Employer Controlled Residence

FL.5.1 Employers shall not require workers to live in employer-owned or -controlled residences as a condition of recruitment, continued employment or to receive the same terms of employment and working conditions as other workers in the same position.

FL.5.2 Employers shall not subject workers to any undue influence to persuade workers to live in such residences.

## **FL.6 Freedom of Movement/Employer Controlled Residence**

**FL.6.1** The freedom of movement of workers who live in employer-owned or -controlled residences shall not be unreasonably restricted.

## **FL.7 Freedom of Movement/Workers Ability to Terminate**

Employers shall not utilize practices that restrict workers freedom of movement or ability to terminate his or her employment. Examples of such practices include, but are not limited to:

**FL.7.1** (the threat of) physical or mental coercion;

**FL.7.2** requiring deposits;

**FL.7.3** imposing financial penalties;

**FL.7.4** requiring recruitment fees;

**FL.7.5** setting production targets or piece rates at such a level that workers need to work beyond regular working hours(excluding overtime) as set under the FLA Workplace Code in order to make the legal minimum wage or the prevailing industry wage; and

**FL.7.6** denying and hampering access to, and renewal of, identity papers and/or work permits or any other personal legal(identification) documents.

## **FL.8 Forced Overtime**

**FL.8.1** The imposition of overtime where workers are unable to leave the work premises constitutes forced labor.

## **FL.9 Personal Workers Identification and Other Documents**

**FL.9.1** Workers shall retain possession or control of their passports, identity papers, travel documents, and other personal legal documents.

**FL.9.2** Employers may obtain copies of original documents for record keeping purposes.

## FL.10 Storage for Employee Documents

FL.10.1 Employers shall provide at employee request secure storage for employees documents such as passports, identity papers, travel documents, and other personal legal documents. Such storage shall be freely accessible to workers.

FL.10.2 Employers shall not withhold any such documents or restrict workers' access to them for any reason whatsoever, including in order to ensure that workers shall remain in employment in the workplace.



## V.Discrimination(DSC)

### Intro.

OGL respects and value all its employees, our suppliers who share the same value are prohibited from discrimination its employees at any circumstances. This includes but not limit to religion, gender, sexual orientation, color, national origin, age, physical or mental disability, medical condition, political opinion, union affiliation, social group, marital status, pregnancy or any other classification protected by local, national, and international law. Supplier should ensure all its migrant, temporary or seasonal workers share equal rights in workforce, and should be protected from any forms of discrimination.

## **DSC.1 General Compliance Nondiscrimination**

**DSC.1.1** Employers shall comply with all national laws, regulations and procedures concerning nondiscrimination.

## **DSC.2 Recruitment and Employment Practices/Job Advertisements, Job Descriptions and Evaluation Policies**

**DSC.2.1** Recruitment and employment policies and practices, including job advertisements, job descriptions, and job performance/evaluation policies and practices shall be free from any type of discriminatory bias.

**DSC.2.2** If not provided by law, employers must provide protection to workers who allege discrimination in recruitment and employment practices.

## **DSC.3 Compensation Discrimination**

**DSC.3.1** There shall be no differences in compensation for workers for work of equal value on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group and ethnic origin.

**DSC.3.1.1** Compensation includes the basic minimum or prevailing industry wage and fringe benefits arising out of the workers employment made directly or indirectly, whether in cash or in-kind, by the employers to the workers.

**DSC.3.1.2** Fringe benefits include wage differentials or increments based on seniority or marital status, cost of living allowances, housing or residential allowances, family allowances, and nonwage compensation(e.g.allotment for cleaning of work clothes or safety equipment) and social security benefits.

**DSC.3.1.3** Employers shall ensure that migrant/ contract/ contingent/ temporary workers are compensated directly and in full, without deduction for recruitment fees or any other agency charge for services, such as obtaining residency permits for work visas on behalf of workers.

**DSC.3.2** If not provided by law, employers must provide protection to workers who allege discrimination in compensation.

## **DSC.4 Marital Discrimination**

**DSC.4.1 Employers shall not discriminate on the basis of marital status.**

**DSC.4.2 If not provided by law, employers must provide protection to workers who allege discrimination based on marital status.**

## **DSC.5 Pregnancy Testing**

**DSC.5.1 Employers shall not use pregnancy tests or the use of contraception as a condition of hiring or of continued employment.**

**DSC.5.2 Employers shall not require pregnancy testing of female workers, except as required by national law.**

**DSC.5.2.1 In such cases, employers shall not use(the results of) such tests as a condition of hiring or continued employment.**

**DSC.5.3 If not provided by law, employers must provide protection to workers who allege discrimination as a condition in hiring or continued employment based on pregnancy test or the use of contraception.**

## **DSC.6 Marriage or Pregnancy Discrimination**

**DSC.6.1 Employers shall not threaten female workers with dismissal or any other employment decision that negatively affects their employment status in order to prevent them from getting married or becoming pregnant.**

**DSC.6.2 If not provided by law, employers must provide protection to workers who allege discrimination in the form of threat of dismissal or any other employment decision that negatively affects their employment status based their intention to get married or become pregnant.**

## **DSC.7 Pregnancy and Employment Status**

**DSC.7.1** Employers shall not, on the basis of a woman's pregnancy, make any employment decisions that negatively affect a pregnant woman's employment status, including decisions concerning dismissal, loss of seniority, or deduction of wages.

**DSC.7.2** If not provided by law, employers must provide protection to workers who allege discrimination in the form of employment decisions that negatively affect their employment status based on pregnancy.

## **DSC.8 Protection and Accommodation of Pregnant Workers and New Mothers**

**DSC.8.1** Employers shall abide by all protective provisions in national laws and regulations benefiting pregnant workers and new mothers, including provisions concerning maternity leave and other benefits; prohibitions regarding night work, temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant women and their unborn children or new mothers and their new born children, temporary adjustment of working hours during and after pregnancy, and the provision of breast-feeding breaks and facilities.

**DSC.8.1.1** Where such legal protective provisions are lacking, employers shall take reasonable measures to ensure the safety and health of pregnant women and their unborn children.

**DSC.8.1.2** Such measures shall be taken in a manner that shall not unreasonably affect the employment status, including compensation of pregnant women.

**DSC.8.2** If not provided by law, employers must provide protection to workers who allege discrimination with regard to implementation of provisions protecting and accommodating pregnant workers and new mothers.

## **DSC.9 Health-Related Discrimination**

**DSC.9.1** Employers shall not, on the basis of a person's health status, make any employment decisions that negatively affect the persons employment status, including decisions concerning recruitment, termination, promotion, or assignment of work, unless such decision is dictated by the internet requirements of the job or a medical necessity to protect the worker and/or other workers.

## **DSC.10 Medical Examination**

**DSC.10.1** Employers are allowed to require routine medical examination to assess general fitness as a condition for recruitment or continued employment but shall not include testing for any disease or illness, such as HIV/AIDS, that does not have a immediate effect on a person's fitness and is not contagious.

## **DSC.11 Confidentiality of Health Status**

**DSC.11.1** Employers shall respect the confidentiality of workers' health status and not undertake any action that could lead to a breach of said confidentiality, including screening, whether by direct or indirect testing(for instance, by making an assessment of risk behavior), or asking questions about previously taken tests or medications.

## **DSC.12 Reasonable Accommodation for Health Reasons**

**DSC.12.1** Employers shall take measures to reasonably accommodate workers with(chronic) illness, including HIV/AIDS-related illnesses, which could include rearrangement of working time, the provision of special equipment, opportunities for rest breaks, time-off for medical appointments, flexible sick leave, part-time work and return-to-work arrangements.



## **VI.Harassment,abuse & punishment(HAD)**

### **Intro.**

Harassment, abuse and punishment are strictly prohibited by OGL. We do not allow our employee(Including outsourced staffs) subject to physical, sexual, psychological or verbal harassment or abuse or to monetary fines as a disciplinary practice at any circumstances.

## **HAD.1 General Compliance Harassment or Abuse**

**HAD.1.1 Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse.**

## **HAD.2 Discipline/Monetary Fines and Penalties**

**HAD.2.1 Employers shall not use monetary fines and penalties as a means to labor discipline, including for poor performance or for violating company rules, regulations, and policies.**

## **HAD.3 Discipline/Access to Facilities**

**HAD.3.1 Access to food, water, toilets, medical care or health clinic or other basic necessities shall not be used as either reward or as a means to maintain labor discipline.**

## **HAD.4 Discipline/Physical Abuse**

**HAD.4.1 Employers shall not use any form of - or threat of - physical violence, including slaps, pushes or other forms of physical contact as a means to maintain labor discipline.**

## **HAD.5 Discipline/Verbal Abuse**

**HAD.5.1 Employers shall not use any form of verbal violence, including screaming, yelling, or the use of threatening, demeaning, or insulting language, as a mean to maintain labor discipline.**

## **HAD.6 Discipline/Psychological Abuse**

**HAD.6.1 Employer shall not use any form - or threat - of psychological abuse, such as forcing workers to sign letters of self-criticism or posting names of workers subject to disciplinary measures as a means to maintain labor discipline.**

## HAD.7 Discipline/Freedom of Movement

HAD7.1 Employers shall not unreasonably restrain the freedom of movement of workers, including movement in canteens, during breaks, using toilets, accessing water, or accessing necessary medical attention, as a means to maintain labor discipline.

## HAD.8 Violence/Harassment or Abuse

HAD.8.1 Employers shall ensure that the workplace is free from any type of violence, harassment or abuse, be it physical, sexual, psychological, verbal, or otherwise.

HAD.8.2 Employers shall refrain from any action, and shall take all appropriate action to ensure that all workers refrain from any action, that would result in an intimidating, hostile or offensive work environment for workers.

HAD.8.3 If not provided under law, employers must provide protection to workers who allege harassment or abuse violations.

## HAD.9 Sexual Harassment

HAD.9.1 Employers shall refrain from:

HAD.9.1.1 any act of sexual harassment, including inappropriate remark, insult, joke, insinuation, and comment on a person's dress, physique, age, family situation, etc;

HAD.9.1.2 a condescending or paternalistic attitude with sexual implications undermining dignity;

HAD.9.1.3 any unwelcome invitation or request, implicit or explicit whether or not accompanied by threats;

HAD.9.1.4 any lascivious look or other gesture associated with sexuality; and

HAD.9.1.5 any unnecessary physical contact such as touching, caresses, pinching or assault.

HAD.9.2 Employers shall not offer, or take any action that may suggest an offer of, recruitment, continued employment, promotion, improved working conditions, preferential work assignments or other preferential treatment in exchange for a sexual relationship.

HAD.9.3 Employers shall not subject workers to prejudicial treatment of any kind of retaliation for refused sexual advances or corrected inappropriate behavior.

HAD.9.4 Employers shall refrain from any action, and shall take all appropriate action to ensure that all workers refrain from any action, that would result in a sexually intimidating, hostile or offensive work environment for workers.

## HAD.10 Security Practices/Body Searches

HAD.10.1 All security practices shall be gender appropriate and nonintrusive, so that the dignity of workers concerned is protected when a search is undertaken.

HAD.10.2 Searching of bags and other personal items to prevent theft is acceptable.

HAD.10.3 Body searches and physical pat downs shall only be undertaken when there is a legitimate reason to do so and upon consent of workers, unless a state official with the power to do so(e.g.police officer) has ordered the search.

HAD.10.4 Body searches shall not be undertaken in public and the person who undertakes the search shall be of the same sex as the person who is being searched.

## HAD.11 Punishment of Abusive Worker/Supervisors/Managers/Workers

HAD.11.1 Employers shall have a system to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse, through measures such as compulsory counseling, warnings, demotions, and terminations or a combination thereof regardless of whether such action was intended as a means to maintain labor discipline.



## **VII.Health & Safety(H&S)**

### **Intro.**

Employee's health & safety is what comes first in work place. Suppliers must ensure its employees are working in a healthy & safe environment. That is, employers shall built work place upon prevent possible accidents & injuries from work. Suppliers must comply with all applicable laws of the countries in which they operate regarding work environment, sanitation & safety. If employers are to provide housing to employee, shall ensure a clean, clean & sufficient place to employees in order to meet their basic living needs.

## **H&S.1 General Compliance Health, Safety and Environment**

**H&S.1.1** Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

## **H&S.2 Document Maintenance/Worker Accessibility and Awareness**

**H&S2.1** All documents required to be available to workers and management by applicable laws (e.g.health and safety policies, MSDS, environmental emergency plans) shall be made available in the prescribed manner and in the local language or language spoken by the workers, if different from the local language.

## **H&S.3 Notification and Record Maintenance**

**H&S.3.1** Employers shall notify the relevant notional and/or local authorities of all illnesses and accidents and environmental emergencies as required by applicable laws.

**H&S.3.2** All illness, safety, accident, and emergency reports shall be maintained on site for at least one year, or longer if required by law.

## **H&S.4 Permits and Certificates**

**H&S.4.1** Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as those related to the purchase and storage of chemicals, fire safety inspections, inspection of machinery, and (chemical) waste disposal.

## **H&S.5 Evacuation Requirements and Procedure**

**H&S.5.1** All applicable, legally required or recommended elements of safe evacuation (e.g.posting of evacuation, installation and maintenance of an alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures) shall be complied wit.

H&S.5.2 Workers shall be trained in evacuation procedures.

H&S.5.3 Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.

H&S.5.4 The evacuation emergency plan(EEP) includes procedures for notifying local community authorities in case of accidental discharge or release of chemical/waste products or any other environmental emergency.

## H&S.6 Safety Equipment and First Aid Training

H&S.6.1 All safety and medical equipment (e.g.firefighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.

H&S.6.2 A sufficient number of workers shall be trained in first aid and firefighting techniques.

## H&S.7 Personal Protective Equipment

H&S.7.1 Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g.gloves, eye protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.

## H&S.8 Use of Personal Protective Equipment

H&S.8.1 Workers shall be provided with training on the use and maintenance of personal protective equipment. The employer is held responsible for enforcing the use of personal protective equipment while employees are exposed to hazardous conditions.

## **H&S.9 Chemical Management and Training**

**H&S.9.1 All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws.**

**H&S.9.2 Labels shall be placed in the local language and the language spoken by workers, if different from the local language.**

**H&S.9.3 Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.**

## **H&S.10 Material Safety Data Sheets/Workers Access and Awareness**

**H&S.10.1 Material Safety Data Sheets(MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.**

**H&S.10.2 Workers shall have free access to MSDS.**

## **H&S.11 Chemical Management/Pregnant Women and Young Workers**

**H&S.11.1 To prevent unsafe exposure to hazardous chemicals and hazardous substances, appropriate accommodations shall be made for pregnant women and workers under the age of 18, as required by applicable laws or the provisions of the FLA Workplace Code, in a manner that does not unreasonably disadvantage workers.**

**H&S.11.2 If not provided by law, employers must provide protection to workers who allege violations of accommodations to prevent unsafe exposure to hazardous chemicals and hazardous substances for pregnant women and workers under age 18.**

## **H&S.12 Protection Reproductive Health**

**H&S.12.1** Employers shall ensure that women are not engaged in work that constitutes a substantial risk to their reproductive health.

**H&S.12.2** If not provided by law, employers must provide protection to workers who allege women are engaged in work that constitutes a substantial risk to their health.

## **H&S.13 Ventilation/ Electrical/ Facility Installation and Maintenance**

**H&S.13.1** All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.

**H&S.13.2** Suppliers shall make every effort, whether mechanical or structural, to ensure a reasonably comfortable temperature is maintained so due diligence of temperature is a daily responsibility. Managers and supervisors shall be trained regularly on these policies and procedures which shall include identifying and treating heat stress illnesses.

## **H&S.14 Machinery Safety, Maintenance and Workers Training**

**H&S.14.1** All production machinery, equipment and tools shall be properly guarded and regularly maintained.

**H&S.14.2** Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.

**H&S.14.3** Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.

## **H&S.15 Proper Use of Machinery**

**H&S.15.1** Employers shall not use negative incentives like monetary penalty schemes to ensure workers use machinery, equipment and tools safely and properly. Rather, training on risk awareness, proper machine use, as well as positive incentives like bonuses should be used.

## **H&S.16 Workers Refusal to Use Unguarded or Unsafe Machinery**

**H&S.16.1** Workers shall not suffer any negative consequences for refusing to work with machinery, equipment or tools that are not properly guarded or reasonably considered unsafe.

## **H&S.17 Ergonomics**

**H&S.17.1** Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains

**H&S.17.2** Employers shall train workers in proper lifting techniques and items such as belts shall be provided.

## **H&S.18 Medical Facilities**

**H&S.18.1** Medical facilities shall be established and maintained in factories as required by applicable laws.

**H&S.18.2** Medical staff shall be fully licensed and recognized under applicable national rules and regulations.

**H&S.18.2.1** An appropriate number of medical staff shall be on duty during all working hours, including any type of overtime, as required under national law.

**H&S.18.3** An appropriate stock of medical supplies shall be maintained at all times. Medicines of which the expiration date has passed must be replaced immediately and disposed of in a safe manner.



## H&S.20 Toilets

H&S.20.1 Employers shall establish the number of toilets required under applicable laws within reasonable distance of the workplace. In addition, the following should also be considered: number of toilets based on number of workers, privacy for each individual and gender, accessibility and hygiene.

## H&S.21 Toilets/Restrictions

H&S.21.1 Employers shall not place any undue restrictions on toilet use in terms of time and frequency.

## H&S.22 Food Preparation

H&S.22.1 All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws.

H&S.22.2 All workers handling food shall be provided with the tools and equipment necessary to do so in a safe and sanitary manner.

## H&S.23 Drinking Water

H&S.23.1 Safe and clean drinking water shall be freely available at all times, within reasonable distance to the work stations, and in a sufficient number of access points to encourage regular water consumption.

H&S.23.1.1 Drinking water shall be of a reasonable temperature.

H&S.23.1.2 The means to drink water (e.g. cups) must be safe and sanitary and available in an appropriate number.

## H&S.24 Drinking water/Restrictions

H&S.24.1 Employers shall not place any undue restrictions on drinking water in terms of time and frequency.

## **H&S.25 Dormitory Facilities**

**H&S.25.1** Dormitory facilities should meet all applicable laws and regulations related to health, safety, and environment, including fire safety, sanitation, risk protection and electrical, mechanical, and structural safety.

**H&S.25.1.1** All dormitories shall be kept secure, clean, and have safety provisions (e.g. fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting).

**H&S.25.2** Emergency evacuation drills shall also be conducted at least annually.

## **H&S.26 Dormitories Separate From Production Facilities**

**H&S.26.1** All dormitory facilities must be structurally sound, in good repair, and located separately from production, warehouse and hazardous chemical storage areas.

## **H&S.27 Childcare Facilities/Child on Premises**

**H&S.27.1** Childcare facilities shall not physically overlap with production areas and children shall not have access to production areas.

**H&S.27.2** Children under the minimum working age shall not be allowed in workplace areas at any time, unless they are part of a guided school tour or other such unusual event.

**H&S.27.3** Children must not visit parents in workplace areas.

## **VIII. Terms of Employment(TOE)**

### **Intro.**

Employers shall adopt and adhere to the rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

## **TOE.1 General/Human Resource Management System**

**TOE.1.1** Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.

**TOE.1.2** Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.

**TOE.1.3** Employers should implement a regular review process of policies, procedures and their implementation in a consultative manner and amend when warranted.

## **TOE.2 General/Documentation and Inspection**

**TOE.2.1** Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.

**TOE.2.1.1** Employers shall make these documents available to third-party assessors commissioned by the FLA and/or OGL and shall submit to inspections without prior notice.

**TOE.2.2** All notices that are legally required to be posted in the workplace work areas shall be posted by employers.

## **TOE.3 Recruitment and Hiring/Employment Decisions**

**TOE.3.1** All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

TOE.3.2 Employment decisions shall not be made on the basis of gender, race, religion, age, sexual orientation, nationality, political opinion, social group, ethnic origin, marital status, or union affiliation or sympathy.

## TOE.4 Recruitment and Hiring/Proof of Age Documentation

TOE.4.1 Employers shall collect and maintain all documentation necessary to confirm and verify date of birth of all workers, such as birth certificates.

TOE.4.1.1 Employers shall take reasonable measures to ensure such documentation is complete and accurate.

TOE.4.1.2 In those cases where proof of age documentation is not readily available or unreliable, employers shall take all necessary precautions which can reasonably be expected of them to ensure that all workers are at least the minimum working age, including requesting and maintaining medical or religious records of workers, or through other means considered reliable in the local context.

## TOE.5 Recruitment and Hiring/Employment Agency Recruitment Practices

Employers shall not use employment agencies that rely on practices such as:

TOE.5.1 using false information to recruit workers;

TOE.5.2 restricting workers' freedom of movement;

TOE.5.3 requiring workers to pay recruitment and/or employment fees;

TOE.5.4 providing inadequate housing;

TOE.5.5 restricting transit of workers;

TOE.5.6 providing precarious employment;

TOE.5.7 withholding from workers a copy of their employment contract in their native language that sets forth the general terms and conditions of engagement and employment;

TOE.5.7.1 for migrant workers, a copy should be provided prior to departure from their own home town;

TOE.5.8 retaining possession or control of workers identification

TOE.5.9 providing for financial penalties; and

TOE5.10 punishing workers for terminating employment.

## TOE.6 Recruitment and Hiring/Employers Agreement with Employment Agencies

TOE.6.1 Employers shall use standard contract language with employment agencies that specifically imparts power to employers to directly pay wages to migrant/ contract/ contingent/ temporary workers and ensures equality of compensation and workplace standards as set under the FLA Workplace Code and national laws and regulations.

TOE.6.2 Fees associated with the employment of workers shall be sole responsibility of employers.

## TOE.7 Recruitment and Hiring/General Principles on the Use of Contract, Contingent or Temporary Workers

TOE.7.1 Employers shall hire contract/ contingent/ temporary workers only if such hiring is consistent with the national law of the country of production.

TOE.7.2 Employers shall have in place written policies and procedures regulating the recruitment and hiring of contract/ contingent/ temporary workers.

## TOE.8 Recruitment and Hiring/Conditions of Hiring Contract or Temporary Workers

Employers may hire contract or temporary workers only when contract or temporary employment is allowed by national law and one of the following conditions is met:

TOE.8.1 the permanent workforce of the enterprise is not sufficient to meet unexpected or unusually large volume of orders;

TOE.8.2 exceptional circumstances may result in great financial loss to the supplier if delivery of goods cannot be met on time; or

TOE.8.3 Work that needs to be done and is outside the professional expertise of the permanent workforce

TOE.9 Recruitment and Hiring/Invalid Use of Contract, Contingent or Temporary Workers

Employers shall not:

TOE.9.1 use contract/contingent/ temporary workers on a regular basis for the long-term or multiple short-terms;

TOE.9.2 hire contract/ contingent/ temporary workers as a means to support normal business needs on a continuous basis or as regular employment practices; or

TOE.9.3 make excessive use of fixed-term contracts or schemes where there is no real intent to impart skills or provide regular employment.

TOE.10 Terms and Conditions/Employment Terms

TOE.10.1 Employment terms shall be those to which the worker has voluntarily agreed, in as far as those terms do not fall below:

TOE.10.1.1 provisions of national laws;

TOE.10.1.2 freely negotiated and valid collective bargaining agreements; or

TOE.10.1.3 the FLA Workplace Code.

TOE.10.2 There can be no employment terms which allow employers:

TOE.10.2.1 to hold wages already earned; or

TOE.10.2.2 use earned back wages as penalties; and

TOE.10.2.3 in any way punishes workers for terminating employment.

**TOE.11 Terms and Conditions/Contract, Contingent or Temporary Workers**  
Employers must ensure the following minimum terms and conditions are met in the employment of contract/ contingent/ temporary workers:

**TOE.11.1** the enterprise defines the job functions or tasks that contract/ contingent/ temporary workers are hired to perform and maintains information on the use of contract/ contingent/ temporary workers in relation to production needs;

**TOE.11.2** contract/ contingent/ temporary workers receive at least the minimum wage or the prevailing industry wage, whichever is higher, and all legally mandated fringe benefits;

**TOE.11.2.1** contract/ contingent workers receive at least the same compensation as regular workers performing the same job functions or tasks with similar levels of experience or seniority

**TOE.11.3** national laws governing contract/ contingent/ temporary workers are observed. Contract/ contingent/ temporary workers shall be provided an employment agreement, setting out the employment terms and conditions;

**TOE.11.4** workplace rules and regulations apply to contract/ contingent/ temporary workers the same as for permanent workers;

**TOE.11.5** personnel files and all relevant employment information for contract/ contingent/ temporary workers are maintained and accessible at the workplace site, at all times;

**TOE.11.6** contract/ contingent/ temporary workers who are hired on more than one occasion for seasonal production and specialization sign a separate contract for each new hire event. The workplace retains the same identification number and all relevant information in each worker's personnel file; and

**TOE.11.7** Contract/ contingent/ temporary workers are given priority when the enterprise is seeking 'new' permanent employees.



## TOE.12 Terms and Conditions/ Contact, Contingent or Temporary Worker to Permanent Employee

TOE.12.1 For any contract/ contingent/ temporary worker who becomes a permanent employee, seniority and other fringe benefits eligibility must be dated from the first date as a contract/ contingent/ temporary worker and not from the first day of permanent employment.

## TOE.13 Terms and Conditions/ Apprenticeship

For the time period during which they receive training, apprentices shall:

TOE.13.1 receive at least the minimum wage or the prevailing industry wage, whichever is higher;

TOE.13.2 receive all legal mandated fringe benefits; and

TOE.13.3 Be subject to workplace conditions as set by the FLA Workplace Code and national laws and regulations.

## TOE.14 Terms and Conditions/ Other Special Categories of Workers

TOE.14.1 Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/ contingent/ temporary, home-workers, pregnant or disabled workers, are implemented.

## TOE.15 Terms and Conditions/ New Employee Orientation

TOE.15.1 Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, industrial relations, including respect of the right to freedom of association, and health and safety.

TOE.15.2 Training should be updated on a regular basis, and in particular, when any policies and procedures are revised.

TOE.15.3 Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.

## **TOE.16 Terms and Conditions/ Communication**

**TOE.16.1** Employers shall inform workers about workplace rules, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.

**TOE.16.2** Where a union exists in the workplace, employers shall make available a copy of the collective bargaining agreement to all workers and other interested parties.

## **TOE.17 Terms and Conditions/ Supervisor Training**

**TOE.17.1** Employers shall ensure that all supervisors are trained in national law and regulations and the appropriate practices to ensure compliance.

**TOE.17.2** Trainings should be updated on a regular basis.

## **TOE.18 Administration of Compensation/ Timing and Completeness**

**TOE.18.1** Employers shall provide all legally mandated compensation to all eligible workers within the legally defined time periods. In addition, all compensation shall be calculated correctly.

## **TOE.19 Administration of Compensation/Termination Payouts**

**TOE.19.1** Employers shall have in place a procedure for determining termination payouts, including methods for correct assessment of payouts for all modes of termination/retranchment, taking into account national legal requirements.

TOE.19.2 Employers shall establish channels for workers to confidentially express any concerns or problems they may be experiencing around legally-owned payment during a retrenchment process. Employers shall not demand that workers sign any declaration of good health, waivers or releases of other rights as a condition of receiving severance pay or other legal fringe benefits from the company, and shall not threaten to withhold fringe benefits if workers do not sign.

## TOE.20 Administration of Compensation/Wage Advances

TOE.20.1 Wage advances shall not exceed three months' pay or legal limits, whichever is less.

TOE.20.2 Advances shall only be made following clearly established rules which have been communicated to workers.

TOE.20.2.1 Advances must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing(e.g.signature,thumbprint).

## TOE.21 Administration of Compensation/Free Disposal of Wages

TOE.21.1 Employers may not limit in any manner the freedom of workers to dispose of their wages.

TOE.21.2 Wages must be paid on regular working days and in principle at or near the workplace. Workers must be free from any coercion to make use of enterprise or works stores.

## TOE.22 Administration of Fringe Benefits/Holidays, Leave, Legal Social Benefits and Bonuses

TOE.22.1 Employers shall provide all legally mandated fringe benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.

TOE.22.2 All fringe benefits shall be calculated correctly.

## TOE.23 Administration of Hours/Time Recording System

TOE.23.1 Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.

TOE.23.2 Accurate time records shall be maintained by employers, including overtime, breaks, and leave.

TOE.23.3 Time worked by all workers, regardless of wage system, shall be fully documented by time cards or other mechanical or electronic recording systems.

TOE.23.4 Employers shall not maintain multiple time-keeping systems and/or records.

TOE.23.5 Time records maintained shall be authentic and accurate.

TOE.23.6 If not provided by law, employers must provide protection to workers who allege existence of multiple time-keeping systems or falsification of work time records.

## TOE.24 Administration of Hours/Production and Incentive Schemes

TOE.24.1 Employers shall not set production targets, piece rates or any other incentive or production system at such a level that workers need to work beyond regular working hours as set under the FLA Workplace Code, excluding overtime, in order to make at least the minimum wage or the prevailing industry wage, whichever is higher.

## TOE.25 Industrial Relations

TOE.25.1 Workplace rules, policies, and practices shall be communicated to all workers in the local language or language spoken by workers if different from the local language.

TOE.25.2 Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, workers committees, designated spaces for worker meetings, and meetings between management and workers' representatives.

TOE.25.3 There shall be a mechanism that allows workers to report harassment and grievances confidentially, including any concerns or problems they may be experiencing around legally-owed payments during a retrenchment process.

TOE.25.3.1 Employers shall have in place written procedures that allow a direct settlement of the grievance by the worker and the immediate supervisor. Where this is inappropriate or has failed, there should be additional options for senior management review and consideration, depending on the nature of the grievance and the structure and size of the enterprise.

TOE.25.3.2 Employers shall ensure that the grievance procedures and applicable rules are known to workers.

## TOE.26 Industrial Relations/Right to Organize, Bargain and Participate in Legal Strikes

TOE.26.1 Employers shall respect all laws, rules and procedures protecting the rights of workers to organize, bargain collectively, and participate in strikes consistent with ILO principles and jurisprudence.

## TOE.27 Work Rules and Discipline

TOE.27.1 Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g.a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).

**TOE.27.2** Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.

**TOE.27.2.1** The disciplinary system shall be applied in a fair and nondiscriminatory manner and include a management review of the actions by someone senior to the manager who imposed the disciplinary action.

**TOE.27.2.2** Employers shall maintain written records of all disciplinary actions taken.

**TOE.27.3** Disciplinary rules, procedures and practices shall be clearly communicated to all workers. Any exceptions to this system (e.g.immediate termination for gross misconduct, such as theft or assault) shall also be in writing and clearly communicated to workers.

**TOE.27.3.1** Workers must be informed when a disciplinary procedure has been initiated against them.

**TOE.27.3.2** Workers have the right to participate and be heard in any disciplinary procedure against them.

**TOE.27.3.3** Workers must sign all written records of disciplinary action against them.

**TOE.27.3.4** Records of disciplinary action must be maintained in the worker's personnel file.

**TOE.27.4** The disciplinary system shall include a third party witness during imposition, and an appeal process.

## **TOE.28 Skills Development/ Training**

**TOE.28.1** Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.

TOE.28.1.1 The policies and procedures should include how workers will be informed of training opportunities, eligibility requirement for participation, if the training will be compulsory or voluntary, if it will take place during or after working hours, and if the training time will be compensated.

TOE.28.1.2 Policies and procedures must encompass local legal requirements.

TOE.28.2 Trainings shall be documented and workers shall clearly understand what is required of them in order to advance to the next level within the factory.

TOE.29 Skills Development/Management of Performance Reviews.

TOE.29.1 Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.

TOE.29.1.1 The performance review process should be communicated to the workforce and reviewed regularly.

TOE.30 Skills Development/Promotion, Demotion and Job Reassignment

TOE.30.1 Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that are transparent and fair in their implementation.

TOE.30.1.1 Policies and procedures should outline the criteria for promotion, demotion, and job reassignment scheme, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment.

TOE.30.1.2 Outcomes should be provided in writing and seek feedback and agreement/disagreement from employees in writing.

TOE.30.1.3 Processes should follow local legal requirements.

TOE.30.2 Policies and procedures should be communicated to the workforce and reviewed regularly.

## TOE.31 Health, Safety, and Environmental Management System/ Policies and Procedures

TOE.31.1 Employers shall develop, maintain, and regularly review written health, safety, and environmental policies, at the very least, aimed at complying with legal minimum health, safety, and environmental standards, regulations and procedures.

TOE.31.2 The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system within which the following are clear and regularly tested and reviewed:

TOE.31.2.1 employers' responsibilities;

TOE.31.2.2 workers' rights and duties;

TOE.31.2.3 responsibilities of designated personnel,

TOE.31.2.4 procedures that enable workers to raise health, safety, and environmental concerns

TOE.31.2.5 procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies, and,

TOE.31.2.6 protections to workers who allege health, safety, and environmental violations.

TOE.31.3 environmental policies shall commit to minimize environmental impacts with respect to energy, air emissions, water, hazardous materials, and other significant environmental risks.



## **TOE.32 Termination and Retrenchment/General Policies and Procedures**

**TOE.32.1 Employers shall have in place a formal written policy governing all aspects and modes of termination and retrenchment.**

**TOE.32.2 Employers shall maintain proper and accurate records in relation to termination and retrenchment.**

**TOE.32.3 When employers are faced with major changes in production, program, organization, structure, or technology and those changes are like to result in temporary or permanent layoffs, employers shall communicate any alternatives to retrenchment that have been considered and consult any workers' representatives as early as possible with a view to averting or minimizing layoffs.**

**TOE.32.4 Where temporary or permanent layoffs are unavoidable, a plan should be developed and implemented that mitigates the adverse effects of such changes on workers and their communities.**

**TOE.32.5 The plan should be clearly communicated and posted, and include feedback channels for workers to ask questions and seek clarifications.**

**TOE.32.6 Employers shall give retrenched workers opportunity to transfer to other owned facilities in the country at a comparable wage and make all efforts to facilitate reemployment in other enterprises in the country.**

## IX.Working Hours(WH)

### Intro.

OGL believes arrange working hours appropriately, not only will improve employee's productivity, also improves sustainability. In this case, we strictly require our suppliers follows its local labor laws and regulations. At no circumstances, we do not allow employee to work over 48 hours a week or exceed maximum allowed hours according to local regulations. If overtime happens to be inevitable, suppliers must be under the condition where it is consensual, forced overtime is not allowed. Suppliers must inform OGL and work together in order to reduce the frequency of overtime, and ensure that employees get enough rest and stay healthy, that is, a consecutive 24 hours of rest on a 7 days roster.

## **WH.1 General Compliance Hours of Work**

**WH.1.1 Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.**

**WH.1.2 Employers shall have in place practices that conduct regular analysis of hours of work in their workplaces with a view to progressively reducing excessive hours of work.**

**WH.1.3 Other than in exceptional circumstances, the total weekly work hours(regular work hours plus overtime) shall not exceed 60 hours per week.**

## **W.H.2 Rest Day**

**W.H.2.1 Workers shall be entitled to at least 24 consecutive hours of rest in every seven-day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.**

## **W.H.3 Meal and Rest Breaks**

**W.H.3.1 Employers shall provide reasonable meal and rest breaks, which, at a minimum, must comply with national laws**

## **W.H.4 Protected Workers(Women and Young Workers)/Regulations on Hours of Work**

**W.H.4.1 The workplace shall comply with all applicable laws governing work hours regulating or limiting the nature, frequency and volume of work performed by women or workers under the age of 18.**

**W.H.4.2 If not provided by law, employers must provide protection to workers who allege violations of laws governing work hours limiting the nature, frequency and volume of work performed by women or workers under the age of 18**

## W.H.5 Protected Workers(Women and Young Workers)/Record Keeping

W.H.5.1 Employers shall maintain necessary records identifying all women workers and all workers under the age of 18 entitled to legal protection concerning work hours.

W.H.5.2 If not provided by law, employers must provide protection to workers who allege violations of maintenance of records identifying all women workers or workers under the age of 18 entitled to legal protections concerning work hours.

## W.H.6 Maintenance of Reasonable Levels of Staff

W.H.6.1 Employers' personnel practices shall demonstrate an effort to maintain a level of staffing that is reasonable in view of predictable or continuing fluctuations in business demand.

## W.H.7 Overtime/Calculation over Period Longer than One Week

W.H.7.1 Employers are allowed to calculate regular hours of work as an average over a period of longer than one week, where national laws, regulations and procedures provide for such a possibility, but only when all formal and procedural requirements attached to such calculation (for instance, obtaining official permission from the relevant authorities or limits to the period during which such calculations can be made) are met. However, the basis for such calculation shall not exceed 48 hours per week.

## W.H.8 Forced Overtime/Exceptional Circumstances

W.H.8.1 Employers shall not require workers to work more than the overtime hours allowed by the law of the country where the workers are employed.

W.H.8.2 All overtime work shall be consensual.

W.H.8.3 Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

W.H.8.4 Employers shall demonstrate a commitment to reduce overtime.

**W.H.8.5** Employers shall enact a voluntary overtime system, including for overtime mandated to meet exceptional circumstances.

## **W.H.9 Exceptional Circumstances/Overtime Explanation**

**W.H.9.1** Employers shall be able to provide explanation for all periods when the exceptional circumstances exception has been used.

**W.H.9.2** Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.

## **W.H.10 Public Holidays**

**W.H.10.1** Employers shall provide workers with all official public holidays as required under national laws, regulations and procedures.

## **W.H.11 Annual Leave**

**W.H.11.1** Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.

## **W.H.12 Annual Leave/Determination**

**W.H.12.1** Employers shall not impose any undue restrictions on workers' use of annual leave.

**W.H.12.2** The time at which annual leave is taken is determined by employers in consultation with workers, taking into account work requirements and the opportunities for rest and relaxation available to workers.

## **W.H.13 Annual Leave/Restrictions**

**W.H.13.1** Any workplace restrictions or procedures applicable to taking annual leave (e.g. requiring a minimum period of service before being allowed to use annual leave, written requests to be submitted a certain time before the annual leave) must be in line with national laws, regulations and procedures and must be communicated in full to all workers.

## **W.H.14 Annual Leave/Wage Payments**

**W.H.14.1** Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under national laws, regulations and procedures.

## **W.H.15 Leave/Retaliation**

**W.H.15.1** Employers shall not impose any sanction on workers for requesting or taking any type of leave, such as annual, sick, or maternity, in line with all applicable rules and procedures.

## **W.H.16 Sick Leave**

**W.H.16.1** Employers shall provide workers with sick leave as required under national laws, regulations and procedures.

## **W.H.17 Sick Leave/Restrictions**

**W.H.17.1** Employers shall not impose any undue restrictions on sick leave. Any workplace restrictions or procedures regarding sick leave (e.g. informing the employer as soon as possible, the provision of medical certificates, the use of designated doctors or hospitals) must be in line with national laws, regulations and procedures and must be communicated in full to all workers.

## **W.H.18 Calculation of Absences**

**W.H.18.1 Absences from work for reasons beyond the control of workers, such as sick leave or periods during which workplace operations are suspended, shall not be counted as annual leave nor shall they be deducted from calculations concerning length of service, unless specified differently under national laws, regulations and procedures.**

## **W.H.19 Suspension of Work**

**W.H.19.1 Employers can only suspend work in accordance with national laws, regulations and procedures.**

**W.H.19.2 Workers shall be paid in full during periods of suspension, unless national laws stipulate otherwise, workers and their representative organizations agree otherwise, or the relevant national authorities authorize the alternative arrangement.**

# **X.Freedom of Association & Rights to Collective Bargaining (FOA&CB)**

## **Intro.**

At OGL, everyone should be treated equally with respect. Our Suppliers should do the same, and ensure employees has the right to be able to form and join worker organizations in bargaining to prevent harassment, interference or retaliation. Suppliers must develop effective, respective and transparent grievance mechanisms to resolve disputes, complaints and ensure effective communication between employees, employee representatives and management.



#### **FOA&CB.1 General Compliance Freedom of Association**

**FOA&CB.1.1** Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining.

#### **FOA&CB.2 Right to Freely Associate**

**FOA&CB.2.1** Workers, without distinction whatsoever, shall have the right to establish and to join organizations of their own choosing, subject only to the rules of the organization concerned, without previous authorization. The right to freedom of association begins at the time that workers seeks employment and continues through the course of employment, including eventual termination of employment, and is applicable as well to unemployed and retired workers.

#### **FOA&CB.3 Legal Restriction/Alternative Means**

**FOA&CB.3.1** When the right to freedom of association and collective bargaining is restricted under law, employers shall not obstruct legal alternative means of workers association.

#### **FOA&CB.4 Anti-Union Violence/Harassment or Abuse**

**FOA&CB.4.1** Employers shall not use any form of physical or psychological violence, threats, intimidation, retaliation, harassment or abuse against union representatives and workers seeking to form or join an organization of their own choosing.

**FOA&CB.4.1.1** Such practices shall not be used against workers' organizations or workers participating or intending to participate in union activities, including strikes.

## **FOA&CB.5 Anti-Union Discrimination/Dismissal, Other Loss of Rights, and Blacklisting**

**FOA&CB.5.1** Employers shall not engage in any acts of anti-union discrimination or retaliation, i.e. shall not take any employment decisions which negatively affect workers based wholly or in part on a workers' union membership or participation in union activity, including the formation of a union, previous employment in a unionized facility, participation in collective bargaining efforts or participation in a legal strike.

**FOA&CB.5.1.1** Employment decisions include: hiring; termination; job security; job assignment; compensation; promotion; downgrading; transfer; (vocational) training; discipline; and assignment of work and conditions of work including hours of work, rest periods, and occupational safety and health measures.

**FOA&CB.5.1.2** The use of blacklists used to contravene the exercise of the right to freedom of association, for instance blacklists based on union membership or participation in union activity, also constitutes anti-union discrimination.

## **FOA&CB.6 Restoration of Workers Rights/Reinstatement**

**FOA&CB.6.1** Workers who have been unjustly dismissed, demoted or otherwise suffered a loss of rights and privileges at work due to an act of union discrimination shall, subject to national laws, be entitled to restoration of all the rights and privileges lost, including reinstatement, if they so desire.

## **FOA&CB.7 Protection of Union Representatives**

**FOA&CB.7.1** Employers shall comply with all relevant provisions where national laws provide special protection to workers or worker representatives engaged in a particular union activity (such as union formation) or to worker representatives with a particular status (such as founding union members or current union office holders.)

#### **FOA&CB.8 Production Shift/Workplace Closure**

**FOA&CB.8.1** Employers shall not (threaten to) shift production or close a workplace site in an attempt to prevent the formation of a union, in reaction to the formation of a union, in reaction to any other legitimate exercise of the right to freedom of association and collective bargaining, including the right to strike, or in an effort to break up a union.

**FOA&CB.8.2** If a workplace is closing and there is a dispute that the closure was done to prevent or hamper the legitimate exercise of the right to freedom of association, employers shall provide proof that can be assessed by a third party to determine the validity of the reasons given for closure.

#### **FOA&CB.9 Severance Pay**

**FOA&CB.9.1** Employers shall not offer or use severance pay in any form or under any other name as a means of contravening the right to freedom of association, including attempts to prevent or restrict union formation or union activity, including strikes.

#### **FOA&CB.10 Employer Interference**

**FOA&CB.10.1** Employer shall refrain from any acts of interference with the formation or operation of workers' organizations, including acts which are designed to establish or promote the domination, financing or control of workers' organizations by employers.

#### **FOA&CB.11 Employer Interference/Constitution, Elections, Administration, Activities and Programs**

**FOA&CB.11.1** Employers shall not interfere with the right of workers to draw up their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities, and to formulate their programs.

**FOA&CB.12 Employer Interference/Registration**

**FOA&CB.12.1** Employers shall not attempt to influence or interfere in any way, to the detriment of workers' organizations, with government registration decisions, procedures and requirements regarding the formation of workers' organizations.

**FOA&CB.13 Employer Interference/Favoritism**

**FOA&CB.13.1** Employers shall not interfere with the right to freedom of association by favoring one workers' organization over another.

**FOA&CB.13.1.1** In cases where a single union represents workers, employers shall not attempt to influence or interfere in any way in workers' ability to form other organizations that represent workers.

**FOA&CB.14 Employer Interference/Police and Military Forces**

**FOA&CB.14.1** Employers shall not in any way threaten the use of or use the presence of police or military, to prevent, disrupt or break up any activities that constitute a peaceful exercise of the right to freedom of association, including union meetings, assemblies and strikes.

**FOA&CB.15 Facilities for Worker Representatives**

**FOA&CB.15.1** Worker representatives shall have the facilities necessary for the proper exercise of their functions, including access to workplaces.

**FOA&CB.16 Right to Collective Bargaining/Good Faith**

**FOA&CB.16.1** Employers shall recognize the rights of workers to free and voluntary collective bargaining with a view to the regulation of terms and conditions of employment by collective agreements.

**FOA&CB.16.2** Employers and worker representatives shall bargain in good faith, i.e. engage in genuine and constructive negotiations and make every effort to reach an agreement.

**FOA&CB.17 Right to Collective Bargaining/Exclusive Bargaining and Other  
Recognized Unions**

**FOA&CB.17.1** Employers shall bargain with any union that has been recognized by law or by agreement between the employer and that union, provided such agreement does not contravene national law, as a, or the exclusive, bargaining agent for some or all of its workers.

**FOA&CB.18 Right to Collective Bargaining/Unorganized Workers**

**FOA&CB.18.1** Employers can only engage in collective bargaining with representatives of unorganized workers when no workers' organization exists.

**FOA&CB.19 Right to Collective Bargaining/Compliance with Collective  
Bargaining Agreement**

**FOA&CB.19.1** Employers, unions and workers shall honor in good faith, for the term of the agreement, the terms of any collective bargaining agreement they have agreed to and signed.

**FOA&CB.19.2** Worker representatives and workers shall be able to raise issues regarding compliance with a collective bargaining agreement by employers without retaliation or any negative effect on their employment status.

**FOA&CB.20 Right to Collective Bargaining/Validity of Collective Bargaining  
Agreement**

**FOA&CB.20.1** Collective bargaining agreements that have not been negotiated freely, voluntarily and in good faith shall be considered not applicable.

**FOA&CB.20.2** Provisions in collective bargaining agreements that contradict national laws, rules and procedures or offer less protection to workers than provisions of the FLA Workplace Code shall also be considered not applicable.

#### **FOA&CB.21 Rights of Minority Unions and their Members**

**FOA&CB.21.1** Unions not recognized as a bargaining agent of some or all of the workers in a facility shall have the means for defending the occupational interests of their members, including making representations on their behalf and representing them in cases of individual grievances, within limits established by applicable law.

#### **FOA&CB.22 Right to Strike/Sanction for Organizing or Participating in Legal Strikes**

**FOA&CB.22.1** Employers shall not hire replacement workers in order to prevent or break up a legal strike.

#### **FOA&CB.23 Right to Strike/Replacement Workers**

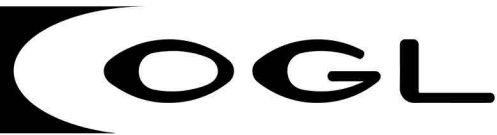
**FOA&CB.23.1** Employers shall not hire replacement workers in order to prevent or break up a legal strike or to avoid negotiating in good faith.

#### **FOA&CB.24 Deduction of Union Dues and Other Fees**

**FOA&CB.24.1** Employers cannot deduct union membership fees or any other union fees from workers' wages without the express and written consent of individual workers, unless specified otherwise in freely negotiated and valid collective bargaining agreements.

#### **FOA&CB.25 Grievance Mechanisms**

**FOA&CB.25.1** All suppliers must develop and fully implement effective grievance mechanisms which resolve internal industrial disputes, employee complaints and ensure effective, respectful and transparent communication between employees, their representatives and management.



END.