

Child Labour and Young Worker Policy

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1. Policy Statement

This Policy establishes a set of principles and rules adopted by The Very Group Limited ('TVG') in relation to Child Labour and Young Workers. This Policy is designed to influence all decisions, actions and other activities that relate to its subject matter.

The primary objectives of this Policy are to:

- Outline applicable requirements and TVG's commitments relevant to the subject matter of this Policy,
- Identify key roles and responsibilities for both TVG and its Suppliers,
- Define how TVG will comply with the above requirements.

Related Policies:

The Very Group Code of Conduct

2. Background

As members of the Ethical Trading Initiative (ETI)¹, TVG is committed to protecting the rights of young workers and remedying any instances of child labour.

TVG do not permit children to be involved in the manufacture or supply of goods to us as this often means they are deprived of their rights to childhood and education and are at risk of endangering their physical, mental, and social well-being.

Definitions:

Child or children

A person or persons yet to reach their 15th birthday or any higher age specified in national or local law for completing mandatory schooling or beginning full-time work. In strictly limited circumstances, where national and local law sets a minimum working age of 14 years ILO Convention 138², relating to developing country expectations, can support this lower minimum age definition.

Young Worker

A person legally entitled to work, who is 15 years old or above the minimum age of employment and below the age of 18. Young workers must not be employed at night, work overtime or carry out any form of hazardous work which includes not working in or near areas where chemicals are used.

Child Worker

A child who is not legally entitled to work; below the minimum age of employment or under the age of 15 if this is higher.

Child Labour

Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.

Hazardous Work

Work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children or young workers. This includes handling chemicals, working with heavy machinery or electrics, working in confined spaces, at height or in extreme temperatures, being exposed to dusty environments, fumes or loud noise, lifting heavy loads, working overtime or working at night.

Supplier

An organisation that manufactures or procures goods or services on behalf of TVG.

3. Key requirements

TVG is committed to ensuring that it complies with all legal and regulatory requirements when conducting its business activities. In relation to the activities relevant to this Policy, the key requirements are:

- Child labour is not used,
- If any incident of child labour is identified in the supplier's supply chain, the supplier shall initiate, or participate in, a programme to transfer any children involved in child labour into quality education until they are no longer children,
- Young workers must not be employed at night, work overtime, or carry out any form
 of hazardous work which is prohibited by the government, and which includes not
 working in or near areas where chemicals are used,
- Use of labour agents for young workers is prohibited,
- Access to the production areas by children under legal working age is prohibited; this
 includes the children of workers who live in factory accommodation and/or children
 brought to care facilities on site.

TVG encourages the use of work-based training programs that enable young workers to learn new skills. These programs should be aimed at developing young workers' skills and experience and workers engaging in these programs must be paid at least minimum wage for every hour worked including any training time.

TVG expect all our Suppliers to monitor their own supply chains regarding child labour and young workers and to contact us immediately if they have any concerns regarding this. In return, if instances of child labour are identified, TVG commits to supporting and working with Suppliers to develop responsible solutions that are in the best interests of these children and where possible encourage children back into education.

4. What does this mean to the Very Group?

This policy applies to the entire supply chain of TVG, which includes lower production tiers and raw material producers.

TVG is committed to fully and consistently supporting our Suppliers who provide transparency on conditions and practices, report any discoveries within their own or their Suppliers' operations, and actively engage with us in developing and delivering agreed, time-bound improvement plans where necessary.

In the event of child workers being identified, TVG will work in partnership with the child, the employer, the parents/carer, and local NGO/experts in providing appropriate welfare and a safe transition back to education. In each case, we will look to provide a responsible solution that is in the child's best long-term interests. We will collaborate to ensure there is no financial detriment to the child or their dependants and no breach of their human rights.

TVG will cease its relationship with business partners or Suppliers if it is found they are in deliberate breach of this policy or not prepared to engage with an appropriate remedy.

5. What does this mean for Suppliers?

Our Suppliers are expected to monitor their own operations and those of their Suppliers and service providers and to contact TVG if they have any concerns regarding child labour.

Suppliers should have a management system in place for the prevention of child labour. This will include:

- Using all available processes to verify the authenticity and accuracy of proof of age documents, e.g., birth certificates, passports, ID cards,
- Maintain a complete list of all employees, detailing full names, work departments, identification documents and serial numbers, date of birth, and date employment commenced.
- Maintain a similar list of all young workers, including the date they will reach adulthood,
- Ensure any young worker employed has adequate precautions to protect them while carrying out non-hazardous work and ensure they do not perform hazardous work.

If child labour is identified or suspected, we expect our Suppliers to protect the welfare and living conditions of all suspected or confirmed child labourers.

If they suspect that workers in a factory may be underage, should not approach the workers directly in the first instance, but check their ID/other available sources of age verification as part of a routine document check process without raising the alarm.³

If document checks confirm the child is underage or if ID/other checks are inconclusive, they should take the following action³:

- Report all child labour discoveries to the TVG ESG team,
- Remove the child from all work immediately. Preventing the continuation of work gives a
 clear message to factory managers. Suppliers should err on the side of caution and assume
 that a young-looking worker is under-age until verifiable evidence to the contrary is
 provided,
- Ensure the child is in a safe place,
- Obtain contact details (ideally mobile phone number) of child and parents/guardian, and wherever possible, home address,
- Clarify the true identity and age of the child. Review age documents of the child and verify that they are genuine. If the documentary evidence is inconclusive checking the age of the child may entail:
 - ✓ Communication or meeting with parents and guardians of children,
 - ✓ Contacting local labour authorities to validate identification.
- Talk to the child to ensure they understand what is happening and why. Listen to them to understand their needs. Explain the possible remediation options and other measures to be put in place. Ensure they agree to participate in the remediation programme,
- Meet with top production site management to communicate the policies and basic positions regarding child labour and obtain their consensus on the interim arrangement for the child and their commitment for remediation.
- Provide free food and free and safe accommodation to the child until a remediation programme is operational (this can be a relatively lengthy process). In some cases, particularly for children who have migrated for work, either with or without their families, the best interim solution may be to continue to stay in the factory dormitory (if dormitory accommodation is provided); however, this is never a desirable long-term solution,
- Arrange payment of a stipend to the child both during the exploratory phase and throughout the whole remediation programme. The stipend should be equivalent to the amount the child was earning whilst employed, or at least local minimum wage standard, whichever is higher. The stipend should be paid in weekly or monthly, rather than as a lump sum,

- Contact the parents/guardians to ensure that they understand and agree with what is happening and to explain the ongoing provision of stipend, food, and accommodation. If necessary, educate the parents about the benefits of schooling/vocational training. With younger children, the strong involvement of parents/guardians is particularly important. In cases where parents have sent their child to work, this process of persuasion may be difficult, and it is particularly important to ensure that parents are confident that the family's income will not be reduced by participating in child labour remediation,
- Review all the personnel records at the workplace to identify whether there are any other child workers.
- Give advice on improving age verification systems to ensure that no new child worker is hired. These could include (but not exclusively):
 - Conducting trainings in factory to both management team including HR, production and workers,
 - Checking the reliability of the ID checking machines,
 - ✓ Providing psychosocial support for all instances of child labour; and where relevant access to skills development.

TVG expects its Suppliers to take immediate action upon discovering child labour within their supply chain by promptly orchestrating and initiating a comprehensive remediation programme.

Before starting this process, it is vital to identify and establish a remediation team. The remediation team should be made up of representatives from the factory, the agent, the purchaser, local NGOs, trade unions (if active in the factory where child labour has been found) and local experts with the experience and capacity to work with children and their families to identify appropriate solutions. Local partners must have the determination to push the programme through at a local level and have the skills to negotiate between the different stakeholders and find a solution that maintains the best interest of the child.

In many countries there are existing government or civil society-backed organisations, processes and projects tackling child labour. It is crucial to identify and work with these initiatives in order to avoid duplication of effort.

At this stage, it is very important to define and agree on the roles and responsibilities of each party and to confirm who will be funding the remediation programme.

Ensuring the child's welfare must be the first priority for any remediation programme. It is vital that the remediation team understand the specific needs, circumstances, and aspirations of each child and his or her family and the drivers which pushed the child into work. Specialist support may be needed to understand the full picture. The remediation programme must be designed to tackle these specific drivers and to reduce the risk that they push the child back to work again.

Suppliers are responsible for ongoing support and monitoring of the progress of the remediation programme to ensure that it continues to benefit the child until he or she reaches working age. Alternatively, this could be carried out by local NGOs or trade unions or other experts and should not be carried out by the factory which employed the child(ren).

Monitoring includes the following elements:

- Monitoring of the child's progress at school, exam results, school reports, discussions with teachers etc,
- Home visits by an independent 'friend' to the child, checking in on a regular basis on their hopes, fears, and ambitions,
- Regular payment of stipend, school fees and any other expenses,
- Facilitate for TVG to visit the child, if required.

TVG expects the suppliers to report back upon closing the remediation as well as updating TVG on the child progress until the child until he or she reaches working age.

6. Footnotes

- 1. ETI Base Code and Homeworker Guidelines about the guidelines.pdf (ethicaltrade.org)
- 2. The International Labour Organisation's (ILO) Conventions, with 138 and 182 relating to child labour. https://www.ilo.org/ipec/facts/ILOconventionsonchildlabour/lang--en/index.htm
- 3. Operational Procedures for the Remediation of Child Labour in Industrial Contexts (CLOP) https://impacttlimited.com/clop