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Code of Conduct Guidance Document





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Introduction

One of the requirements of trading with The Very Group is that all suppliers must declare the factories they are planning on using for production of our products. At the start of trading with you we will ask you to fill out a factory details form with this information. It is imperative that you regularly provide us with confirmation of your factory base.

If new factories are to be used then these must be declared to the CSR team before they can be put forward to the buyers.

In order to try and minimise factory audit fatigue, The Very Group will not request any factory that already holds one of the following audit reports SMETA, BSCI or ICTI that have been carried out in the last six months to commission an audit on our behalf, unless the audit has been conducted by an audit company not accepted by The Very Group (please see below).

We expect all suppliers and factories working with The Very Group to be members of the Supplier Ethical Data Exchange (Sedex) and to link with The Very Group to enable visibility of audits. These audits will be graded in line with our requirements which are set out later in the document. Where violations of our Code of Conduct are found, a corrective action plan (CAP) will be agreed between the factory, the auditing body and ourselves. The supplier is required to work with the factory to complete the CAP within agreed timescales and to ensure that The Very Group is kept up to date with progress.

The Very Group Code Of Conduct

When customers buy our goods they must be sure that they have been produced under acceptable conditions. That means the goods must have been produced:

- lawfully, through fair and honest dealing;
- without exploiting the people who made them;
- in decent working conditions; and
- without damaging the environment.

Each supplier to The Very Group signs the Code of Conduct as part of our Terms of Purchase and we expect this to be rolled out to all factories and sub-contractors involved in producing our product.

The Code is designed to be fair and achievable, and should promote the ongoing development of our suppliers and their partners.

THE VERY GROUP FACTORY SET-UP PROCESS:

Supplier Factory Assessment

In advance of proposing a new factory to The Very Group we would require the supplier to have visited the factory to ensure it complies with the The Very Group Code of Conduct as listed in the Terms of Purchase.

We expect the supplier to check that there is a suitable third party audit in place or that one is in the process of being arranged, that the factory has the capacity to effectively





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implement corrective action plans and that they are members of or are willing to become members of Sedex.

Sedex Registration

The Very Group are members of Sedex and it is a requirement of doing business with us that all our supply chain partners are also members.

Sedex is an online tool used to manage ethical and responsible practices in the Supply Chain. It offers an online database which allows the storing, sharing and reporting of ethical audits between factories, suppliers and customers.

The Very Group expect suppliers to be linked with us on Sedex as a direct relationship and expect all factories to be linked via an indirect relationship.

Support with registering and linking with us on Sedex can be found at:

<https://knowledge.sedexonline.com/>

Once links have been made we factories need to ensure that The Very Group have visibility of their completed self-assessment questionnaire and their third party audit report.

The audits should have been completed within the 12 months prior to the factories proposal to The Very Group .

Where applicable, an up-to-date corrective action plan and evidence of CAP remediation should also be uploaded.

Reasons factories may be rejected

If the audit report submitted reveals critical violations of our Code of Conduct that are still outstanding at the time of submitting, the factory will not be approved.

Critical audit findings would include:

- Work is not voluntary e.g. unpaid, bonded, forced or trafficked
- Not having a valid business licence;
- Not paying all employees the legal minimum wage; or
- Premises not being structurally safe

If a critical violation is found in an existing factory the supplier will be asked to attend a meeting to discuss the urgent remediation, factories will be given one month to come up with a detailed corrective action plan and three months to implement the plan. If sufficient progress is not seen then we reserve the right to suspend the factory.

Changes to factory details

If a factory's details change e.g. name or address, we would expect to be informed of this through an amendment to you factory details form. We would require the Sedex site to be updated and for a new independent ethical audit report to be commissioned.





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Factory base reviews

Suppliers should review their factory list with The Very Group regularly. Factories that are no longer used should be flagged to the CSR team to be disengaged.

Please make sure all factories and sub-contractors are declared and approved for use. If goods are being made in a factory which we have not approved, it is considered a serious breach of our Terms of Purchase.

Right of Access

The Very Group expect all suppliers to provide access to their production facilities and documents when required to ensure that the Code of Conduct is complied with. We also reserve the right to visit factories on an unannounced basis.

The Very Group Factory Audits

The Very Group requires all factories to be independently audited to one of the following standards SMETA, BSCI, or ICTI (for toy factories only)

We are aware that factories can sometimes have several ethical audits a year so we will not expect audits to be commissioned on our behalf if an acceptable audit is already available.

Audits should be:

- performed to one of the required standards;
- conducted on a semi announced or unannounced basis and dated within twelve months of submission unless otherwise stated;
- performed by a independent audit company who are not on The Very Group s banned audit company list; and
- accompanied by a completed corrective action plan (CAP).

The Very Group have relationships with the following audit companies which you make use of when applying for audits:

Bureau Veritas (BV) - global

<http://www.bvcps.co.uk/ethicalaudit>

Intertek (ITS) - global

www.intertek.com

Société Générale de Surveillance (SGS) - global

www.sgs.com

Audit report and Corrective Action Plans (CAP)

At the end of the audit, the auditors will discuss with factory management any findings of non-compliance found on the audit. A CAP will be produced and timescales for each non-compliance, if any, will be agreed. Please can you ensure that the CAP plan is shared with The Very Group and that all actions are completed within the agreed timescales.





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The Very Group Audit Grading

Audit reports that are uploaded in Sedex will be reviewed by the The Very Group CSR team and awarded one of the following grades:

White – Factories with no issues, these factories will be put on a 24 month audit cycle.

Green - Factories are graded 'Green' if there were few minor violations found.

For green rated factories a new audit must be conducted within 24 months of the last audit date.

Green Examples:

- The Very Group Code of Conduct not posted on factory notice board.
- No office space provided for Union meetings
- Evacuation plans do not have a 'you are here' indicator.

Orange – Factories are graded 'Orange' if the non-conformities found are deemed to be medium risk. Orange rated factories will be on a 12 month audit cycle.

Orange Examples:

- No policy of freedom of association and right to collective bargaining
- Fire escape routes poorly marked and / or maintained
- Workers have not been given information on how earnings are calculated
- Overtime hours regularly exceed 12 hours per week or local law, whichever is the lower
- Isolated absence of worker contracts

Red – Factories are graded as 'Red' if the non-conformations found on the audit are deemed to be high risk.

A follow up audit must be conducted within six months from the last audit date to show rectification of the issues. The factory will also be required to provide annual audits.

Red Examples:

- Retention by employer or employment agent of cash deposits
- Company does not comply with collective agreement
- No records of fire evacuation drills
- No first aid kits available
- Young persons engaged in night work
- Unlawful deductions from wages
- Unreasonable hours i.e. total working hours are in excess of 72 hours per week

Double Red – Factories are graded 'Double Red' if issues found on the audit are deemed critical.

Factories with double red issues will be asked to a meeting within one month to discuss corrective action plans and timeframes for rectification. There will be a three month period in which the factory will be expected to show good progress is being made on the double red issue, a visit will be conducted by the The Very Group CSR team to monitor this. After six months we will expect a follow up audit to be carried out to show rectification.

We may stop production if there is an inadequate response from the supplier or factory management.

Double Red Examples:

- Work is not voluntary, e.g. Unpaid, bonded, forced or trafficked.
- Locked or no fire exits..
- Premises are not structurally safe





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- No valid business licence

Closing Corrective Action Plans (CAPS)

Non-compliances listed on the CAP can be closed in three ways:

Through photographic evidence sent to The Very Group – If the remedial actions required can be demonstrated visually, suppliers can submit photographs to close these non-compliances.

Examples of visual non-compliances that can be closed by photographs include:

- missing emergency exit signs;
- guards missing from machines; or
- workers not wearing PPE correctly

Through evidence submitted to Sedex for auditor review – if you have arranged for the audit company to upload your audit into Sedex then you can submit evidence via the system for auditor sign off. Details of how to do this can be found at the link below:

<https://knowledge.sedexonline.com/mod/book/view.php?id=98&chapterid=15>

Non-visual – Follow-up audit

If the required remedial action cannot be verified by a photograph a re-audit for the specific violations must be booked within the specified time frame and uploaded to Sedex. .

Examples of non-compliances that require an audit to close include:

- working hours exceed legal limits;
- insufficient payment of relevant insurance; or
- failure to pay overtime wages.

Scheduling Follow-Up Audits

If a factory grade requires a follow-up audit, it is the responsibility of the supplier to coordinate and schedule this. A supplier that fails to schedule a follow-up audit within the specified time may be suspended until a follow up audit has been conducted.

The Very Group only accept partial follow-up audits that are conducted within six months of the original, full audit. After six months, the site must have a full follow-up audit.

All follow-up audits must be conducted on a semi-announced or unannounced basis and uploaded onto Sedex.

Sub-Contracting

The Very Group do not allow unauthorised sub-contracting of our production.

If sub-contracted units are required then the supplier must ensure the below criteria are met before production starts.

- Ethical audits would be required at sub-contractors undertaking any primary manufacturing processes.





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- We ask that you ensure that any sub-contractors have copies of, understand and work to the The Very Group Code of Conduct
- We expect records are kept showing that you they are carrying out regular reviews and checks in sub-contractors.
- We may request information to check that you are following our Code. We will keep this information confidential.
- Our staff or representatives may visit your factory, including sub-contractors, without warning to carry out inspections or audits.

Homeworking

If homeworking is required in production of The Very Group product we expect our suppliers and factories to declare this to us.

The Very Group would expect any homework units to have been vetted by the supplier prior to them being offered to us.

If using homework units we would issue you with a unit checklist which we would expect you to fill in on each visit and share with us. This ensures relevant health and safety requirements are met.

As well as this all workers whether in a unit or at home would have to be mapped and issued with a passbook recording the work they are doing for The Very Group .

It is the responsibility of the factory and their agents to ensure that these records are filled in and returned to us prior to any handwork taking place. Along with this we reserve the right to visit any homeworkers or units during the production process.

Outsourced processes

At The Very Group we are striving to look beyond our first tier factories. In order to do this we have developed a supply chain mapping tool that we expect all factories to fill in detailing all external processes and where they are undertaken. This should be updated regularly and shared with the CSR team.

Use of labour providers

If a recruitment agent is used to provide labour to the factory we would expect you to provide a guidebook to the agent so that they are aware of your requirements and also The Very Group s code of conduct. We would expect our factories to have a written agreement with the agent that fully explains the hiring process, how many workers are hired and for what period. Recruitment agents should also be able to provide written details of all their labour sources and the factory should keep a record of this. Further detail on use of agency labour can be found later in this document.

The Very Group code of conduct clauses:

Compliance with all applicable laws and regulations

Our Code of Conduct states that Suppliers and factories that produce goods for The Very Group must fully understand and comply with all applicable laws and regulations in the countries where they operate, including laws relating to employment, health and safety, and the environment.





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Common Terms

- Legal requirements: Any laws or regulations which apply to the factory. For example, the corporate and commercial laws of the country where the factory business was legally established, or the local labour laws and health and safety regulations where the factory is located.

Examples of non-conformance

✗ The factory avoids its obligations to pay tax, obtain the necessary licences, or comply with any special financial or reporting requirements for companies.

This will be dependent on the legal obligations and local laws of the country in which the factory operates.

✗ The factory does not have government commercial registrations posted or on file.

✗ The factory does not keep current records of fire safety inspections, accidents or social security payment schedules, as required by law.

Examples of best practice

✓ The factory employ someone who ensures that they keep updated with changes to local law

✓ There is a schedule in place to ensure regular review of the factories policies and procedures to ensure they are aligned with any legal changes

Employment is freely chosen

Our Code of Conduct (CoC) states:

- There must be no form of forced labour, whether it be involuntary prison labour, indentured labour, bonded labour or otherwise.
- No employee should be obliged to work through force, financial pressure, intimidation or any other means.
- Workers are not required to lodge deposits or their identity papers with their employer and are free to leave their employment after reasonable notice.
- There must not be any form of social pressure, unpaid loans or other restrictions imposed by the employer that would restrict workers' freedom.

Common terms

- Forced labour: Workers do not provide their labour voluntarily.
- Indentured labour: Workers are bound to the factory under agreement and are not able to leave at will. Slave holding is a form of indentured labour.
- Bonded labour: Workers provide labour without payment in order to repay the debts of a third party to the factory owner. Workers are not free to leave the factory at will.

Examples of non-conformance

✗ Workers are coerced through the use of violence or intimidation.

✗ Workers identity papers are withheld.





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X Workers are in debt to the factory and not able to leave employment until the debt is cleared.

Examples of good practice

- ✓ Employer accepts that the cost of recruitment is a business cost and that no fee for recruitment is charged to workers, directly or indirectly
- ✓ Employer managers regularly attend training in preventing, identifying and reducing the risk of human trafficking and forced labour

Freedom of association and the right to collective bargaining

Our Code of Conduct (CoC) states:

- Workers must be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.
- Workers must be free to associate or to join organisations that represent them, including trade unions, without prior authorisation from management.
- Where trade union membership is unavailable to workers, the employer must enable workers to develop a parallel means of association and bargaining.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Common terms

- **Collective bargaining:** The process by which union officers or worker representatives negotiate with management, on behalf of the entire workforce. A formally negotiated collective bargaining agreement (CBA) often replaces, or makes unnecessary, individual employment agreements between the employer and the employee. The terms of the CBA become the accepted workplace terms and conditions.

Examples of non-conformance

- X** Factory management restricts workers from joining unions, associations, committees or other forms of worker representative groups.
- X** Management refuses to facilitate or join in the discussions or meetings between different worker organisations and unions which exist in the factory.
- X** Workers who participate in legal union activities are punished or discriminated against. For example, they are required to clean toilets, denied access to the canteen or clinic, transferred randomly between departments, or dismissed with no valid cause.
- X** The factory has no policy of freedom of association and right to collective bargaining
- X** The factory picks worker representatives rather than them being democratically elected
- X** Management fails to adhere to collective bargaining agreements

Examples of good practice

- ✓ Involve union representatives in decisions concerning production and training of the workforce. Management will find it easier to implement its decisions and programmes and will benefit ultimately from the constructive comments of the union.





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- ✓ Any formal discussions, such as collective bargaining agreements should be recorded formally and endorsed by the labour bureau as required by law.
- ✓ Identify and develop tools for direct contact with the workforce, such as: newsletters or magazines to which workers contribute; monthly production meetings and focus groups; lunch time discussions between management and workers.
- ✓ Establish an independent means to notify the workforce of communications with the union or other worker associations, and any actions which management will take resulting from those discussions. For example, use a notice board to update employees on management-union discussions.

Child labour shall not be used^{CHILD}

Our Code of Conduct (CoC) states:

- i) Child labour shall not be used.
- ii) Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- iii) There shall be no new recruitment of child labour.
- iv) Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- v) These policies and procedures shall conform to the provisions of the relevant ILO (International Labour Organisation) standards.

Common terms

- Child labour: Any worker less than 15 years old.
- Juvenile labour: Workers aged 15 to 17 years old.
- Adult labour: Any worker aged 18 years old and above.

Examples of non-compliance:

- ✗ Hiring workers under 15 years old for any type of job or in any area in the factory
- ✗ Use of undocumented, unregistered or otherwise hidden child labour to save money. For example, unrecorded payment of cash wages to child workers located in an isolated part of the factory, where the children receive less than minimum wage and no benefits.
- ✗ Home workers receive help from their children to make products at home. (This applies in those countries where homework is allowed and regulated by local labour laws.)
- ✗ No clear delineation between child-care facilities and production areas.
- ✗ Using juvenile workers outside the parameters of legal protection and restrictions. For example, many local laws state that juvenile workers must not work overtime.
- ✗ Employing juvenile workers in conditions that are hazardous to the development of their physical and mental health. For example, assigning juvenile workers to chemical mixing rooms, frame making workshops, footwear assembly lines or apparel press / steam sections.





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- ✗ Employing juvenile workers in a manner that prevents or hinders them from completing their education. For example, assigning juvenile workers to shift or weekend work, or not allowing them leave to complete exams.
- ✗ Employing juvenile workers in a manner that denies access to additional educational opportunities, such as vocational training or multi-skills training provided to older workers.
- ✗ Failing to conduct any periodic health checks required by local law.

Examples of best practice

- ✓ If ID or age documentation appears false and cannot be sufficiently cross-referenced to establish the correct age of the job applicant, do not hire the applicant. Take photocopies of all documentation which establishes proof of age.
- ✓ In the event that child labour is discovered in the factory, consult the child and the child's parents or guardians about:
 - the circumstances of the child and his or her family;
 - education opportunities which exist both within and outside the factory; or
 - whether a parent or adult relative might be hired in place of the child, while the child attends school.
- ✓ Where the factory provides child-care, ensure that the facilities are completely removed from the production areas. If the child-care facilities are not in a separate building, they must not be accessible from production areas. Additionally, children should be properly cared for and supervised.
- ✓ Develop a tracking system for juvenile workers, that is all workers under 18. Personnel should keep a Juvenile Worker Register listing all workers under 18 with their names, dates of birth and current job position.
- ✓ Assign juvenile workers to safe production areas, that is away from chemicals and other harmful substances, or heavy or dangerous machinery and equipment.
- ✓ Use a visual reference to identify juvenile workers, for example a colour coded ID tag.
- ✓ Ensure that any periodic health checks required by law are carried out and that the results are kept on employee files.

Living wages are paid LIVING

Our Code of Conduct (CoC) states:

i) Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher.

In any event wages should always be enough to meet basic needs and to provide some discretionary income.

ii) All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.





iii) Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Common terms

- Discretionary expenditure: An amount of money remaining once basic needs have been met, which may be used by employees as they choose, for example, toward education costs, purchase of a home or the development of a small business.
- Prevailing industry wage: A wage level specific to an industry and dictated by the market. In the case of the clothing and fashion industries, the prevailing industry wage is often higher than the legal minimum wage.
- Legally mandated benefits: Those benefits, such as annual leave, social insurance and medical care which must be provided to employees by law.

Examples of non-conformance

✗ The factory pays workers less than the minimum wage.

✗ There is no distinction between regular working hours and overtime hours.

Therefore, workers are not paid according to the legally required regular and overtime hourly rates.

✗ The factory pays wages 'in kind'. For example, workers receive rice and cooking oil instead of cash payments.

✗ The factory delays payment of wages to workers by more than 2 weeks, effectively withholding wages.

✗ The factory does not provide clear and detailed wage statements to workers.

b Benefits

✗ The factory does not pay into retirement, social security or medical insurance funds, or does not pay such legally required benefits on time.

✗ Temporary or probationary workers do not receive the same basic benefits as permanent workers.

✗ Workers are not provided sufficient breaks as required by law.

✗ Female workers are not provided any, or adequate, maternity leave or other maternity benefits as required by law.

✗ The factory provides transport services, but does not exercise any control over the transport service, for example quality and safety of transport, or drivers charging workers random fees in addition to the payment drivers receive from the factory.

✗ The factory requires workers to pay for their uniforms out of their own wages.

✗ Workers are required to compensate for missing goods out of their wages.

✗ Factories deduct penalties from wages, for example if workers are late to work or make mistakes on production items.

✗ Factories deduct unreasonable and/or unauthorised amounts from the workers' wages, in payment of work visas, recruitment fees, deposits on tools and equipment, or non-specified items.



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- ✗ The factory sets unrealistic production targets for workers and then makes deductions from wages if the targets are not met.
- ✗ Workers are not paid according to the proper overtime
- ✗ The factory pays training wages below the minimum wage.

Examples of good practice

- ✓ All employees should be provided information about their wages and benefits in a form and language that they understand.
- ✓ Itemise other amounts, such as efficiency bonuses or special allowances clearly in the payroll and wage statement / payslip.
- ✓ Wages must be paid in cash, in cheque or by direct transfer into the employee's account. If special deposit or savings accounts are set-up by the factory for migrant or other workers, access to, and control over, the account must be given to the employee.
- ✓ Provide any social security, insurance or medical benefits as required by law. Any contributions which are based on, and deducted from workers' monthly wages, must be set out in the payroll and workers' payslips.
- ✓ Probationary workers must receive the same entitlements and benefits as regular workers, even if not required by law.
- ✓ Workers who leave the factory or are dismissed must receive termination pay-outs or packages as required by law.
- ✓ Any fees which migrant workers are required to pay, for example a work permit fee or residence visa fee, should be covered by the factory as the cost of doing business and hiring migrant labour.
- ✓ There should be a direct link between the time recording system and payroll.
- ✓ Payroll and employee wage statements must contain all information necessary for an employee to calculate the monthly wages and allowances, including all lawful and reasonable deductions.
- ✓ Provide training to new workers regarding the wages and benefits that they should receive.

Working Hours are not excessive

Our Code of Conduct (CoC) states:

- i) Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.
- ii) In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

Common terms

- Extraordinary circumstances: Events which are extremely unusual, including earthquakes, floods, fires, riots and demonstrations, and in some cases severe power failures. Events





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which happen frequently, such as interrupted electrical supply or late delivery of materials do not constitute extraordinary circumstances.

May also be referred to as unusual or emergency circumstances.

- Overtime: Most countries specify a 40 to 48 hour work week. Any work which is performed after the regular working hours during the week or on Saturdays and Sundays is considered to be overtime.

Examples of non-compliance

✗ The factory does not have a reliable time recording system, such as mechanical time clocks (punch card time records), electronic or magnetic card time keeping, or a hand or thumb print scanner system

✗ Supervisors manually record the working hours of workers and this information is transferred to the payroll department. There is no way for workers to verify their work hours.

✗ Even where there is a mechanical or electronic time recording system, supervisors or line chiefs punch or swipe workers' cards. Workers are not responsible for filling out their own time sheets, punching their own work cards or scanning / swiping their electronic cards to record work start and finish times.

✗ The factory time recording system does not accurately distinguish between regular time and overtime working hours.

✗ The factory does not have a proper system for supervisors to request overtime work and inform the workforce in advance.

✗ Workers work more than 60 hours per week on a regular basis.

✗ The factory does not provide proper breaks as required by law, which contributes to the excessive number of hours being worked.

✗ Production targets are based on excessive working hours and not on the amount of production which can be achieved in a regular work day.

✗ The factory increases the production targets during peak season and workers are forced to work long hours

✗ Workers work more than one shift or in excess of the local laws on overtime, and the factory uses 2 sets of time cards to conceal the excessive working hours.

✗ Workers do not have one full day (24 consecutive hours) rest per week.

Examples of best practice

✓ All employees should be responsible for recording their own work hours.

This means that workers should 'clock on' and 'clock off' for themselves.

✓ Additionally, they should be given a chance to review the total number of hours worked in a pay period. Therefore, work hours should be set out in the payroll and on payslips.

✓ Use a reliable, automated time recording system, such as mechanical time clocks (punch card time records), electronic or magnetic card time keeping, or a hand or thumb print scanner system.

✓ The automated system should be linked directly to the payroll.





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- ✓ Supervisor overtime request forms, or other hand written documents relating to working hours should be cross-checked against the time records which are collected electronically.
- ✓ Evaluate factory capacity and the productivity of the current work force at the time orders are confirmed. Production targets should be set at reasonable levels and able to be met within a maximum 60 hour work week
- ✓ Ensure that employees use their breaks properly. In order to make sure that workers and supervisors do not undertake unauthorised lunch time or dinner time work, the factory can shut down the electricity in production areas, close production room doors and provide alternative rest and recreation areas for workers.
- ✓ Establish the weekly rest day and arrange the work week schedule around the rest day.
- ✓ Ensure that employees with special work arrangements such as engineers, security guards and cooks receive a rostered day off within every 7 day period and that their total working hours do not exceed 60 hours each week.
- ✓ Ensure that any compensation day off for work on the rest day in unusual or emergency circumstances is provided in the week previous or directly after the rest day worked.
- ✓ Establish production target and productivity levels which are based on a regular work week and not excessive overtime.
- ✓ Encourage workers to keep their own daily working hour records. Print out a statement of the working hours for workers to check before they receive their pay.
- ✓ Good communication with workers is essential. Notify workers in advance of the weekly work schedule, annual leave rosters and factory closures, and if the factory intends to swap work days with rest days or public holidays.
Explanation should be provided and consent sought before the factory makes any changes or manages the unusual or emergency circumstances.
In many cases, employees will provide valuable suggestions for managing the production problems.

No Discrimination is practised

Our Code of Conduct (CoC) states:

- i) There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Common terms

- Discrimination: Any distinction, exclusion or preference based on a personal characteristic which deprives a person access to equal opportunity or treatment in any area of employment.
- Post-hiring: Includes any procedure, process, activity, or terms and conditions related to employment after a person has been recruited. For example, training, promotion, transfer or disciplinary action.
- Association membership: Includes membership of a trade union, workers' committee, or any other work place group or organisation.

Examples of non-compliance





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- ✗ References in recruitment notices or advertisements referring to age, marital status, gender or other personal characteristics which are not related to the job specifications.
- ✗ Request for information on application forms or during interviews which is not related to a person's ability to perform the job or satisfy the job requirements.
- ✗ Decision not to recruit based on a candidate's trade union affiliations or other characteristics, which are classed as, 'blacklisted'.
- ✗ Providing less favourable contract terms or work conditions based on a personal characteristic. For example, not providing equal pay for equal work to women on the basis of their gender.
- ✗ Testing workers for pregnancy during recruitment or post-hiring.
- ✗ Unnecessary medical tests, that is, carrying out medical tests which are not required by law.
- ✗ Using the results of any medical tests which are required by law to dismiss a worker or otherwise treat the worker unfavourable
- ✗ Dismissing a worker for anything other than job performance, breach of factory rules or general improper or illegal behaviour.

Examples of best practice

- ✓ Application forms and recruitment notices or advertisements should contain information which is relevant to the job position and specifications only. Unless required by law, such documents should not include references to race, national origin, gender, religion, age, disability, marital status, parental status, association membership, sexual orientation or political opinion.
- ✓ During interviews, skills tests or other application processes, factory personnel should focus on work experience, ability to do the job and performance.
- ✓ Train all staff with management responsibilities in factory policies regarding: the work environment; use of proper language and behaviour; the factory disciplinary practices; and the consequences for engaging in aggressive or offensive behaviour and harassment of other employees.
- ✓ Have a policy in place regarding the treatment and care of workers who are injured at work or become ill. Such a policy should deal with: the privacy of the employee; provision of legally required benefits or compensation; non discrimination against the employee, and any reasonable and lawful measures which should be taken if the employee's injury or illness poses a risk to the health of other employees.
- ✓ Maintain good documentation regarding decisions such as to hire or not hire, transfer, promote or dismiss an employee. For example, rejected application forms should be kept on factory file.
- ✓ Keep copies of relevant documents, such as evaluations, transfer notices, annual leave applications or pregnancy benefits on centralised employee files or in a convenient and central location at the factory.
- ✓ Provide relevant information to employees, such as worker handbooks or supervisor training material. This information should explain the factory rules and procedures, and include appeal or grievance processes available to employees.





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Regular employment is provided

Our Code of Conduct (CoC) states:

- i) To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- ii) Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Common terms

- Home-working: Work carried out by a person in his/her home or on other premises of his/her choice, other than the workplace of the employer, for remuneration which results in product/service as specified by the employer; irrespective of who provides the equipment, materials or the other inputs used, unless this person has the degree of autonomy and economic independence necessary to be an independent worker under national laws, regulation or court decisions.
- Apprenticeship scheme: A scheme that allows young workers to start work and earn a decent wage, while learning new skills that may lead to nationally recognised qualifications.
- Sub-contracting: An individual or group of individuals to whom a contractor outsources the manufacture of a product or part-product

Examples of non-conformance

- ✗ Home workers not guaranteed at least the national minimum wage.
- ✗ Home workers not paid promptly for the work they have carried out.
- ✗ Homeworking has not been adequately measured to understand the work components.
- ✗ Employees working regularly on fixed short term contracts.
- ✗ Short term contracts that avoid obligations to employees under labour or social security laws and regulations arising from the regular employment relationship.
- ✗ Supervisors are not adequately trained in the correct management approach to home workers
- ✗ The factory refuses to invest any time or energy in those processes which help improve communication between management and home workers, such as on the job training, group meetings, worker development programmes, job performance assessments and social activities.
- ✗ Communications by management are inappropriate. For example, supervisors rely on written instructions to home workers without verbal explanations, especially where literacy levels are low.

Examples of best practice

It is necessary for factories to examine all methods by which management communicates with both formal and informal employees regarding workplace terms and conditions, production issues, relations between workers and supervisors, development of the factory





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business, how to improve productivity and efficiency and reduce waste, and how to ensure long term stability.

- ✓ Use production planning in the factory which takes into account home workers and home worker capabilities.
- ✓ Keep detailed records of all homeworking activity, production and wages.
- ✓ Time and motion studies should be carried out on all tasks to ensure that calculations are correct when working out costs and that home workers are paid at least the minimum wage.
- ✓ Ensure that piece rate is calculated correctly and includes all tasks such as packing and unpacking.
- ✓ Ensure that home workers are given documentation or are advised about their employment rights.
- ✓ Home workers must receive an understandable wage slip when being paid for work carried out.
- ✓ Full-time home workers should be provided with the same benefits as other workers in the factory, e.g. sick/holiday pay.
- ✓ Involve workers' representatives in decisions concerning production and training of the entire workforce, including home workers. Management will find it easier to implement its decisions and programmes and will benefit ultimately from the constructive comments of the representative.
- ✓ Ensure that all obligations to employees under labour or social security laws and regulations arising from the regular employment relationship are fully implemented.
- ✓ Move any employees who are on regular short term contracts to comprehensive long term contracts.
- ✓ Ensure that all contracted employees are provided with regular payment of wages.
- ✓ Ensure that all contracted employees receive benefits of sick/holiday pay
- ✓ Schedule regular development/training meetings.
- ✓ Identify and develop tools for direct contact with the home workforce, such as: newsletters or magazines to which workers contribute; monthly production meetings and focus groups.
- ✓ Invest in those programmes which improve communication between management and workers, such as on the job training, worker development programmes, job performance assessments, and social activities.
- ✓ ensure all sub-contractors are audited to ensure their compliance to the The Very Group CoC

No Harsh or Inhumane Treatment

Our Code of Conduct (CoC) states:

i) Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Common terms





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- Harassment: uninvited and unwelcome conduct directed at an individual. This may be a single or a repeated act.
- Abuse: improper or excessive use or treatment.

Examples of non-conformance

✗ Unauthorised physical forms of discipline or punishment are in use, for example beatings, standing at the front of the production line, running around the factory building and unpleasant cleaning tasks.

✗ Employees are subject to sexual harassment, such as: being touched inappropriately; commenting on the employee's appearance in a suggestive or inappropriate manner; continually asking the employee out or for sexual favours; creating a hostile or uncomfortable environment, for example, by displaying pornographic material.

✗ The factory forces workers to sign warning letters or other records of discipline, even when they do not agree with the warning.

✗ The factory supervisors practice verbal harassment, such as shouting at workers, using rude language or calling workers by insulting names.

✗ Supervisors rely on arbitrary threats, such as dismissal, to manage workers and control their behaviour.

✗ The factory limits the number of toilet breaks or opportunities to collect drinking water, or places other unreasonable restrictions on the use of toilets or access to drinking water.

✗ Basic services or benefits are withdrawn as a form of punishment. For example, a worker is refused meals at the canteen, treatment at the clinic, proper payment of allowances, use of factory uniforms, or leave with pay.

✗ The factory sets unreasonable curfew hours in the dormitory or restricts workers movements around the dormitories.

✗ Employers do not train or assess supervisors in relation to application of factory disciplinary practices.

✗ There is no process whereby workers can challenge disciplinary actions taken against them.

✗ There are no records of disciplinary action kept on workers' files in the personnel department.

Examples of best practice

Factories should ensure they have a progressive disciplinary system in place and an appeal or grievance procedure for workers to use in response to disciplinary action. It will be necessary for factory management to arrange regular training for all supervisors and department heads on the factory rules and progressive system of discipline.

✓ Adopt reasonable factory rules which apply to all employees, including supervisors and other managers. Make sure the rules are published and provided to all employees.

✓ Adopt a progressive disciplinary system in the factory:

- verbal warning;
- written warning;
- transfer;





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- suspension;
- dismissal.
- ✓ Disciplinary practices must follow or exceed local law and must be fully documented.
- ✓ Ensure that there is a direct relationship between the factory rules, a breach of the rules, and the relative disciplinary action. For example, some conduct will be considered less serious and require a verbal warning only. Other conduct (for example physical abuse of, or violence towards, other employees) may require immediate dismissal without going through the earlier stages.
- ✓ Implement a management policy banning all forms of harassment and abuse of employees by other employees, supervisors or managers. Deal strictly with employees who breach the policy by following the progressive disciplinary system.
- ✓ Implement a management policy banning financial deductions or penalties as a form or discipline or punishment.
- ✓ Develop factory forms to document all instances of discipline, including verbal warnings. Ensure that these records are kept on individual worker files, as well as being filed centrally in HR or Personnel.
- ✓ Establish a system of appeal or grievance for employees. If workers disagree with the decision of their supervisor or the level of discipline being used, there should be direct access to HR or Personnel departments and management to discuss the issues.
- ✓ Establish a counselling or grievance service or centre for employees. The centre may perform a variety of useful functions. Specifically in relation to disciplinary practices, this should be the place where employees can report unauthorised forms of discipline, abuse and harassment. The centre staff should be suitably qualified to deal with complex or sensitive issues such as sexual harassment.
- ✓ Be creative when it comes to production issues. For example, instead of fining workers for not meeting production targets, investigate what the problem is: low skill level, broken or poorly maintained equipment; lack of training; bottle necks on the line; bad supervision;

Health and safety

It is a basic Management responsibility to ensure a safe and healthy work environment for employees. It is therefore essential that the Management follows these responsibilities by establishing appropriate documented policies, plans, procedures and instructions.

We would expect all factories as a minimum to have:

- Documentation of existing local legal requirements for Health, Safety and Environment (HSE)
- Comprehensive records of:
 - governmental permits / certificates (for example, completed fire and building certificates, boiler certificates etc.)
 - monitoring and test results (for example test report of a waste water treatment plant, air quality testing, emergency light testing etc.)
 - internal training exercises / drills (in particular fire / emergency drills)
- Written policy on HSE





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- Someone in the business responsible for managing HSE
- Accident / injury log
- Fire and emergency preparedness plan
- Written training procedures for employees (safety, pollution prevention, first aid etc)

Factory Structure

The quality of buildings has a strong influence on the working environment for employees. When factory buildings are being planned, constructed or rebuilt, fundamental basics such as physical stability, sufficient load capacity and fire preparedness and prevention should be influenced by health and safety requirements.

The main concern when assessing the architecture of a factory is the risk of collapse and overloading. Obstructed or insufficient exits, corridors, aisles and emergency escape routes are a common safety hazard which can often be remedied with little or no cost and can make the difference between life and death.

All factories should ensure

- Complete building is in good condition
- load capacity for upper floors are sufficient for any machinery installed on them and have been checked by an independent expert
- Load bearing walls, pillars and ceilings are regularly visually inspected for signs of cracks, damp or seepage
- Storage racks should be adequate enough to support any expected loads
- Stairways should have:
 - handrails if there are more than four steps (1 m high minimum)
 - steps not higher than 0.19 m
 - a surface that is non-slip and even
 - adequate widths
 - a minimum of two stairways required from each upper floor if more than 30 persons on the storey
- Aisles, corridors, emergency escape routes and exits should be:
 - unobstructed
 - have a non-slip surface
 - have acceptable distances between work stations
 - signed showing the nearest exit
 - exit doors that remain unlocked and open outwards
 - floors are equal heights on both sides of exit doorways
 - adequate number of exits of appropriate widths (table 2.3 below)
- Elevators:
 - load capacity displayed
 - equipped with doors
 - have the relevant operating licenses in place where applicable
 - doors fitted with interlock device to prevent opening without elevator being present
 - elevator wired so as to be inoperable when doors are open
 - warning signs about use in emergency posted on the outside of the elevator
 - indication whether lift is for freight or passenger use





Stairways

The width of stairways is important in the case of a fire. The recommended width of a stairway depends on the following:

- number of people in the building (more people means higher width required)
- number of storeys in the building (more storeys provides higher discharge rate for a given number of people)

The following table shows the number of people who are suggested to use a stairway during an emergency. It is assumed that there is approximately the same number of workers on each floor. Further it is assumed that the width of the stairway is constant on all floors.

Number of People		Width of Stairways						
		1.00 m	1.50 m	2.00 m	2.50 m	3.00 m	3.50 m	4.00 m
Number of Stories	1	200	300	400	500	600	700	800
	2	240	360	480	600	720	840	960
	3	280	420	560	700	840	980	1120
	4	320	480	640	800	960	1120	1280
	5	360	540	720	900	1080	1260	1440
	6	400	600	800	1000	1200	1400	1600
	Each Additional Storey	40	60	80	100	120	140	160

Table 2.3

Exits

The escape width and number of exit doors for a room depends on the number of people working in the room and not on its floor area. Therefore, small rooms may require large exits if many employees work in that area. On the other hand, for large rooms with few employees (for example warehouses) smaller exits may be acceptable.

Table 3.3 shows the requirements (for example a room with 450 employees would require at least two doors and exit width of 3 m).

Requirements on Total Escape Width and Number of Exits									
Number of Persons in Room	< 30	< 200	< 300	< 500	< 750	< 1000	< 1250	< 1500	> 1500
Number of Exits	1	2	2	2	3	4	5	6	6 or More
Total Escape Width	>0.75m	>1.75m	>2.50m	>3.00m	>4.50m	>6.00m	>7.50m	>9.00m	For Each 250 Persons Add 1.50 m

Table 3.3

Fire Safety

Each year industrial fires can cause injuries, deaths and loss of business. In many cases factories remain closed after a fire. This can be avoided by applying fire prevention controls and having processes in place for emergencies. Fire extinguishers are one of the cheaper items available for fire safety, but they are frequently abused by poor maintenance, bad

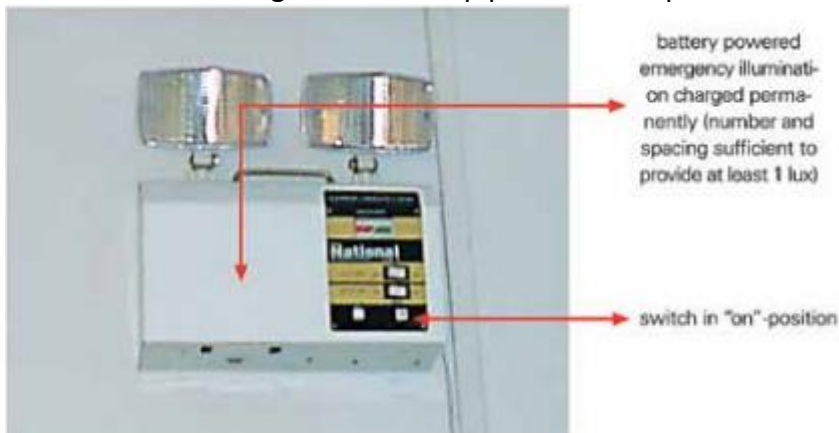




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positioning, being obstructed, etc. Factories could install automatic sprinkler systems which are over 95% effective if properly maintained and thus are the best protection for both people and property.

- Alarm systems (sound and light) should be installed separately and need to be distinct from other alarms and notification systems:
 - alarm systems should be fully tested every three months (quarterly)
 - tests, maintenance, repair or replacement of any alarms, fire and emergency systems should be correctly recorded
- Appropriate emergency lights should be available particularly for all exit routes
 - inspections should be correctly documented
 - illuminated exits signs with backup power are required on all exit routes as per the below



- 'No smoking' signs should be displayed throughout the premises
- Sufficient directional and exit signs should be in place to ensure that all exit routes from the area within the buildings are clearly indicated
- Exit signs to be clear and visible with pictogram and text in English and native language

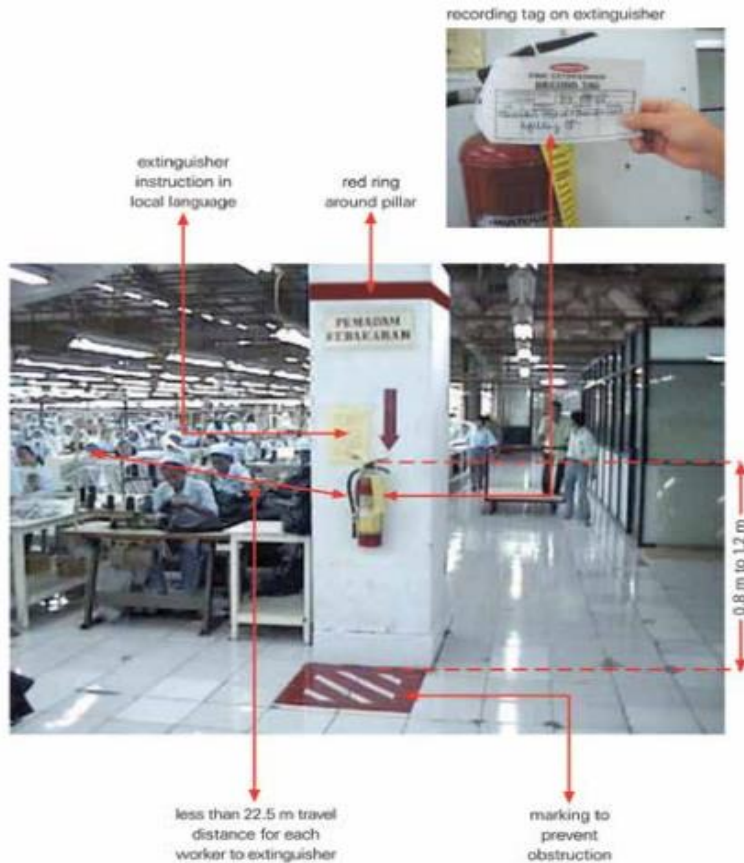


- assembly areas should be outside the building and remain unobstructed for emergency services such as fire brigade or ambulance
- Guideline for extinguishers
 - factories should ensure that extinguishers are suitable for the type of fire
 - fully charged, easily accessible and clearly marked
 - individually identifiable by a number (important for corrective actions), also helps with visual checks that should be carried out monthly (with a control tag)



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- serviced annually by qualified personnel / licensed company
 - They should also be Internally checked monthly with records kept
- operation instructions in English and native language



- Guideline for operations of sprinklers:
 - sprinkler heads should be clean
 - sprinkler piping should only be used for the fire system equipment
 - water level and pressure, water pumps and general conditions inspected monthly
 - water containers need to be checked for pressure every five years; records kept
 - independent water supply required

The causes of fire:

Fire results from a combination of fuel, heat and oxygen. If a substance is heated to its ignition temperature it will ignite, continuing to burn so long as there is fuel, a supply of oxygen and the proper temperature.

Ignition sources can be:

- flames such as fixed water boilers, gas welding and cutting, engine back fire / exhaust gases, heating and galley appliances, personnel smoking
- hot surfaces including welding slag, hot spots on the opposite side of work pieces during welding, hot fumes and exhausts, hot process piping and equipment, lighting and other electrical equipment, frictional heating from slipping drive belts, un-lubricated bearings, heating and cooking appliances



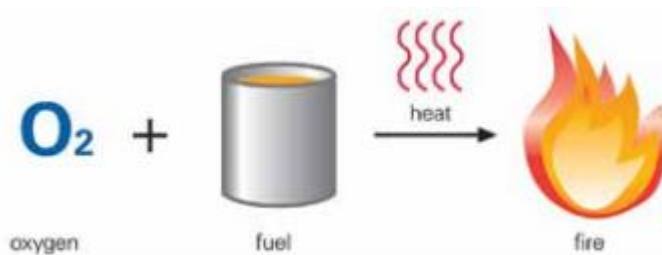
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- sparks or electric arcs from hand tools, electric motors or generators, switches and relays, wiring, electric arc welding, storage batteries, boiler ignition devices, lighting systems, torches
- static electricity sparks including high fluid velocities (fuelling, filling vessels, steam cleaning, grit blasting, spray painting) normal frictional body movements when wearing synthetic clothing, radio frequency transmissions and lighting
- chemical reactions involving heat, including substances that fire spontaneously on exposure to air such as white phosphorus
- heat of compression when hydrocarbon gases are mixed with air, for example by admission of volatile organic compounds into air compressors, or the incomplete purging of pressure vessel

a Development of fire



b Maintenance of fire



Fire prevention techniques

Oxygen is present in the air around us in a sufficient quantity to support fire and every factory uses combustible / flammable material thus fire prevention has to focus on potential ignition sources in fire sensitive areas.

a Fire prevention





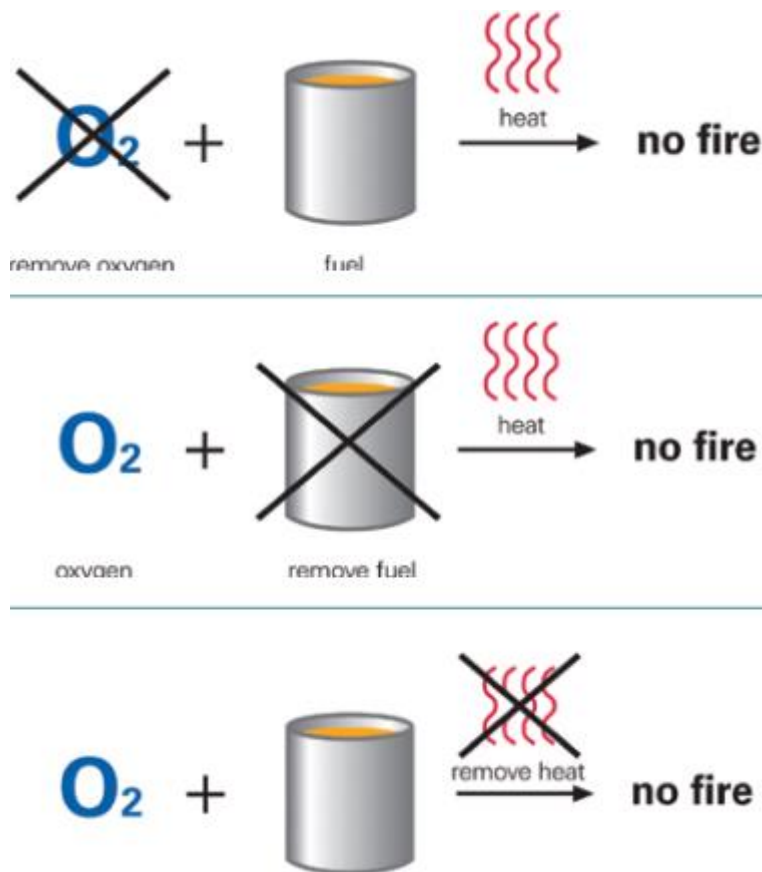
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Fire fighting strategies

All factories should have a strategy in place to minimise risk and damage if a fire occurs. To fight fire the combustible / flammable material, oxygen or the heat has to be removed entirely.

If there is no chance to remove the combustible / flammable material, fire fighting focuses on the removal of oxygen (for example with carbon dioxide extinguishers).

Additionally, some extinguishers also work by cooling the material below its critical temperature.



To remove oxygen from the fire, it is important that the extinguisher is suitable for the kind of fire, otherwise the situation becomes worse. An example is the treatment of a diesel fire with water, diesel and water cannot be mixed together. The water can not get close enough contact to diesel to remove oxygen and smother the fire. As a consequence, the jet of water only spreads the burning diesel and worsens the fire instead of extinguishing it.

The below table shows the suitability of extinguishers:



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Fire Class	Kind of Flammable / Combustible Material	Suitable Portable Fire Extinguisher
	solid material (e.g. wood, coal, paper, textiles, polymers, rubber etc.)	<ul style="list-style-type: none">dry powder extinguisher (ABC-powder)foam extinguisherwater extinguisher
	liquid material non water mixable (e.g. fuel, solvents, oil, etc.)	<ul style="list-style-type: none">carbon dioxide extinguisherdry powder extinguisher (ABC or BC-powder)foam extinguisher(water extinguisher with additives)
	gaseous material (acetylene, butane, propane, methane, hydrogen)	<ul style="list-style-type: none">powder extinguisher (ABC or BC-powder)
	metals (e.g. aluminium or magnesium alloys, titanium, zirconium, sodium and potassium)	<ul style="list-style-type: none">powder extinguisher (with special metal fire powder)

Table 3.1

First aid

Factory Management need to provide immediate and appropriate first aid support to employees who are injured on company premises. A well organised first aid system ensures quick medical attention and can prevent the loss of many working days.

- A first aid room should be available for a factory with more than 1000 workers:
 - clean, accessible, clearly identified by signs (see Chapter 9: Colour coding / labelling) and adequately equipped for the type of injuries that could be expected
 - first aid material available with a up to date contents list ensuring that all first aid items are within their 'use-by dates'
 - first aid instructions available in both local and English language
 - room only used as a first aid room
 - screens / curtains available to provide appropriate privacy
 - a telephone to contact a doctor or hospital if needed
- First aid personnel should be announced:
 - one person appointed for each 100 employees
 - adequate training for first aiders by professional personnel once a year
 - if more than 1000 employees a doctor on site or appropriate emergency services required during all working hours
 - First aid kits should be available
 - sufficient kits available (about one for every 100 employees; the nature and distribution of the work force should be considered)
 - kits should be secured to be protected from dirt and water still ensuring that they stay unlocked for easier access, they should also be easily identified by signs (see Chapter 9: Colour coding / labelling)
 - inspected monthly, restocked as required and after use
 - sufficient appropriate materials, all materials within their 'use-by dates', first aid instructions available in both local and English language



Storage of Hazardous Chemicals

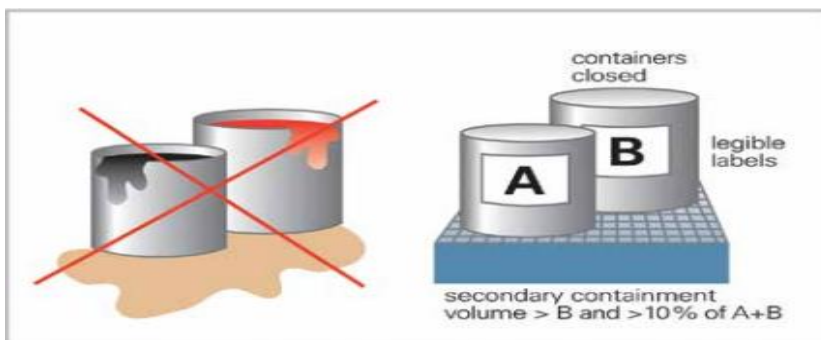
Chemicals are often easily inflammable, explosive and toxic. Therefore correct storage is necessary to reduce the risk of fire, explosion and serious injury or contamination.

Additionally, if stored without secondary containment, there is a risk of ground and ground water contamination

Material Safety Data Sheets (MSDSs) should be provided by the supplier of the chemicals that the factory are using. This should include basic information, advice and instructions on use, handling, storage and disposal of the individual chemical.

GUIDELINES

- Rooms for chemical storage:
 - electrical installations should be explosion protected (lights, switches, ventilators, wiring, junction boxes, temporary used mobile machines)
 - warning signs clearly recognisable with adequate ventilation required
 - doors constructed to resist a fire for at least 30 minutes, however if you are unable to obtain this type of door then fire retardant paint should be applied.
 - secondary containers for hazardous liquids against ground and water
 - facility to be generally clean, no floor drains, durable and legible labels on containers, containers closed if not in use
 - appropriate water supply within 30 meters for eye or body cleaning, this means that water supply needs to be regularly tested
 - hazardous material exceeding daily supplies are separated from production areas
 - toxic and flammable material not stored together
 - lightning protection installed
- Large Chemical vessels should be stored with:
 - secondary containment, warning signs against fire, chemical warning signs, protection against sunlight, appropriate temperatures maintained
 - Appropriate automatic fire extinguishing systems should be installed for large chemical stores.



Chemicals should be stored in a way that there is no impact to workers and the environment. To ensure this, the following is required:

- containers, drums or dispensers not in use should be closed with an air tight lid



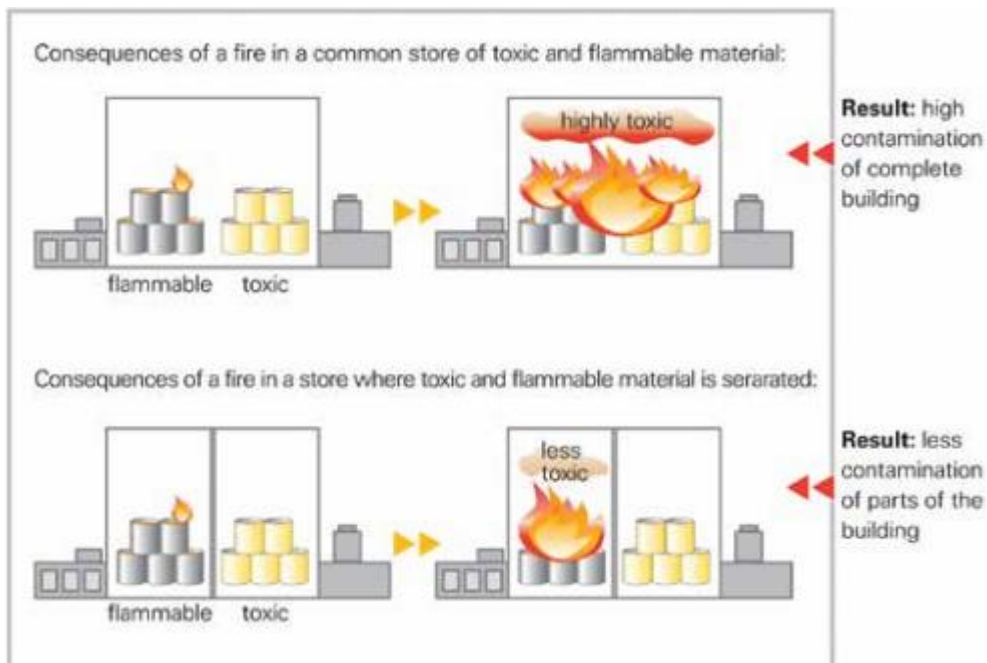
- all containers, drums or dispensers require legible and durable labels using all appropriate languages as well as English language
- in case of a leakage, hazardous material should be kept by a secondary containment; it should fulfil the following requirements:
 - made of a mechanically resistant material like metal and resistant to the stored liquid (corrosion resistant if necessary)
 - secondary container must be at least 10% of the total volume stored inside the secondary containment and additionally at least equal to the volume of the largest container which is stored inside the secondary containment
 - Containers must be handled with care.
 - Correct tools must be used for opening containers and drums.

Storage Separation:

It is necessary to ensure that in case of a fire, the impact on persons and the environment is minimised.

To ensure this, toxic and flammable chemicals should be stored separately. A fire resulting from flammable chemicals can transport toxic materials over a wide area.

You need to ensure not to store chemicals that can have hazardous reactions with each other in the same location.



Chemical Lists:

To assess the hazardous potential of stored chemicals, a list of chemicals has to be developed and maintained. It should as a minimum include information about the kind of material, stored volume, flammability, toxicity, and the hazard for ground water (if any). The data can be taken from the MSDSs of the chemicals. The following table shows an example of such a list:



name of chemicals	stored volume	flammability	hazard	water endangering potential	storage area
acetone	2750 l	high	harmful	low	building 4
MEK	1800 l	high	irritant	medium	main building room 1.01
hydraulic oil	830 l	low	harmful	high	main building room 1.01

Material Safety Data Sheets (MSDS):

Suppliers of chemicals are obliged by law to provide their customers with the MSDSs of their products. The following information should be available on the MSDS:

- substance identification
 - trade name, CAS-number, components and contaminants
- chemical data
 - molecular formula, molecular weight etc.
- physical data
 - boiling point, melting point, solubility etc.
- exposure limits
- fire and explosion data
 - fire / explosion hazard, flash point, explosive limits, auto-ignition temperature, fire fighting media and conditions
- toxicity
- health effects and first aid
 - inhalation, skin contact, eye contact, ingestion, antidote(s)
- reactivity
- handling, storage and disposal
- spill and leak procedures
- protective equipment
 - requirements to installations, personal protective equipment
- any additional information

Hazardous Chemicals in Production:

Chemicals exist in liquid, solid or gaseous state, or combined states such as vapours, dust or fumes. The effects of overexposure can range from skin rashes up to severe illness and even death. Some airborne chemicals get into the body in the following ways:

- inhaled, eaten or drunk (ingested), or absorption through the skin, or enter by puncture wound (injection).

The important thing to remember is that chemicals / hazardous materials can be used safely when prescribed precautions for the use, storage, transportation handling and proper disposal are followed.

Guidelines:



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- Each emission of chemicals which can be avoided should be
- No more than the daily required supply should be stored at workplaces
- Workplaces should be free of chemical spillage
- Hazardous chemicals should not be placed in receptacles which are generally used for food or drink
- Flammable chemicals should be kept away from ignition sources like open fires, sparks etc.
- Chemicals should be clearly marked (see Chapter 9: Colour coding / labelling)
- Material Safety Data Sheets (MSDSs) should be provided by the safety coordinator
- No eating / drinking in areas where chemicals are used
- Workers should be educated bi-annually in use and handling of chemicals
- Where chemicals are used, emergency eye wash facilities should be easily reachable
- Workers should be provided with appropriate Personal Protective Equipment (PPE) like goggles, footwear or gloves etc.
- In fire hazard areas, 'no smoking' signs should be displayed
- Containers not in use should be out of the way and sealed with an air tight lid

Personal Protective Equipment (PPE):

Only if you are unable to avoid the hazard by other means such as material substitution or local extraction and ventilation systems should PPE be used. Depending on the conditions, the following PPE may be necessary in use of hazardous chemicals:

- goggles against eye injuries arising from splattering liquid chemicals like solvents, adhesives or dyes
- rubber gloves against contamination with chemicals through the skin pathway (for example priming of soles)
- face masks in dust emitting areas (for example rubber mixing); notice that simple face masks made of paper or cotton can only protect against dust, but not against Volatile Organic Chemicals arising from solvent emissions
- liquid resistant footwear against contamination with chemicals through the skin

Colour Coding and Labelling:

This chapter outlines requirements for safety signs and provides guidance on the provision of signs and on maintaining their effectiveness.

Guidelines:

The following precautions and criteria apply:



















- signs and notices should be displayed clearly, ensuring that they are legible and appropriate in number
- if signs are no longer valid they should be removed immediately
- appropriate languages should be used
- signs should be of robust construction, corrosion and weather resistant, and readily fixed to their intended base
- essential signs should be illuminated so they are visible when it is dark, foggy or there is smoke
- signs and notices should be properly maintained, replaced and/or cleaned as necessary
























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Signs should be of different colour codes depending on their requirement.

Safety Colour	Shape	Meaning/ Purpose	Example
Red Border Black Symbols White Back-ground	Round	Stop / Prohibition	 no fire  no drinking water  no smoking  do not extinguish with water  pedestrians prohibited
Black Border Yellow Back-ground Black Symbols	Triangular	Caution / Warning of Danger	Signs for areas:  corrosive substance  risk of fire  gas cylinder  risk of electrical shock  toxic hazard
Black Border Orange Back-ground Black Symbols	Square	Caution / Warning of Danger	Labels on chemicals:  corrosive substance  harmful substance  irritant substance  toxic substance  high toxic substance  flammable substance  highly flammable substance  environmental hazard



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Safety Colour	Shape	Meaning/ Purpose	Example
Blue (Border and Background) White Symbols	Round	Mandatory Action	 wear eye protection  chain cylinders  wear ear protection  wear light breathing equipment  wear gloves  wear head protection  wear foot protection  drinking water
Green (Border and Background) White Symbols	Square	Safety Facilities	 doctor  eye wash facility  first aid  emergency shower  emergency telephone  exit direction  exit direction  assembly area
Red (Border and Background) White Symbols	Square	Fire Protection	 extinguisher  fire hose  ladder

Compressed Gas / Cylinders:

The use of compressed gas has increased in recent years and its use for welding, cutting, heating and as a means of fighting fire is common.

The use of such gases brings risk and hazards when used in the confines of a work site and it is essential that the principal hazards and the precautions to be taken in the transportation, storage, handling and use of cylinders is known and understood by all personnel.

Guidelines:

- Storage and use of cylinders (picture 9.1):
 - storage outside the building under a roof
 - no access to unauthorised persons this includes when cylinders need maintenance work or changing)
 - storage temperature below 50°C
 - chained to a cart or a wall in an upright position
 - protection caps on all cylinders, when not actually in use
 - separate storage of spare and full cylinders
 - oxygen and flammable gases to be separated (3m minimum distance)
 - storage cage metal and connected to a lightning rod or inherently lightning protected
 - back flash arrestors required



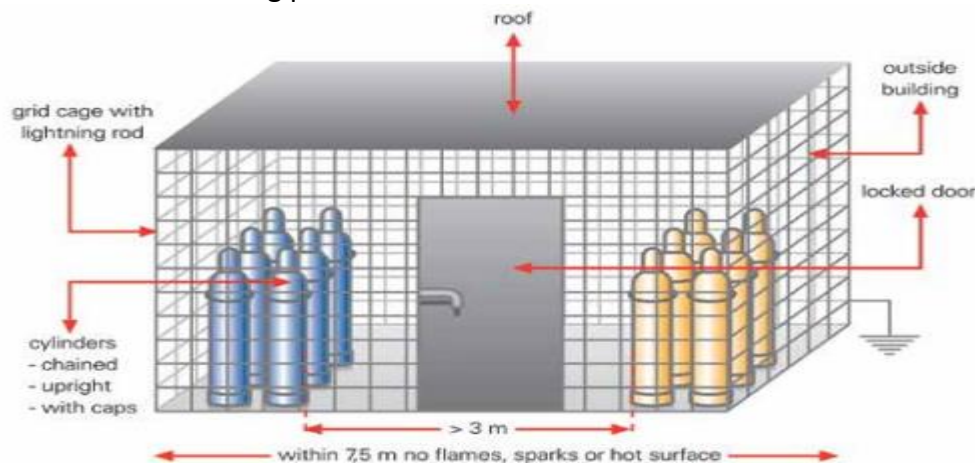
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- Where several flammable gas cylinders are connected together to provide, for example, gas for kitchen cooking appliances, the following is required:
 - all cylinders located outside the building
 - gas cylinders and manifold connections enclosed in a suitable locked caged area
 - piping made of rigid metal pipe-work
 - a means of positively isolating the gas supply to the building installed

Guidance for Storage of Gas Cylinders:

The risk potential of compressed gas cylinders is very often underestimated. As a consequence serious accidents happen that can cost the lives of workers or can damage buildings. Compressed gas cylinders are under extremely high pressure of 200 bar. If they are not protected with a cap over their valves, the valves can break when cylinders fall.

Another risk potential is leaking cylinder valves. If cylinders are stored in closed buildings an explosive atmosphere can build up. Thus cylinders should be stored outside the building as shown in the following picture.



General Equipment / House Keeping / Electricity:

The continuous maintenance of electrical installations and other utilities are important basics to avoid industrial accidents. Electrical safety is linked to fire safety.

Overloaded or improperly maintained electrical wiring can lead to fire accidents.

Poor ventilation can damage workers' health and their productivity. Facilities don't need to be 'refrigerated' to foreign standards, but all reasonable efforts should be made to maintain air circulation, reducing temperature extremes and remove toxic and particles from the air. Appropriate lighting is needed while working on certain machinery, such as when stitching, sewing or cutting as well as on floors, aisles or stairs to prevent workers from stumbling and falling.

Reasonable housekeeping practices can help to reduce hazards and usually reflect good management interest in safety.

Guidelines:

- High voltage areas / generator houses:
 - no access for non-authorized people
 - warning signs (see Chapter 9: Colour coding / labelling)



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- no storage inside high voltage areas
- Electricity / wiring:
 - electrical devices like junction/switch boxes and distribution panels remain closed, undamaged and should not be misused for direct connection with machines
 - wires with proper industrial connections, which are insulated, replaced if damaged, protected against mechanical damage (for example metal cable trays) and damage from heat where necessary
 - all electrical equipment regularly maintained and inspected
- Compressor station:
 - separated from production areas (ideally outside of building), an enclosed area to reduce noise hazard (even if outside)
 - no oil leakage (equipped with drip tray)
 - belt drive system totally enclosed
 - air filters at intake side
 - motors free of dust, grease, oil, fibre
- Scaffolding for temporary work and/or outside contractors has to be appropriate and solidly fixed
- Ventilation:
 - appropriate ventilation provided especially in areas where chemicals are stored, mixed and used (explosion protection if needed)
 - fan blades protected with grids,
 - extraction systems removing dust or solvents fire and explosion proof
- Lighting:
 - sufficient to prevent accidents and to provide high quality of the products
 - emergency illumination independent from general energy supply (for example battery powered with continuous charging)
- Housekeeping:
 - generally clean, floors must be dry
 - trash / excess material disposed of regularly and safely in covered containers
 - if machines are unattended they shouldn't be running
 - product and raw material stored in well designed areas in a tidy and organised way
 - sufficient space between storage racks or machines and ceilings
 - tools and other mobile material not placed on overhead locations

Machinery:

All factories should ensure that machinery is risk assessed before being brought into the production building. The risk assessment should show what safety devices are required or what PPE needs to be provided to workers to ensure safe operation.

Guidelines:

- Machinery:
 - machinery / lighting connected to power source using appropriate industrial connections
 - metallic parts of electrical machines grounded (third prong)
 - permanent electrical wiring encased in a metal conduit





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- working tools provided with appropriate protection devices to avoid injuries through squeezing, cutting and burning
- V-belt drives with covers
- dust and volatile organic compounds (VOC) extracted with appropriate extraction systems
- dust and VOC extraction systems separated; different colours used for these installations
- hot surfaces (especially steam system) protected or provided with warning signs
- Motors / conveyors / mills / calendars:
 - gear boxes closed and only to be opened with special tools
 - mills and calendars equipped with appropriate safety devices (see Examples of good practice)
- PPE:
 - eye protection provided against flying objects, persistent glare, toxic and hazardous liquids or high degree of dust
 - Dependent on the exposure time, headphones or ear plugs provided in the following cases:
 - if > 83 dB(A) and > 12 hrs daily exposure
 - if > 85 dB(A) and > 8 hrs daily exposure
 - if > 88 dB(A) and > 4 hrs daily exposure
 - if > 91 dB(A) and > 2 hrs daily exposure
 - appropriate gloves provided against mechanical, chemical or thermal hazards
- Workers operating or moving heavy items with certified steel-toed safety shoes
- Workers on wet surfaces should wear appropriate footwear

Electricity:

An electric current flowing through the body causes burns, shock and can lead to trouble in breathing. Ordinary mains alternating current (AC, 240V) is sufficient to kill. Opening switches, removing fuses or shortening cables can cause flash burns. Such burns are often deep and are slow to heal. Ignition hazards can be electrical sparks and hot spots due to electrical faults, short circuits, poor contacts, badly maintained apparatus, particularly transformers, and overloaded cables or connections.

b Mechanical and thermal





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dust suction at machinery



protection over foot pedal of power driven machines



machine with two hand switch
(does not work in one-hand modus)

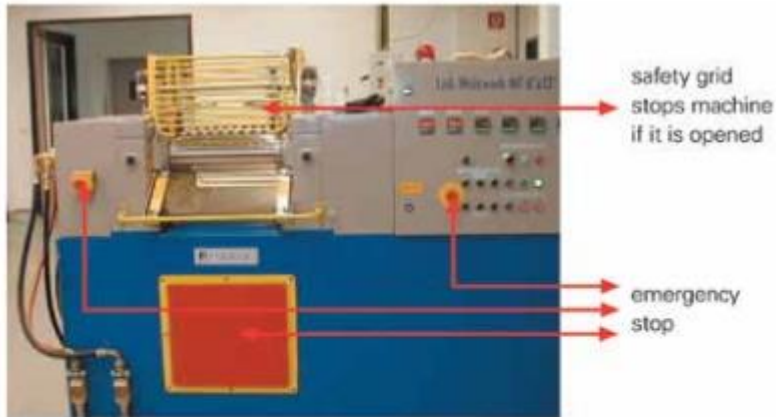


protective glove in cutting process

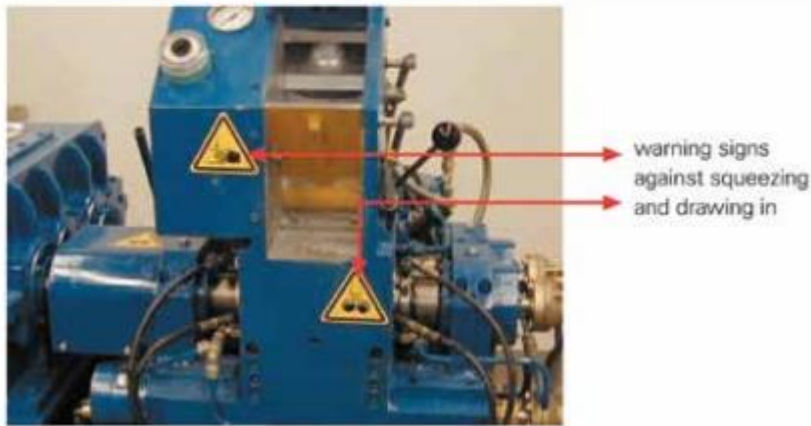


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Examples of GOOD PRACTICE



safety devices at calendars

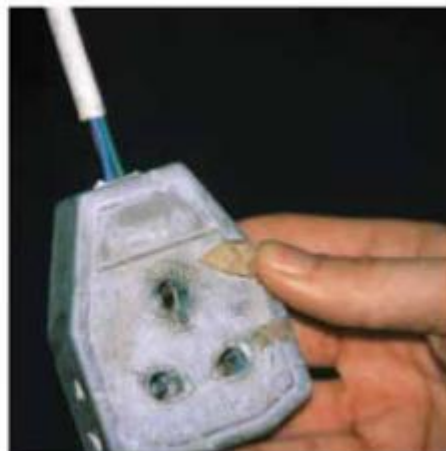


safety devices at mixing machines

Examples of BAD PRACTICE



open gear box



insulation damaged



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no UV-shields, no UV goggles



missing protection

Waste Management:

A proper waste management system installed inside the factory site contributes to avoiding spills and ground or ground water pollution, and is also a more efficient use of recycling various waste materials.

The basic principle in waste management is:

- to avoid waste (saving disposal costs and raw material costs)
- to reduce the amount of waste which is unavoidable
- to recycle the residue of waste which cannot be reduced further

Additionally it should be considered whether waste hazards can be reduced by using substitute materials.

Guidelines:

- Waste collection in production areas:
 - appropriate waste containers sufficient enough to hold daily amounts of waste
 - regularly cleaned containers, any containers with hazardous waste inside need to be equipped with tightly closing lids.
- Waste storage areas:
 - waste storage in designated areas and waste separation where useful
 - hazardous waste separated from other waste in safe containers or separate rooms with secondary containment
- If waste incineration is performed:
 - the incinerator should be controlled to ensure optimal incineration and minimise risk of formation of carcinogenic or toxic products
 - incinerators should be fitted with appropriate technology (filters, scrubbers) to prevent emissions to the atmosphere of harmful gases and soot
- Waste should be disposed of by a licensed operator to a controlled site
- Waste must not be allowed to pollute the watercourse or any waterways
- Records should be kept of type and quantity of waste produced and means of disposal
- Adequate and appropriate fire protection should be available



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1 WASTE COLLECTION IN PRODUCTION AREA



containers closed
and clearly labelled

separation by the
kind of waste

2 COMPRESSION OF WASTE



waste is compressed
to reduce transporta-
tion capacities.



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3 WASTE STORAGE AREA



waste separated by its origin in a weather protected area

4 STORAGE OF HAZARDOUS WASTE



hazardous waste in safe containers with tight closing lids

Waste Water:

Waste water treatment plants belong to the fundamental environment-related facilities of factories which produce waste water in the production process.

Guidelines:

- Independent tests should be performed every year by a qualified outside source; test records should be kept for at least five years
- Independent tests should be performed every year by a qualified outside source; test records should be kept for a minimum of five years



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1 PRINCIPLE OF A THREE-STEP WASTE WATER TREATMENT PLANT



mechanical
treatment



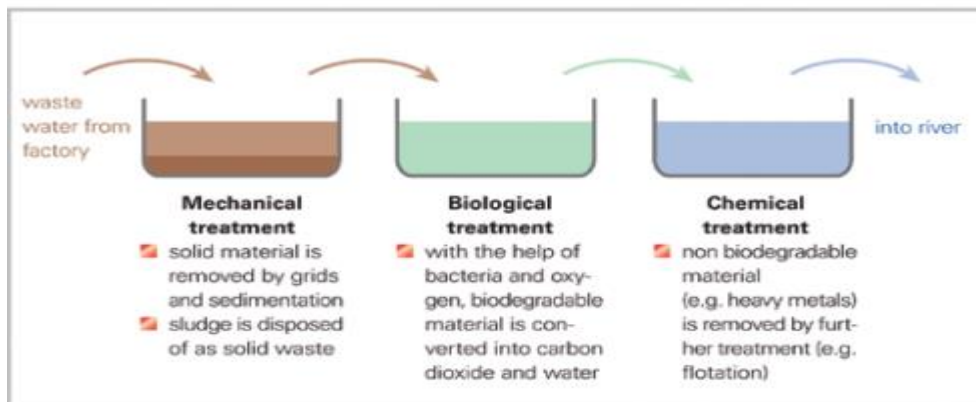
biological
treatment



chemical
treatment



cleaned water



Emission Control:

Efficient extraction and treatment systems for polluted air improve the air quality within the factory thus contributing to environmental protection as well as improving product quality.

Guidelines:

- Extraction systems:
 - pipe-work for dust, VOC extraction or other systems should be separated and distinguished with different colours
 - direction of extraction indicated on system pipe-work
 - extraction systems fire and explosion proof, however still clean and maintainable
- Dust emissions:
 - wherever applicable, dust removed
 - extraction systems fitted with separators (for example cyclones)
- VOC:
 - emission of VOC should wherever possible be avoided or minimised (for example use of tightly closing containers)
 - VOCs from the workplace should be removed through extraction systems
- Piping of dust extraction and VOC extraction must not be mixed together (use colour codes)
- Emissions from heating systems, generators and air conditioning units:
 - emissions should comply with local regulations
 - copies of local legal requirements defining acceptable limits should be available



tests, measurements etc. should be carried out and recorded to verify compliance with legal requirements

Dormitory Facilities:

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. Furthermore they should ensure living conditions which encourage human dignity and do not damage the factories' reputation. The whole building should be safe, clean and well maintained.

Guidelines:

• General:

every dormitory should be constructed in a manner that will provide protection against the elements

the floors of each dormitory shall be constructed of wood, asphalt, or concrete

wooden floors should be of smooth and tight construction; the floors should be kept in good repair

the grounds and open areas surrounding the dormitories should be maintained in a clean and sanitary condition free from rubbish

dormitory rooms must remain open and not be locked from the outside at night

employees should be allowed to lock themselves in at night from the inside

recreation space should be provided to workers within the dormitory area, e.g. a lounge area for socialising etc.

storage of hazardous or combustible materials is prohibited

adequate provision should be made for workers to buy basic supplies

first aid kits should be easily accessible in all dormitories

• Sleeping quarters:

sleeping quarters should be segregated by sex

each room used for sleeping purposes should contain at least 2 m² of floor space for each occupant; the ceiling should be at least 2.1m in height

suitable sleeping arrangements should be made based on workers requirements such as beds, cots or bunks.

lockable storage facilities such as wall lockers should be provided for each individual

no more than eight people per room (no openings between rooms)

beds should be spaced not closer than 1m laterally or 1.2m in the case of bunk beds.

double-decker bunk beds require a minimum clear space between lower and upper bunks and upper bunk and ceiling of 0.7m; triple bunk beds are prohibited

• Rooms should be properly heated, ventilated and lighted:

lighting: Each sleeping room in a dormitory should have at least one ceiling-type fixture. Each laundry or toilet room and rooms where people congregate should have at least one ceiling or wall type fixture. Other rooms including kitchen and sleeping rooms should have adequate lighting available.



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ventilation: All living quarters should be provided with windows. At least one half of each window shall be so constructed that it can be opened for the purposes of ventilation. In hot climates (above 25°C) appropriate electrical fans or air conditioning should be provided.

heating: Every dormitory should be provided with equipment capable of maintaining a temperature of at least 20°C in cold climates

• Water:

an adequate and convenient water supply, approved by the appropriate health authority, should be provided in each dormitory for drinking, cooking, bathing and laundry purposes

a water supply should be termed 'adequate' if it is capable of delivering 130 litres of water per person per day to the dormitories

the peak rate should be 2.5 times the average hourly demand

the distribution lines should be capable of supplying water at normal operating pressures to all fixtures for simultaneous operation

minimum one hand-wash basin to be provided for every six persons in shared facilities

one shower head for every ten persons

doors for privacy should be provided in showers

adequate supply of soap required for hand-washing and shower facilities

showers to have hot and cold water available from a single tap in areas where the temperature is below 20°C for extended periods

laundry trays or tubs should be provided for every 30 persons. (Note: These can be in laundry areas or located in dormitory areas. Combined total to equal or exceed one for every 30 persons).

an adequate supply of hot and cold running water should be provided for bathing and laundry purposes. Facilities for heating water should be provided.

Tepid water is acceptable for laundry.

facilities for drying clothes should be provided. (Note: 'Facilities' can mean adequate sheltered space for hanging clothes to dry).

floors in laundry, bathing, hand-washing areas should be of smooth but not slippery materials; they should be impervious to moisture.

floor drains should be provided in all shower baths, shower rooms, or laundry rooms to remove waste water and facilitate cleaning. All junctions of the curbing and the floor should be curved.

• Garbage containers:

fly-tight, rodent-tight, impervious, cleanable containers should be provided for the storage of garbage. At least one container should be provided for each room.

garbage containers should be kept clean.

garbage containers should be emptied when full but not less than twice per week.

• Aisles and exits should be clear of obstructions

• Emergency evacuation plans should be clearly posted

• At least two exit routes per floor are required

• Emergency lighting should be installed and operational

• Sufficient fire extinguishers required

• Appropriate smoke detection and alarm systems required



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Sanitation, Hygiene, Dining and Kitchen Facilities:

Sanitation is especially important with respect to toilets, bathrooms, food preparation areas and dormitories to protect the health of the employees. Therefore compliance with the following guidelines is requested. The following guidelines apply to all production, development, office, warehouse, dormitory / residences.

Guidelines:

- The floor of every workroom should be maintained, so far as practicable, in a dry condition. Where wet processes are used, correct drainage should be maintained and false floors, platforms, mats, or other dry standing places should be provided where practicable, or appropriate waterproof footwear should be provided.
- To facilitate cleaning, every floor, working place and passageway should be kept free from protruding nails, splinters, loose boards, and unnecessary holes and openings.
- Floors of personal service rooms should be regularly maintained, you will also need to ensure that each room is sealed sufficiently (tile or cement)
- Waste disposal:
 - any receptacle used for solid or liquid waste should be sturdy, not leak and must be easy for cleaning and cleaned and maintained in a sanitary condition. Such a receptacle should be equipped with a solid tight-fitting cover.
 - all sweepings, solid or liquid wastes, refuse, and garbage should be removed in a way to avoid creating any health and safety issues. This should be completed as often as needed or appropriately to maintain that each area remains sanitary.
 - vermin control: every enclosed workplace should be so constructed, equipped, and maintained, to prevent any rodents, insects, and other vermin entering the building. A continuing and effective extermination program should be put in place where their presence is detected.
- Water:
 - Potable water:
 - potable water should be available in all places of employment, for drinking, cooking, washing of the person, foods, cooking or eating utensils, food preparation or processing premises, and personal service rooms
 - drinking water dispensers should be designed, constructed, and serviced so that conditions are sanitary, and should be equipped with a tap
 - open containers such as barrels, pails, or tanks for drinking water from which the water must be dipped or poured, whether or not they are fitted with a cover, are prohibited
 - a common drinking cup and other common utensils are prohibited
 - Non-potable water:
 - outlets for non-potable water, which may be used for fire-fighting purposes, should be posted or marked to indicate clearly that the water is unsafe and is not for: drinking, cooking, washing of the person, foods, cooking or eating utensils, food preparation or processing premises, personal service rooms, or for washing clothes. Construction of non-potable water systems should be such as to prevent back-flow into a potable water system





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– non-potable water may be used for cleaning work premises, other than food processing and preparation premises and personal service rooms: Provided, that this non-potable water does not contain concentrations of chemicals, faecal coliform (bacteria from faeces), or other substances which could create unsanitary conditions or be harmful to employees.

- Toilets:

- separate toilets for each sex, should be provided in all places of employment
- the number of facilities to be provided for each gender should be based on the amount of people you have working there of that sex

Number of employees	Minimum number of water closets ³	Minimum number of sinks ⁵
1 to 15	1	1
16 to 35	2	2
36 to 55	3	3
56 to 80	4	4
81 to 110	5	5
111 to 150	6	6
Over 150 ⁴	(See note 4)	(See note 4)

- urinals should be provided on the basis of one unit for each 25 men. The distance from the wall to the floor should not be less than 0.40m measured from the outward edge of the urinals, and it should be constructed of materials impervious to moisture.
- urinals should be provided with an adequate water flush. Urinal troughs should drain freely and the construction of this drain should be such as to exclude flies and rodents.
- toilet rooms should be distinctly marked 'for men' and 'for women' by signs printed in the local language, or marked with easily understood pictures/symbols. If the facilities for each sex are in the same building, they should be separated by solid walls or partitions extending from floor to ceiling.
- facilities for washing of menstrual cloths should be provided in womens' toilet areas
- each water closet should occupy a separate compartment with a door and walls or partitions between fixtures sufficiently high to assure privacy. There will be no open toilets.
- tightly closing waste bins should be provided within each toilet stall for used toilet paper and used sanitary dressing disposal. These are to be emptied regularly.
- in dormitories, a toilet room should be located within 60m (200 feet) of the door of each sleeping room
- a safe type of lighting should be present for each toilet room at all hours of day and night.
- each lavatory should be provided with a sink and have clean hot and cold running water, or tepid running water within or immediately outside of all facilities. Hand soap or similar cleansing agents should be provided.
- toilet paper and hand drying facilities (paper towel, clean cloth towel, electric dryer, other) should be provided by the factory.

- Canteens / kitchen facilities:

- cooked food services should be provided if the workers do not have other opportunities to receive this





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- in all areas where central dining operations are permitted or provided, the food handling facilities should comply with the requirements of all local sanitation regulations.
- a properly constructed kitchen and dining hall adequate in size separated from the sleeping quarters of any of the workers should be provided unless outside facilities for cooked food are available.
- the floor of every workroom shall be maintained, so far as practicable, in a dry condition. Where wet processes are used, drainage should be maintained and false floors, platforms, mats, or other dry standing places should be provided, where practicable, or appropriate waterproof footwear should be provided.
- no person with any communicable disease should be employed or permitted to work in the preparation, cooking, serving, or other handling of food, foodstuffs, or materials used therein, in any kitchen or dining room operated in connection with a dormitory or regularly used by persons living in a dormitory.
- a direct opening between the living or sleeping quarters into a kitchen or dining hall is prohibited.
- kitchens and canteens should provide adequate protection from the weather
- vermin control: Every enclosed workplace should be so constructed, equipped, and maintained, so far as reasonably practicable, as to prevent the entrance or harbourage of rodents, insects, and other vermin.
- cold room freezer or refrigerator system should be used and maintained at the correct temperatures.
- seating facilities that allow for enough seating for all employees scheduled to eat during a shift should be provided.
- seating and drinking areas: No employee should be allowed to consume food or beverages in a toilet room nor in any area exposed to a toxic material.
- sanitary storage: No food or beverages should be stored in toilet rooms or in an area exposed to a toxic material.
- food handling: All employee food service facilities and operations should be carried out in accordance with sound hygienic principles. In all places of employment where all or part of the food service is provided, the food dispensed should be wholesome, free from spoilage, and should be processed, prepared, handled, and stored in such a manner as to be protected against contamination.