

# Ethical/social criteria –

## Contractual conditions

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### **Ethical/social criteria – contractual conditions**

Our suppliers shall respect basic human rights, workers' rights and the environment, both in their own businesses and in their supply chains. Goods supplied to the contractor shall be produced under conditions that accord with the criteria listed in section 1 below. These criteria are based on key UN conventions, ILO conventions and national labour legislation at the place of production.

The criteria describe minimum standards. Where conventions and national laws and regulations address the same issues, the highest standard shall always apply. If a supplier uses sub-suppliers to fulfil this contract, the supplier shall ensure compliance with the criteria by the sub-suppliers.

## **1 Workers' rights**

### **1.1 ILO core conventions**

Suppliers shall ensure compliance with the ILO core conventions, both in their own businesses and by the sub-suppliers who contribute to the performance of this contract. This means:

*Ban on child labour (Article 32 of the UN Convention on the Rights of the Child, ILO Convention nos. 138 and 182)*

- Children have the right to be protected against economic exploitation in work, and against carrying out work which may undermine their educational and developmental opportunities.
- The minimum age shall in no event be lower than 15 years (14 or 16 years in some countries).
- Children under 18 shall not carry out work which endangers their health or safety, including night work.
- If such child labour is used, a speedy phasing-out shall be sought. At the same time, a system shall be put in place to ensure that the children are provided for and are able to pursue an education until they are no longer of school age.

*Ban on forced labour/slave labour (ILO Convention nos. 29 and 105)*

- No form of forced labour, slave labour or involuntary work shall be permitted.
- Workers shall not be required to pay a deposit or surrender their identity papers to their employer, and shall be free to terminate their employment contracts upon reasonable notice.

*Ban on discrimination (ILO Convention nos. 100 and 111)*

- No discrimination shall be permitted in working life on the basis of ethnicity, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.



*The right to form trade unions and the right to collective bargaining (ILO Convention nos. 87 and 98)*

- Workers shall, without exception, have the right to join or form trade unions as they choose, and to bargain collectively.
- If these rights are restricted or under development, the supplier shall facilitate meetings between the employees and management to discuss wage and working conditions, and the workers shall not suffer negative consequences as a result.

### **1.2 Provisions in national legislation**

Suppliers shall ensure compliance with labour law and labour legislation, both in their own businesses and by the sub-suppliers who contribute to the performance of this contract. This means that compliance is required with laws and regulations relating to: 1) wage and working-time provisions; 2) occupational health and safety issues; 3) regular employment conditions; 4) inhumane and harsh treatment; and 5) relevant statutory social insurance.

## **2 Follow-up**

Suppliers shall ensure compliance with the workers' rights described in section 1, both in their own businesses and by the sub-suppliers who contribute to the performance of this contract. At the request of the contractor, such compliance shall be documented through:

- self-assessment; and/or
- follow-up meetings; and/or
- an audit by an independent party<sup>1</sup>; and/or
- third-party certification, for example SA8000 or equivalent.

## **3 Breaches**

Breaches of section 1 or section 2 will be regarded as breaches of contract. In the event of a contractual breach, the supplier is obliged to remedy the highlighted failings by the deadline set by the contractor, as long as this is not unreasonably short. The rectifications must be documented in writing and in the manner decided by the contractor. Failure to remedy will be regarded as a serious breach, and the contractor will be entitled to terminate the contract.

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<sup>1</sup> The contractor, or a party authorised by the contractor, shall have a reserved right to conduct announced, semi-announced or unannounced audits of one or several parties in the supply chain during the contract period. In the event of an audit, the supplier shall be obliged to provide the names of and contact information for sub-suppliers. Contact information shall be treated confidentially.