



PRODUCE WORLD RESPONSIBLE SOURCING CODE OF PRACTICE

Introduction

The following code sets out Produce World's required standards in relation to fair trading, labour standards and health and safety. It applies to both Produce World's own sites and businesses plus those of its suppliers. 'Suppliers', in this context, refers to any business or individual who has a trading relationship with Produce World or any of its subsidiary businesses. 'PW' refers to all businesses in the Produce World Group.

The purpose of this Code of Practice is to ensure that the Produce World supply chain meets the highest ethical standards and forms part of our commitment to sustainable development.

Fair Terms of Trading

- i) PW undertakes to establish clear terms and conditions at the commencement of each contract. These will include product specification and payment terms.
- ii) PW and Suppliers understand the importance of complying with product safety standards.

Management systems and Responsibility

- i) PW and Suppliers are required to establish management systems for delivering compliance to this Code, and maintain records demonstrating compliance. An individual in a senior management position should be appointed to ensure compliance with and communication of the Code.
- ii) PW and Suppliers are required to communicate the requirements of this Code to all employees, suppliers and any out-workers or sub-contractors engaged in their supply chain. Suppliers should take steps to ensure that their suppliers and sub-contractors comply with requirements of this Code.
- iii) PW and Suppliers shall comply with all applicable national laws in the countries in which they operate and all relevant ILO conventions. Where these standards differ, the standard that provides workers with greater protection will prevail. In the event of disparity between this Code and national laws/conventions, the higher standard will apply.
- iv) PW and Suppliers shall comply with all Produce World policies related to Responsible Sourcing.
- v) All PW production sites must be regularly independently audited by a Sedex recognised ethical auditor. All Suppliers must register with Sedex and complete and upload a self assessment. Sites assessed as high risk must commission a Sedex recognised independent ethical audit and ensure that it is uploaded to the Sedex site.
- vi) All PW and Suppliers sites may only employ temporary/agency labour from labour providers that have a current, valid licence from the Gangmaster Licensing Authority.

Employment of Children

- i) Children under the age of 16 shall not be recruited or employed within the PW Group and its Suppliers within in the UK. Outside the UK, this age limit will be adhered to, unless the local minimum age for work or mandatory schooling specifies a higher age, or if International Labour Organisation (ILO) developing country exemptions apply. Children must not be exploited, denied education and their health and safety must be protected. Children may participate in activities which culturally involve the whole community over a limited period of time. HR personnel are expected to conduct thorough checks during the recruitment process to prevent the employment of under age persons.
- ii) Children and young people under 18 shall not be expected to work throughout the night or under potentially hazardous conditions. When 16 and 17 year old persons are employed, it is the responsibility of the employee's line manager to conduct a risk assessment to ensure that the employees duties are appropriate.

iii) If children or young people are found working for any supplier, the supplier involved will be expected to cease the practice and provide remediation for the children or young people concerned, including support for the child to attend and remain in quality education until no longer a child. PW and Suppliers shall clearly document and communicate their policies for dealing with underage children identified even if there are no known children employed.

Forced Labour

- i) There shall be no forced, bonded or involuntary labour of any description, including involuntary prison labour.
- ii) PW and Suppliers shall allow their employees the right to leave after giving reasonable notice.
- iii) Workers shall not be required to lodge deposits or I.D. papers unless it is a legal requirement to do so. In all circumstances these must be returned promptly upon cessation of employment.

Regular Employment

- i) All workers shall be provided with simple, written contracts which must detail the terms and conditions of their employment. Contracts should be in the appropriate language for each worker.
- ii) PW and Suppliers must not employ workers on repeated temporary contracts or apprenticeship schemes merely to avoid paying wages and other benefits given to permanent workers.
- iii) PW and Suppliers shall encourage workers to participate in all state benefit schemes, especially sickness, injury, and retirement pensions. They shall offer advice to do so, if needed.
- iv) PW and Suppliers must take effective steps, which are at least in compliance with the requirement or recommendations of government and/or local labour authorities, to avoid the employment of workers who do not have the legal right to work. Copies of employees' passports or other acceptable identity papers will be held on file for inspection purposes.
- v) All work should be on the basis of a recognized employment relationship, identified by law and/or practice.

Freedom of Association and Employee Representation

- i) PW and Suppliers shall recognise and respect the rights of workers to freely join associations (such as workers councils, trade unions and workers associations) which can collectively represent their interests. Employers shall not interfere with or attempt to dominate or control such bodies, nor discriminate against workers choosing to belong to them.
- ii) PW and Suppliers shall respect the rights of such workers' associations to represent their members, and to bargain collectively as defined and interpreted by the ILO and national legal framework.
- iii) PW and Suppliers must share with their employees, information which will affect working conditions, and develop effective mechanisms for consultation.
- iv) Where the right to freedom of association and collective bargaining is not permissible under national law, suppliers should facilitate the development parallel means of independent and free association and bargaining.

Working Hours

- i) Workers shall not be expected to work in excess of 48 hours per week or less if there is a lower national limit or an agreed industry norm.
- ii) Overtime shall be voluntary, limited to no more than 12 hours per week, and not requested on a regular basis. It shall be paid at a premium rate or in accordance with national legislation.
- iii) There shall be proper provision for rest and sleep. Breaks, holiday allowance and rest periods shall be in full accordance with national law. Individual workers shall have on average at least one full day's rest per 7 days or the equivalent if shift work is involved. Each employee shall receive at least two weeks of paid leave each year.

Wages

- i) Wages and benefits shall be comparable with locally benchmarked industry norms or national legal requirements, whichever is higher. Wages shall always be sufficient for basic needs whilst still providing some discretionary income.
- ii) Before entering into employment, workers should be informed as to the payment process. Wages shall be paid directly to the workers in the form of cash or cheques or into the workers' nominated bank account, at the agreed intervals and in full. Information relating to wages shall be available to workers in an understandable form.

iii) No deductions from wages, other than those required by national law, shall be permitted without the express agreement of the worker concerned. Deduction from wages for disciplinary purposes shall not be permitted.

Discipline

- i) Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is not acceptable.
- ii) The Company will not tolerate any bribery, corruption or fraud in its dealings with employees or stakeholders. Employees found guilty of, or participating in, such practices will be dismissed for gross misconduct.
- iii) Disciplinary and grievance procedures shall be clearly documented and communicated to all employees. All disciplinary measures shall be recorded and removed from files when lapsed/spent. Management will view each case or situation arising with an unbiased and open mind before reaching a decision.

Discrimination

- i) There shall be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on (but not limited to) gender, age, disability, national origin, race, marital status, sexual orientation, political opinion, union (or non-union) membership, religion, or caste.
- ii) Workers must not be expected to perform duties incompatible with their physical or mental abilities.
- iii) PW and Suppliers shall provide equal opportunities and pay for equivalent jobs to both male and female workers.
- iv) Employee's with skills of equal value should receive equal treatment.

Health, Safety and Hygiene

- i) Every effort shall be made to provide a safe and hygienic working environment. Adequate steps should be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work.
- ii) PW and Suppliers must complete fully documented risk assessments of their sites and accommodation provided, and regularly monitor risks posed to workers' health and safety.
- iii) PW and Suppliers are expected to assign a senior management representative to be responsible for health and safety issues.
- iv) No employee or other worker shall be employed in potentially hazardous conditions without receiving adequate safety training and supervision. Records of safety training must be available for inspection. Individual workers must be able to demonstrate their understanding of the job and the ability to perform it to at least the minimum standard required by their employer.
- v) PW and Suppliers shall provide essential items of climatically appropriate protective clothing and safety equipment free of charge to their workers.
- vi) Employees and all visitors shall be provided with access to potable drinking water, clean toilets, and (if appropriate) washing facilities.
- vii) Where provided, accommodation shall be safe, clean and meet the basic needs of workers.
- viii) Where management provides dedicated transport for the movement of the workforce to, from, or within the workplace, these shall conform to the minimum standards set down in the appropriate national transport legislation. In the absence of such legislation, the management shall make every reasonable effort to minimise risk to the workforce whilst transporting them.
- ix) Food, beverages and domestic goods offered for sale to employees and other workers shall be at price levels no higher than those prevailing nationally.
- x) All factories, farms and plantations must comply with all relevant national laws relating to working conditions including health and safety, sanitation, fire safety and electrical, mechanical and structural safety.
- xi) All factories and packing facilities must have sufficient ventilation and light. This may include windows, fans, air conditioners or heaters, as appropriate, in order to provide adequate ventilation, circulation and temperature control to all areas.
- xii) All factory and packing facilities must have at least one well stocked first aid kit.
- xiii) Employee representatives should be involved in the development of health and safety standards appropriate to the workplace.

xiv) If living accommodation and facilities are provided, health and safety requirements apply equally to these.

Environment

- i) PW and its Suppliers will seek to make continuous improvements in their environmental performance and, as a minimum, comply with the requirements of local and international laws and regulations.
- ii) PW and its Suppliers will make all practical efforts to minimise the use of energy, water and raw materials: where possible these resources shall be renewable.
- iii) PW and its Suppliers will make all practical efforts to minimise waste and dispose of it in a safe, efficient, and environmentally responsible manner.
- iv) PW and its Suppliers will avoid contamination of the local environment and ensure that air, noise and odour pollution is within nationally defined limits.
- v) PW and its Suppliers will work together to minimise chemical use and abide by international, national and sector specific Codes of Practice for the use of pesticides and chemicals.
- vi) Details of the Produce World environmental policy are contained in the Environmental Management System document which is available to all suppliers.

Business Integrity

- i) PW and its suppliers will always conduct business ethically and in accordance with relevant legislation.
- ii) PW and its Suppliers must never offer or solicit any form of bribe, gift or other personal benefit or favour in the course of their business activities, irrespective of location or prevailing local norms.
- iii) PW and its Suppliers must never attempt to use information or influence to extort payments from any other party.
- iv) PW and its Suppliers will require any contractors and joint venture partners to adhere to the requirements above.

SUPPLIER DECLARATION

I have read and understood the Produce World Responsible Sourcing Code of Practice and I undertake that my business(es), and where relevant my suppliers, will comply with it's provisions.

Name :

Company name :

Signature :

Date :