

FRUIT OF THE LOOM CODE OF CONDUCT BENCHMARKS



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DEFINITIONS

Apprentice: A worker who is part of an official, legally recognized apprenticeship or vocational training program.

Bribe: The giving of inducements to such individuals to make decisions or take action favorable to the company, its employees or their family members, whether relating to, obtaining, or retaining business or otherwise.

Canteen: A seating area where food is also served but not necessarily cooked onsite.

Collective Bargaining Agreement (CBA): An agreement in writing or writings between an employer and a trade union setting forth the terms and conditions of employment or containing provisions in regard to rates of pay, hours of work, health, welfare or other working conditions of employment.

Customs-Trade Partnership Against Terrorism (C-TPAT): A voluntary public-private sector partnership program by which U.S. Customs and Border Protection works with the trade community to improve cargo and border security.

Employment Agency: A private employment agency is a person or corporation that seeks employment positions for clients, in return for a fee from the applicant or from the prospective employer.

Exceptional Circumstance: Events or circumstances which substantially disrupt production and are out of the ordinary and out of the control of the employer, including earthquakes, floods, fires, national emergencies, force majeure, or periods of prolonged political instability the definition does not include peak production periods, which can be planned for, or holidays or seasonal fluctuations.

Grievance System: A clear and transparent system of worker and management communication that enables workers to confidentially report grievances and consult with and provide input to management through means such as suggestion boxes, workers' committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.

Hot work: Any work that involves burning, welding, using fire- or spark-producing tools, or that produces a source of ignition. Every factory should have a 'hot work' policy and/or procedure, even if the policy is that no 'hot work' is permitted in the factory.

Human Trafficking: An act of recruiting, transporting, transferring, harboring or receiving a person through a use of force, coercion or other means, for the purpose of exploiting them.

Migrant: A person that has moved from outside the region, province, or country for employment.

Personal Protection Equipment (PPE): Protective clothing, helmets, goggles, mask, gloves or other garment or equipment designed to protect the wearer's body from injury.

Progressive discipline: A system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warning to suspension and finally to termination.

Retrenchment procedure: A process by which permanent dismissal of an employee or employees is carried out in order to reduce the workforce.

Safety Team: A group of worker and management representatives that help manage the environmental and safety process by providing input through inspections, education, meetings, and recognition.

Subcontracting: Any business other than the Supplier to which Fruit of the Loom (or its affiliate) has issued its purchase order that performs a process directly related to the production of the product for Fruit of the Loom by the

Supplier. Examples of subcontracted processes could be cutting, sewing, or any operation thereafter (e.g., embroidery, printing, or laundering of a branded finished product).

Supply Chain: The network of all the individuals, organizations, resources, activities and technology involved in the creation and sale of a product, from the delivery of source materials from the supplier to the manufacturer, through to its eventual delivery to the end customer.

Temporary Worker: A person with a labor contract of limited or unspecified duration with no guarantee of continuation.

Union: An organized group of workers formed to defend, protect, and foster their rights and interests.

Workers' Representative: An employee of an organization or company who is elected or appointed by the workers, who can represent, defend and/or intermediate the workers' claims, complaints, and interests related to the work.

Juvenile Worker: A person between the minimum working age and the age of 18.

BENCHMARKS

The Benchmarks are the detailed requirements necessary to fully meet the standards in the Code of Conduct, which can be accessed at <https://www.fotlinc.com/pages/suppliers-resources.html#.X9DxPvIKg2w>.

1. EMPLOYMENT RELATIONSHIP

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

1.1. EMPLOYMENT AGREEMENT

- 1.1.1. [ER2] Copies of each employment contract must be maintained on file (including temporary workers).
- 1.1.2. [ER2.1] Employment contracts meet all legal requirements.
- 1.1.3. [ER2.2] Employees must receive a copy of the employment contract in a language they understand.
- 1.1.4. [ER3] Short-term or temporary contracts must be compliant with local law.
- 1.1.5. [ER4] Copies of official identification documents of each employee must be maintained on file.
- 1.1.6. [ER6] There must be agreements in place with contracted service providers, including but not limited to canteen services, housekeeping, and security, that hold providers accountable to compliance with the law.

1.2. APPRENTICES AND TRAINEES

- 1.2.1. [ER5] Apprentices/trainees and probationary employees must be employed in accordance with local regulations.

1.3. POLICIES, PROCEDURES, AND TRAINING

- 1.3.1. [ER7] Orientation must be conducted for new employees, which includes explanations of rules, compensation package, policies, grievance systems, health and safety, and environmental protection.
- 1.3.2. [ER8] There must be written procedures for a progressive disciplinary system, retrenchment, termination, and grievances. The grievance procedure must include settlement of the grievance by the worker and immediate supervisor, options for senior management review, a method to track the number, types, timing, resolution and communication of resolution, prohibition of retaliation against employees who report complaints or grievances, and different channels for reporting suggestions, complaints, and grievances.
- 1.3.3. [ER8.1] Employment relationship procedures must be reviewed and/or updated annually.
- 1.3.4. [ER8.2] Records of all disciplinary notices, retrenchment situations, terminations, and grievances must be maintained.
- 1.3.5. [ER8.3] Employees, including supervisors, must be trained on the employment relationship procedures relevant to their position when procedures are revised, and training records must be maintained.

Required Documents

- Employee handbook (terms and conditions of employment)
- Personnel files that include employment contract and copies of identification

- Disciplinary system
- Records of disciplinary notices
- Retrenchment procedure
- Grievance procedure
- Records of reported grievances with management response

2. HEALTH AND SAFETY

Suppliers will provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of Supplier's operations. Conditions throughout a Supplier's facility, including dormitories owned or operated by the Supplier, must be safe, clean and meet or exceed requirements of all applicable laws and regulations regarding safety and health. Workers must be trained and equipped to perform their jobs safely. In addition, Suppliers will comply at all times with the terms of FOTL's Factory Safety Policy.

2.1. EMERGENCY PREPAREDNESS AND FIRE SAFETY

- 2.1.1. [S1] Aisles must be clearly marked with lines and/or arrows in the direction of evacuation.
- 2.1.2. [S2] The widths of aisles and stairwells must meet local law.
- 2.1.3. [S3] Aisles, workstations, emergency exits, and stairwells must be unobstructed.
- 2.1.4. [S4] Stairwells and mezzanines must have secure handrails.
- 2.1.5. [S6] Emergency exits must be unlocked, be clearly marked in languages understood by employees, be at least as wide as specified by local law, be equipped with emergency lights, direct to the exterior of the building, and be otherwise compliant with local law.
- 2.1.6. [S7] In the absence of legal requirements regarding outward-opening doors, doors that connect to exit routes must swing out in the direction of exit travel in each room that is designed to be occupied by 50 or more people.
- 2.1.7. [S7.1] All doors that connect to exit routes must only require one movement to open.
- 2.1.8. [S8] In the absence of legal requirements regarding the number of emergency exits, there must be at least two exits from every room that is designed to be occupied by 50 or more people.
- 2.1.9. [S9] There must be written procedures for emergency prevention and action plans, broken needles (if applicable), oily rags, hot work, PPE, and machine safety. Emergency prevention plan must include a list of major workplace hazards, responsible personnel for housekeeping, housekeeping of flammable and combustible waste material and residues, employee training and awareness, and maintenance of heat-producing equipment. Emergency action plan must include employee roles and responsibilities, emergency escape procedures and assignments, procedures for employees who remain on-site after the alarm, procedures to account for employees, rescue and first aid duties, procedures for reporting emergencies, alarm system procedures, and annual training of personnel.
- 2.1.10. [S9.1] Health and safety procedures must be reviewed and/or updated annually.
- 2.1.11. [S9.2] Records of broken needles must be maintained, if applicable.
- 2.1.12. [S9.3] Employees, including supervisors, must be trained on the health and safety procedures relevant to their position when procedures are revised, and training records must be maintained.
- 2.1.13. [S13] Evacuation diagrams must be posted throughout all buildings and accurately drawn with all required information in languages understood by employees.
- 2.1.14. [S14] Evacuation drills must be practiced for every building and all building tenants at least once every year or more frequently as required by law, and records of evacuation drills must be maintained in writing and photos (preferred with date stamp).
- 2.1.15. [S15] Warning signs must be placed on or around elevators and lifts to indicate proper usage and that they must not be used in emergencies.
- 2.1.16. [S16] There must be sufficient fire extinguishers/equipment according to the local law.

- 2.1.17. [S17] Fire extinguishers/equipment must be the proper type for each location.
- 2.1.18. [S18] Fire equipment must be properly mounted according to law, unobstructed, marked and visible, inspected monthly, professionally inspected annually, and correctly pressurized.
- 2.1.19. [S20] Other fire equipment such as sprinkler systems, alarm systems, smoke detectors, and fire hydrants/hoses, must be installed and tested as legally required in all buildings.
- 2.1.20. [S21] Flammable and combustible materials including machine oil, oily rags, and chemicals, must be stored in a secure and ventilated area, the area must be properly identified according to its contents, and the materials must be stored away from evacuation routes.
- 2.1.21. [S22] "No Smoking" signs must be posted in/near areas with flammable and combustible material.
- 2.1.22. [S23] Specialized flammable storage cabinets must be used for storage of oils, chemicals and other flammable products.

2.2. FIRST AID

- 2.2.1. [S28] First aid kits must be stocked in all buildings according to local law.
- 2.2.2. [S29] First aid kits must be visible and easily accessible.
- 2.2.3. [S30] A doctor/nurse station must be available during working hours if legally required.
- 2.2.4. [S31] Biohazard items must be disposed properly.
- 2.2.5. [S32] An accident/injury log must be maintained.
- 2.2.6. [S33] Eyewash stations must be installed in accordance with local law and located within 10 seconds walking distance from hazardous areas.

2.3. WORKING ENVIRONMENT

- 2.3.1. [S36] All environmental indices, such as noise, temperature, particulate, and lighting must be tested as legally required and meet the law.
- 2.3.2. [S37.1] The correct PPE must be provided to employees as required and/or requested.
- 2.3.3. [S37.2] Signs/diagrams must be posted to indicate the need for PPE in languages understood by all employees.
- 2.3.4. [S38] Workers must use the required PPE.
- 2.3.5. [S40] Regular health exams must be performed on employees as legally required.
- 2.3.6. [S41] Verifiably potable drinking water must be provided for all employees.
- 2.3.7. [S42] Restrooms must be sufficient in number according to local law, separated by gender, private, clean/sanitary, and properly stocked.
- 2.3.8. [S43] Crèche/childcare facility must be provided if required by law, meet the local requirements, and be located on the floor of the building at street level.
- 2.3.9. [S44] No children may be present on the work floor even if not working.
- 2.3.10. [S45] A safety team comprised of management and worker representatives is required and the team must meet regularly, maintain meeting minutes, and have clear roles and responsibilities assigned to team members.
- 2.3.11. [S46] Market places or commercial shops may not be located in production buildings.
- 2.3.12. [S48] All legally required licenses, certificates, and inspections must be maintained and valid including dormitory license, canteen license, building construction approval, fire inspection, compressor, boiler, cargo lift, machinery maintenance, electrician, nurse, doctor, kitchen staff, and lift operator.

2.4. ELECTRICITY AND MACHINERY

- 2.4.1. [S50] Machinery must be equipped with operational safety devices, including needle guards, eye guards, and pulley guards.
- 2.4.2. [S51] Automated machinery must be equipped with two-button operation.
- 2.4.3. [S54] Electrical panels must have individually labeled switches, internal and external covers, and no obstructions.
- 2.4.4. [S56] There must be a lock out/tag out procedure.
- 2.4.5. [S57] Electrical equipment must be properly grounded.
- 2.4.6. [S58] Electrical cords must be of continuous length and without repairs.
- 2.4.7. [S60] A monthly inspection of electrical equipment must be conducted.

2.5. DORMITORY

- 2.5.1. [S62] Dormitories or residential housing must be located in a separate building from production and storage.
- 2.5.2. [S65] The size of rooms and number of occupants must be in compliance with local law.
- 2.5.3. [S66] Dormitory rules must be posted in languages understood by residents.
- 2.5.4. [S67] Residents must have free access to dormitories without a curfew.
- 2.5.5. [S68] Living spaces must be segregated by gender.
- 2.5.6. [S69] Individual lockers must be provided to residents.
- 2.5.7. [S71] Dormitories must be maintained in sanitary and well-lighted condition. Restroom and shower facilities must be private, sanitary, well-stocked, and in working order.
- 2.5.8. [S72] Potable water and access to boiled water must be available to residents.
- 2.5.9. [S74] Residents must have access to restrooms and shower facilities.

2.6. CANTEEN

- 2.6.1. [S76] A functioning canteen must be provided if required by local law.
- 2.6.2. [S82] Health checks must be performed on kitchen staff if required by law.
- 2.6.3. [S83] Kitchen staff must use all required protective clothing.
- 2.6.4. [S84] Adequate seating must be provided in the canteen according to law.

Required Documents

- Emergency prevention plan
- Emergency action plan
- Evacuation diagram
- Written and photographic records of evacuation drills
- Records of regular inspections of fire equipment
- Procedure for handling oily rags
- Procedure for hot work
- Procedure for PPE and machine safety
- Accident/injury log
- Test results of temperature, lighting, and noise levels
- Safety risk assessment
- Health exams for applicable employees
- Test results of drinking water
- List of safety team members with responsibilities
- Meeting notes of safety team meetings
- Documentation to prove that production and warehouse buildings were constructed/approved for industrial use

- Records of machine maintenance
- Lock out/tag out procedure
- Inspection of electrical equipment
- Broken needle procedure
- Legally required health and safety licenses, certificates, and inspections (dormitory, canteen, building approval, fire inspection, compressor, boiler, cargo lift, electrician, nurse, doctor, kitchen staff, lift operator)
- Dormitory rules
- Canteen cleaning log
- Records of training of kitchen staff
- Records of health exams for kitchen staff
- Health and safety training records

3. CHILD LABOR

Suppliers will not employ individuals in violation of the local mandatory school age or under the applicable legal employment age. In no event will Suppliers employ workers under age 15, except for child actors or models that are utilized in advertising or media, and then only in compliance with applicable child labor regulations.

3.1. CHILD WORKERS

- 3.1.1. [CL1] All employees must be at least 15 years of age, the local legal minimum age of employment, or the age for completion of compulsory education, whichever is higher.

3.2. JUVENILE WORKERS

- 3.2.1. [CL6] All juvenile restrictions must be met, including government registration, parental permission, restricted working hours, restricted work duties, and/or required health exams.

3.3. POLICIES, PROCEDURES, AND TRAINING

- 3.3.1. [CL7] There must be a written policy for child labor.
- 3.3.2. [CL7.1] The child labor policy must be reviewed and/or updated annually.
- 3.3.3. [CL7.2] Records of any instances of child labor must be maintained.
- 3.3.4. [CL7.3] Employees, including supervisors, must be trained on the child labor policy relevant to their position when procedures are revised, and training records must be maintained.

Required Documents

- Records of government registration, parental permission, and health exams for juvenile workers
- Child labor policy
- Records of child labor incidents
- Child labor policy training records

4. FORCED LABOR

Suppliers will not use forced labor, including, but not limited to, prison labor, indentured or slave labor, or bonded labor. Suppliers will adopt measures to ensure that facilities are not utilized in human trafficking and will monitor their supply chain for such practices.

4.1. FORCED LABOR

- 4.1.1. [FL1] No prisoners, indentured, slave or bonded labor are permitted.
- 4.1.2. [FL2] Workers must not be in debt to a third party or the employer due to recruitment or placement.
- 4.1.3. [FL3] Workers must not pay any fees, taxes, deposits, or bonds during recruitment, placement or for continued employment, including illegal pay deductions. Examples of fees: Recruitment agent fee/commission, legally required medical tests or immunizations, passport, work visa/permit, international travel, ID badge or time card, notary or other legal fees.
- 4.1.4. [FL4] The actual terms and conditions of employment must be in compliance with the contracts signed at the time of recruitment.
- 4.1.5. [FL14] Migrants must be informed of the basic terms of employment before leaving home.
- 4.1.6. [FL8] Workers' personal identification documents and money must not be controlled or held by the facility or employment agency, even with written consent from workers.
- 4.1.7. [FL9] Workers must not be required to live in factory-provided housing.
- 4.1.8. [FL10] Workers must not be restricted from leaving the factory after work and/or during unpaid breaks.
- 4.1.9. [FL12] Overtime work must be consensual, even for employees who have not met production target/quota.

4.2. POLICIES, PROCEDURES, AND TRAINING

- 4.2.1. [FL13] There must be a written policy on forced labor and a procedure to ensure forced labor and human trafficking is not utilized in the supply chain.
- 4.2.2. [FL13.1] The forced labor policy and procedure must be reviewed and/or updated annually.
- 4.2.3. [FL13.2] Records of any instances of forced labor and record of origin of cotton (if applicable) must be maintained.
- 4.2.4. [FL13.3] Employees, including supervisors, must be trained on the forced labor policy and procedure relevant to their position when procedures are revised, and training records must be maintained.

Required Documents

- Forced labor policy
- Procedure to ensure forced labor and human trafficking is not utilized in the supply chain
- Records of any instances of forced labor
- Forced labor training records

5. HARASSMENT OR ABUSE

Suppliers must treat all employees with respect and dignity. Suppliers will have procedures in place to ensure that no worker is subject to any physical, sexual, psychological or verbal harassment or abuse.

5.1. HARASSMENT

- 5.1.1. [HA1] Harassment is not permitted, including any act, attitude, invitation, or request associated with sexuality.
- 5.1.2. [HA5] Security practices must be non-intrusive and gender appropriate.
- 5.1.3. [HA6] Workers must have reasonable freedom of movement.

5.2. ABUSE

- 5.2.1. [HA2] Abuse is not permitted, including violence, verbal abuse, psychological abuse, physical abuse, or the threat or physical abuse.

5.3. POLICIES, PROCEDURES, AND TRAINING

- 5.3.1. [HA7] There must be a written policy on harassment and abuse and a procedure to discipline supervisors who engage in harassment or abuse.
- 5.3.2. [HA7.1] The harassment and abuse policy and procedure must be reviewed and/or updated annually.
- 5.3.3. [HA7.2] Records of any instances of harassment or abuse must be maintained.
- 5.3.4. [HA7.3] Employees, including supervisors, must be trained on the harassment and abuse policy and procedure relevant to their position when procedures are revised, and training records must be maintained.

Required Documents

- Harassment and abuse policy
- Procedure to discipline supervisors who engage in harassment or abuse
- Records of any instances of harassment or abuse
- Harassment and abuse training records

6. NON-DISCRIMINATION

Suppliers will not discriminate in employment including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, union affiliation, political opinion, social group, or ethnic origin.

- 6.1.1. [ND1] Hiring, promotion, advancement, and other terms and conditions of employment must be based only on knowledge, skill, and experience.
- 6.1.2. [ND2] Discrimination based on gender, race, religion, age, disability, sexual orientation, nationality, union affiliation, political opinion, social group, or ethnic origin is not permitted in recruiting, hiring, promotion, discipline, demotion, termination, or during the grievance process.
- 6.1.3. [ND4] Workers (including foreign and domestic) of the same skill and experience must receive the same wages and fringe benefits.

- 6.1.4. [ND6] Workers must reasonably be accommodated for their health conditions and protected, including pregnant women and their unborn children, without affecting employment status or compensation.
- 6.1.5. [ND7] Unnecessary health exams before or during employment is not permitted.
- 6.1.6. [ND8] Pregnancy tests or the use of contraception as a condition of hiring or continued employment is not permitted.
- 6.1.7. [ND9] All protective provisions benefitting pregnant women and new mothers must be met, including mothers' rooms where required by law.
- 6.1.8. [ND10] All applicable employees must have an equal opportunity to work overtime.

6.2. POLICIES, PROCEDURES, AND TRAINING

- 6.2.1. [ND11] There must be a written policy on discrimination.
- 6.2.2. [ND11.1] The discrimination policy must be reviewed and/or updated annually.
- 6.2.3. [ND11.2] Records of any instances of discrimination must be maintained.
- 6.2.4. [ND11.3] Employees, including supervisors, must be trained on the discrimination policy relevant to their position when policy is revised, and training records must be maintained.

Required Documents

- Discrimination policy
- Records of any instances of discrimination
- Discrimination training records

7. WORKING HOURS

Suppliers will not require workers to work more than the regular and overtime hours allowed by applicable law. In no event will the regular work week exceed 48 hours and workers will be allowed at least 24 consecutive hours of rest in every seven-day period. All overtime work will be consensual. Suppliers will not request overtime on a regular basis and will compensate for overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week will not exceed 60 hours.

7.1. ATTENDANCE AND WORKING HOUR RECORDS

- 7.1.1. [WH5] Complete records of all hours worked must be maintained for at least 12 months or since the operation started if less than 12 months.
- 7.1.2. [WH6, 7] Working hour records must be accurate and free of error and missed entries.
- 7.1.3. [WH8] All workers (including those on piece rate) must record or verify their own times in/out.

7.2. SEVENTH DAY REST

- 7.2.1. [WH9] Workers must be given at least 24 consecutive hours of rest after 6 consecutive days of work.

7.3. LEAVE

- 7.3.1. [WH10] Workers must be given adequate daily break time according to the law.
- 7.3.2. [WH11] Public holidays, annual leave, and sick leave must be provided without undue restrictions.

7.4. WORKING HOURS

7.4.1. [WH14] Working hours must be within legal limits and less than or equal to 60 hours per week.

7.5. HOMEWORK

7.5.1. [WH17] Workers must not be asked, required, or permitted to take work home or off the premises.

7.6. POLICIES, PROCEDURES, AND TRAINING

7.6.1. [WH16] There must be a written policy on working hours, including a definition of exceptional circumstances, and a regular analysis of work hours to progressively reduce excessive hours.

7.6.2. [WH16.1] The working hours policy must be reviewed and/or updated annually.

7.6.3. [WH16.2] Records of any exceptional circumstances and legally required overtime requests must be maintained.

7.6.4. [WH16.3] Employees, including supervisors, must be trained on the working hours policy relevant to their position when procedures are revised, and training records must be maintained.

Required Documents

- Working hour records of last 12 months
- Attendance records of last 12 months
- Production records
- Working hours policy, including a definition of exceptional circumstances
- Records of any exceptional circumstances
- Overtime requests (if applicable)
- Working hours training records

8. COMPENSATION

Every worker has a right to compensation for a regular work week that is sufficient to meet the worker's basic needs and provide some discretionary income. Suppliers will pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, Suppliers will take appropriate actions that seek to progressively realize a level of compensation that does.

8.1. PAYROLL RECORDS

8.1.1. [C6] Payroll records must be maintained for at least 12 months or since the operation started if less than 12 months.

8.1.2. [C8] Payroll records must contain all legally required details, such as hours worked, rate of pay, and itemized deductions.

8.2. WAGES

- 8.2.1. [C9] All workers, including piece rate workers that do not reach quota and workers in training or on probation, must be paid in accordance with minimum wage laws. Where local law allows for a lower minimum wage for probationary/trainees, the lower minimum wage may only be applied for the first 30 days, if that time is dedicated primarily to training and not to production or other essential tasks.
- 8.2.2. [C11] Workers must be paid for overtime, rest day and holiday work at a premium rate as legally required, even when official holidays are replaced with alternative days off.
- 8.2.3. [C19] Voluntary deductions, such as union fees, must only be made with workers' written consent.
- 8.2.4. [C20] Monetary deductions/penalties must not be used as a disciplinary measure.
- 8.2.5. [C21] Workers must receive tools and PPE free of charge.
- 8.2.6. [C23] Wages must be paid within the lesser of legally defined time limits or 30 days when not legally defined.
- 8.2.7. [C24] At the end of employment, workers must receive full payment within legally defined time limits.

8.3. BENEFITS

- 8.3.1. [C12, 13] Eligible workers must be provided with all legally entitled benefits, including insurances, that are properly calculated.
- 8.3.2. [C15] Tax, social insurance or other legally required expenses must be paid to the appropriate government agencies.

8.4. PAY SLIPS

- 8.4.1. [C16] Workers must receive a wage statement each pay period in a language they understand.
- 8.4.2. [C10] Workers should be informed of legal minimum wage.

Required Documents

- Payroll records of the last 12 months
- Annual leave records
- Maternity leave records
- Social insurance receipts
- Record of payment of withholding (taxes)
- Copies of pay stubs

9. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Suppliers must recognize and respect the rights of workers to freedom of association and collective bargaining.

9.1. FREEDOM OF ASSOCIATION

- 9.1.1. [FOA1] Workers must have the ability to associate freely, including the ability to join or not to join a trade union or other organization.
- 9.1.2. [FOA6] Workers' or union representatives must be freely elected and able to organize administration and activities without interference from management. Elected representatives must be announced to all workers.

- 9.1.3. [FOA6.1] Meetings must take place between workers' or union representatives and management to discuss complaints and exchange information on establishing working conditions.
- 9.1.4. [FOA6.2] Workers' or union representatives must be consulted in times of layoffs or retrenchment as part of the retrenchment procedure.
- 9.1.5. [FOA6.3] Workers' representatives or those seeking to form or join an association must not encounter any discrimination, harassment, or abuse.
- 9.1.6. [FOA8] Management must not threaten to shift production or close a workplace to prevent worker associations.
- 9.1.7. [FOA9] Management must not favor one workers' association over another.

9.2. COLLECTIVE BARGAINING

- 9.2.1. [FOA2] The right of workers to bargain collectively for compensation must be recognized.
- 9.2.2. [FOA3] Collective Bargaining Agreements (CBAs) must comply with minimum legal benefits.

9.3. POLICIES, PROCEDURES, AND TRAINING

- 9.3.1. [FOA11] There must be a written policy on Freedom of Association and Collective Bargaining.
- 9.3.2. [FOA11.1] The Freedom of Association and Collective Bargaining policy must be reviewed and/or updated annually.
- 9.3.3. [FOA11.3] Employees, including supervisors, must be trained on the Freedom of Association and Collective Bargaining policy when procedures are revised, and training records must be maintained.

Required Documents

- Union records, if applicable
- Collective Bargaining Agreement, if applicable

10. ENVIRONMENTAL SUSTAINABILITY

Suppliers will adopt responsible measures to mitigate the negative impact that their operations have on the environment. At a minimum, this requires that Suppliers comply with all local and applicable international laws protecting the environment, including proper storage and disposal of hazardous substances, and strive to conduct business in a manner that minimizes energy consumption and waste, optimizes the use of natural resources, and maximizes recycling.

10.1. CHEMICALS

- 10.1.1. [E1] Storage areas for chemicals and hazardous materials must have safety warning signs.
- 10.1.2. [E2] Hazardous operations must be conducted in a separate and restricted area.
- 10.1.3. [E3] Chemical containers must be secondarily contained.
- 10.1.4. [E4] Chemicals in work areas must only be in amounts per legal requirements.
- 10.1.5. [E5] All chemical containers must be properly labeled in languages understood by employees.
- 10.1.6. [E9] Safety data sheets (SDSs) must be properly accessible in languages understood by employees.
- 10.1.7. [E18] Updated SDSs must be maintained for all chemicals within the facility.
- 10.1.8. [E19] Legally required environmental and emissions licenses, certificates, and inspections must be maintained and valid.
- 10.1.9. [E17] An updated chemical inventory of all chemicals must be maintained.

10.2. WASTE

- 10.2.1. [E6] Waste storage containers must be properly stored and identified as required by law.
- 10.2.2. [E7] Hazardous materials must be disposed by a licensed handler as legally required.
- 10.2.3. [E8] Waste must be recycled where required by law.
- 10.2.4. [E13] Solid, liquid and air pollutants must be treated prior to disposal as required by law.

Required Documents

- Records of hazardous waste disposal
- Safety Data Sheets
- Certification of wastewater treatment, if applicable
- Analysis of wastewater
- Record of emissions
- Chemical inventory
- Environmental and emissions licenses, certificates, and inspections

11. BUSINESS ETHICS

Corruption, extortion or embezzlement by Suppliers, in any form, is strictly prohibited. This prohibition includes, but is not limited to, offering or accepting bribes in exchange for undue or improper advantage. Violations of this prohibition may result in immediate termination of the Supplier by FOTL and subject the Supplier to legal action.

- 11.1.1. [BE1] Assessment teams must be granted full access to all relevant areas and documents.
- 11.1.2. [BE2] Assessment teams must not be offered bribes.
- 11.1.3. [BE3] Assessment teams must be permitted to select interviewees without management interference.
- 11.1.4. [BE4,5] Interviewees during assessments must not be coached or intimidated.

11.2. POLICIES, PROCEDURES, AND TRAINING

- 11.2.1. [BE6] An anti-corruption or other related business ethics policy must be maintained.
- 11.2.2. [BE6.1] The business ethics policy must be reviewed and/or updated annually.
- 11.2.3. [BE6.3] Employees, including supervisors, must be trained on the business ethics policy relevant to their position when the policy is revised, and training records must be maintained.

12. SUBCONTRACTORS

Suppliers will not utilize subcontractors in the manufacturing of FOTL's products or components without FOTL's prior written approval and only after the subcontractor has agreed in writing to comply with this Code of Conduct.

- 12.1.1. [SB1] Subcontractors may not be utilized without written consent from Fruit of the Loom.

Required Documents

- FOTL authorization for production at subcontractor(s), if applicable

13. CUSTOMS COMPLIANCE

Suppliers will comply with all applicable customs laws and establish and maintain programs to safeguard against the illegal transshipment of products.

14. SECURITY

Suppliers will maintain security procedures to guard against the introduction of non-manifested cargo (e.g., drugs and other contraband) into shipments of FOTL's products, including, but not limited to, compliance with Customs-Trade Partnership Against Terrorism (C-TPAT) requirements for shipments to the United States. Please access the Security Questionnaire for detailed requirements here: <http://www.fotlinc.com/pages/suppliers-resources.html#.XJAGyihKjcs>.

15. POSTING REQUIREMENTS

Suppliers will post this Code of Conduct in a conspicuous location accessible to all employees and visitors (in the appropriate local language and the appropriate language for migrant workers that make up more than 10% of the workforce). Suppliers will communicate and train all workers annually concerning the elements of this Code of Conduct.

- 15.1.1. [P1, 3] The current Fruit of the Loom Code of Conduct must be posted on 11 x 17 inch or A3 size paper in a conspicuous location in language(s) understood by every employee, including foreign migrants.
- 15.1.2. [P4] All employees, including supervisors and management, must be trained annually on the Fruit of the Loom Code of Conduct and training records must be maintained.
- 15.1.3. [P2, 3] The current Fruit of the Loom Factory Safety Policy must be posted on 11 x 17 inch or A3 size paper in a conspicuous location in language(s) understood by every employee, including foreign migrants.
- 15.1.4. [P5] The current Fruit of the Loom Human Trafficking poster must be posted on 11 x 17 inch or A3 size paper in a conspicuous location.

16. RECORD KEEPING

Suppliers will maintain complete and accurate records with respect to each of the elements of this Code of Conduct to allow for verification of compliance.

- 16.1.1. [RK1] Labor laws and other required information must be posted in the factory as legally required.
- 16.1.2. [RK15] There must be a person responsible for maintaining all current regulations to ensure the factory's compliance with the law.

Resources for specific benchmarks can be made available upon request.