

The World Bank Group • Corporate Social Responsibility Practice

The CSR Practice advises developing country governments on public policy roles and instruments they can most usefully deploy to encourage corporate social responsibility.

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COMPANY CODES OF CONDUCT AND INTERNATIONAL STANDARDS: AN ANALYTICAL COMPARISON

PART I OF II:

Apparel, Footwear and Light Manufacturing

Agribusiness

Tourism

October 2003

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October 2003



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World Bank Group

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COMPANY CODES OF CONDUCT
AND INTERNATIONAL STANDARDS:
AN ANALYTICAL COMPARISON

Introduction

1.1 Overview

Globalization is the cornerstone of business in the new millennium, and the media focus on corporate globalization has led to increasing scrutiny of multinational conduct during the past decade. External stakeholders, including students; human rights organizations, organized labor, religious institutions, consumer advocates, universities, representatives of local, state, and federal governments around the world, and the Secretary General of the United Nations have demanded greater transparency and accountability by corporate institutions with respect to business decisions that have a social and environmental impact.

Pressure from this wide array of stakeholders has led consumers and employees to hold businesses to higher and broader social and environmental standards than in the past. On today's media stage, firms are judged not only by their own behavior, but also by the behavior of those with whom they are associated, including sourcing facilities, licensees, agents, partners, and host governments. Moreover, firms are no longer simply accountable under local law, but to international norms and standards, such as those promulgated by the International Labor Organization (ILO), the Universal Declaration of Human Rights (UDHR), and corporate best practices.

Firms can face not only reputational damage from their corporate practices and monitoring mechanisms (as many apparel and footwear firms discovered when they first confronted serious legal and reputational challenges in the 1990s related to allegations of labor abuses in foreign sourcing facilities), but they can also face protests, boycotts,

attacks on corporate property, divestment campaigns, hostile shareholder resolutions, and the enactment of sanctions laws.

During the past few years, corporate leaders have recognized that the success of their brands is tied to whether their business is conducted in a manner acceptable to those affected by it. In an effort to respond to the growing number of social and environmental concerns and to protect their brands, firms have adopted programs that reflect support for international norms and promote sustainability. In fact, the continuing success of these firms suggests that there have been business benefits from adopting these programs. It is becoming clear that application of these standards can bring benefits to suppliers, in addition to the benefit of a continuing contract with their multinational buyer. These benefits can derive from suppliers distinguishing themselves within the local marketplace as responsible firms to do business with, and they can also relate to productivity and quality gains.

This practice has come to be known as corporate social responsibility (CSR), and focuses on a wide range of issues, including worker's rights (particularly child labor, freedom of association, forced labor, and freedom from discrimination), health and safety issues, environmental concerns, compensation, migrant labor issues, human rights, security arrangements, community engagement, ethical conduct, good governance, and rule of law. To address these CSR issues effectively, firms are adopting a series of new tools. These include human rights and environmental risk assessments, monitoring systems, management standards, and the engagement of external stakeholders in dialogue and decision-making processes. The tools that

have been most widespread, however, are the adoption by many firms of CSR codes of conduct, as well as the compliance and monitoring schemes used to implement and enforce those codes once they have been established.

Codes of conduct stipulate the human rights, environmental, social and ethical requirements for suppliers. The World Bank estimates that there may now be an estimated 1,000 codes in existence today, developed by individual multinational firms on a voluntary basis, depending on firms' business needs. They play a complementary role to national legislation, helping firms implement standards beyond those that are typically enforced locally. The most significant and systematic contact that most people in low-income countries have with the rule of law is in the workplace. Helping ensure an effective compliance regime thus has national governance implications and has public good justification beyond the firm or industry level.

1.2 World Bank Group Project Overview

A significant number of firms have started formulating and implementing CSR codes of conduct in the past decade, but there has been little research conducted to compare and contrast these various codes. It is critical to gather this information and build a database of codes of conduct, and to begin determining the areas of similarity and difference between the various codes, in order to identify any potential emerging "trends" in the various codes.

In an effort to support ongoing technical assistance, the World Bank Group's Investment Climate Department has commissioned a series of research analyses to determine the content of CSR codes of conduct in targeted industry sectors, and the extent to which code content derives from internationally agreed standards. Once codes were identified and researched, they were assessed to determine whether there are any emerging trends in these industry sectors with regard to broad CSR categories such as human rights, labor rights, environmental standards, and social and community impacts. Each of these broader categories was then broken down to a number of "sub-categories" re-

flected on the attached matrices, which were drawn from similarly themed sub-categories developed by the Global Reporting Initiative (GRI) in the GRI Sustainability Reporting Guidelines.

Foley Hoag LLP has been engaged to research the codes of conduct of roughly 100 firms, as well as the codes of conduct of other, non-corporate entities, including non-governmental organizations (NGOs), multi-stakeholder groups, and trade unions. Originally, firms were chosen for participation in the project that were in an industry sector with a direct nexus to a particular geographic region that supported the World Bank's technical assistance program. Therefore, the initial firms that were chosen for inclusion in this project had direct operations in Vietnam, El Salvador, the Philippines, and Angola. However, given the increasingly globalized nature of many of the multinational enterprises (MNEs) examined, and the fact that some codes needed to be included in the project to give the most comprehensive portrait of the state of the industry, even though they did not have the relevant nexus to one of the four geographic areas targeted, the regional focus of this project is not dominant.

The industry sectors which were analyzed were:

- Apparel, footwear and light manufacturing;
- Agribusiness (and in particular, banana, coffee, sugar, and cut flower industries);
- Tourism;
- Mining; and
- Oil and gas.

For each of these five broad industry sectors, key corporate and non-corporate players were identified, researched, and their codes of conduct summarized. Brief summary statements about each of these codes has then been input into a series of comparative matrices, which divides the CSR information into broad CSR categories, including human rights, labor rights, environmental standards, and social and community impacts. At the end of each set of matrices, international standards or benchmarks for each category have been listed, with data primarily drawn from such instruments as the UDHR, the ILO Con-

ventions and Recommendations, and the UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights (UN Norms). The World Bank has also commissioned additional analyses, not reflected in these matrices, which integrate the national laws of key countries into these standards. This is important because some provisions in codes of conduct (e.g., wages for work) defer almost exclusively to local applicable law, rather than to international instruments.

This narrative is the first of a two-part publication, and is an accompaniment only to the matrices that were created for the first three industry sectors (apparel, footwear, and light manufacturing; agribusiness; and tourism). The second part of the publication consists of the matrices and accompanying narrative for the final two industry sectors examined (mining; and oil and gas).

In seeking the information on each of these codes of conduct, only publicly available information was reviewed, drawn primarily from the websites and annual reports of participating firms. A significant effort was made to keep the summaries of the information exceptionally

short and focused on the areas being examined, to provide the best possible comparative analysis. It is recognized that the attached matrices are by no means comprehensive or exhaustive in their analyses of the codes of conduct examined. Most codes go into far more depth in these issues than could be included in the matrices, and many had provisions in their codes for issues that were not examined. Official consents were received from all the corporate and non-corporate participants reflected in the attached matrices.

In the process of analyzing numerous codes of conduct, a decision was made to review only the actual policies of MNEs and non-corporate entities, and not their practices. However, at the completion of this analysis, and in recognition of this gap, follow-up work was commissioned to examine the implementation practices of these codes. That report is a briefer and less comprehensive assessment of trends in implementation mechanisms, through an examination of developments within sector-specific industries, rather than the practices of any particular firm. That follow-up assessment will also be published by the World Bank Group.

Apparel, Footwear and Light Manufacturing Sector

2.1 Scope and Methodology

The first set of matrices was constructed for the codes of conduct of apparel, footwear, and light manufacturing firms, as well as other non-corporate actors. Initially, firms were selected with a particular nexus either to Vietnam (primarily apparel and footwear firms) or to Central America (apparel firms and plastics firms). Later, however, the scope was expanded to include corporations without regard to the location of their geographic operations.

The firms that were selected for participation in this analysis were primarily large multi-national enterprises with well-developed CSR activities. Due to the nature of this analysis, it was futile to attempt to select a true cross-sampling of all types of apparel, footwear and light manufacturing firms, because many of them do not have codes of conduct. Rather, a decision was made to examine the largest, most progressive, and most important firms, in an effort to determine areas of overlap amongst this “leadership” cadre. Any “emerging trends” that were then identified helped to ascertain and define “industry practices,” and how they compare to international standards.

The firms that were identified and from which information was collected were: adidas-Salomon AG, Gap Inc., H&M Hennes & Mauritz AB, IKEA Services AB, K-Swiss, Inc., LEGO Company, Levi Strauss & Co., Liz Claiborne, Inc., Marks & Spencer p.l.c., New Balance Athletic Shoe, Inc., NIKE, Inc., Payless ShoeSource, Inc., Pentland Group p.l.c., Phillips-Van Heusen Corporation, Pou Yuen Vietnam Enterprise, Ltd., Reebok International, Ltd., The Timberland Company, and Wal-Mart Stores, Inc. All consented to

allow their summarized information about their codes of conduct to be published in the attached matrices, with the exception of Wal-Mart Stores and Payless (which has no individual code of conduct, but uses the code developed by the Footwear Distributors and Retailers of America (FDRA)). There is also no separate entry for K-Swiss on the matrices because it utilizes the policy of SA8000, which is listed separately.

In addition to the codes of conduct from these MNEs, key non-corporate entities engaged in the apparel, footwear and light manufacturing industries were also identified, and codes of conduct from these multi-stakeholder groups, unions, and non-governmental organizations, were also analyzed and compared to the others. These non-corporate entities include: Clean Clothes Campaign, Ethical Trading Initiative (ETI), Fair Labor Association (FLA), International Confederation of Free Trade Unions (ICFTU), Organization for Economic Cooperation and Development (OECD) Guidelines for MNEs, Social Accountability International (SA8000), Worker Rights Consortium (WRC), World Federation of the Sporting Goods Industry (WFSGI), and Worldwide Responsible Apparel Production (WRAP). All of these entities provided consent for the publication of summary information about their codes of conduct in the attached matrices.

All of the codes of conduct were then analyzed, and their key provisions were summarized in two matrices—one devoted to human rights and labor rights issues, and the other devoted to environmental standards. For the human rights and labor rights analysis, the exami-

nation focused on provisions in each code of conduct that dealt with the following “core” issues: forced labor, child labor, wages and benefits, hours of work, discrimination, harassment and abuse, freedom of association and collective bargaining, and health and safety issues. An overview of the “philosophy” of each code of conduct is also provided in an initial category titled “general policy statement,” and the final category on the matrix summarizes the “monitoring and compliance framework.” Neither of these categories, however, are described in any greater detail in this narrative.

For the environmental analysis, the matrix was broken down into categories modeled on the categories in the GRI’s Sustainability Reporting Guidelines. Thus, there are separate categories in the environmental matrix to include summaries from the codes of the following topics: materials, energy, water, emissions, pollution control and hazardous substances, waste management, and packaging and transport. In a complement to the material provided in the human rights and labor matrix, a preliminary category was also included to provide the code’s “general policy statement” on environmental issues, as well as any statement it may have had on Environmental Management Systems (EMS).

At the end of each of the matrices, international standards are presented for each of the categories, so that analyses can be made to determine how any emerging trends compare to international benchmarks. For the human rights and labor rights categories, the most frequently referenced international standards are drawn from the UDHR, ILO Conventions and Recommendations, the UN Norms, and other international instruments.

Due to the relative lack of any international “standard” for environmental issues, comparable to the role played by the ILO Conventions and Recommendations for human rights and labor issues, standards from the IFC/World Bank “Pollution Prevention and Abatement Handbook” have been included in the final row of the environmental matrix. The standards presented from that Handbook include both generally applicable standards distilled from the guidelines, as well as more specific standards particularly tailored to the textile industry.

2.2 Findings Regarding Human Rights and Labor Rights

2.2.1 Forced Labor

Perhaps the greatest point of conformity on every code of conduct examined was the prohibition against the use of forced labor. Every firm and non-corporate code prohibited its use, although policies varied with respect to how they described forced labor, with references to “prison,” “indentured,” “bonded,” “forced,” “slave,” “convict,” and “involuntary” labor. In an effort to be comprehensive, many codes of conduct included several of these references in their policies.

As an example, the FLA’s code provides that “there will be no use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.” Though not stated in its code, the FLA looks for a number of specific benchmarks in determining whether business partners are in compliance with the prohibition on using forced labor. These include: employers not binding workers to employment as a condition of fulfilling terms of a debt to a third party; advances not exceeding three months pay or legal limits, whichever is less; workers being compensated for their work directly through the provision of cash or its equivalent (in-kind compensation is permissible, if local law permits, so long as legal limits are complied with and receipt of in-kind compensation is voluntary); workers not being engaged to work in a factory by a family member, associate or friend such that the non-employee receives continuing remuneration, consideration, or other return from the employer; employers maintaining sufficient hiring and employment records to demonstrate and verify compliance; workers not being required to live in employer-owned or controlled residences; and all workers having the right to enter into and to terminate their employment freely.

Some firms, like Pentland, as well as some multi-party organizations, including SA8000 and ETI, stipulate that workers not be required to lodge “deposits” or other identity papers with employers. The codes of Reebok and Timberland indicate that workers have the right to enter into and terminate their employment freely, and guarantee workers right to freedom of movement during the course of employment.

Reebok’s code also mandates that the firm maintain hiring and employment records to verify compliance with its prohibition on forced labor. The New Balance code emphasizes that workers may not be locked inside factory premises for any reason.

The prohibition against the use of forced labor was the subject of one of the first global human rights campaigns. The ILO passed the Forced Labor Convention (No. 29) in 1930, and augmented it several years later with the Abolition of Forced Labor Convention (No. 105) in 1957, both of which prohibit the use of any type of forced labor. Similarly, the UN Global Compact mandates the elimination of “all forms of compulsory labor” as does the newly passed UN Norms.

2.2.2 Child Labor

Among the “leadership” firms examined, there appears to be an emerging trend that the minimum age for child labor must be at least 15, or the age for completing compulsory education, whichever is greater. Although there is no discrepancy in the commitment of all the codes of conduct to eradicate the use of child labor, there are variances among codes, which set the minimum age for child labor at anywhere between 14 and 18. Although some of the firm and multi-party codes of conduct permit child labor at 14, if permitted under local law, many codes prohibit the employment of children younger than the minimum age established by law or younger than the age for completing compulsory schooling in the country of manufacture. Some also provide for an older minimum age for the handling of hazardous materials, which is more likely to occur in the production of footwear than of apparel.

Many codes also provide standards with regard to child labor in addition to guidelines regarding age, though there is a divergence among codes in terms of the remediation efforts that are offered to combat child labor, such as the provision of education and training programs.

WRAP provides one of the lowest age thresholds, requiring sourcing facilities to accept the stricter of the 14-year standard, the minimum age established by law, and the age for completing compulsory edu-

cation. Both SA8000 and ETI stipulate that the minimum age for employees is 15, or 14 if the country of manufacture allows, unless the local minimum age or the age for completion of mandatory schooling is older than 15. SA8000 calls for the establishment of procedures “for the promotion of education” for children and young workers, as well as protections for “children against workplace hazards.” ETI mandates providing “for transition of child laborers to educational programs until they are no longer children,” and that “children under 18 . . . not be employed at night or in hazardous conditions.” FLA defines child labor as the employment of any person under the age of 15, “or 14 where the law of the country of manufacture allows.”

Among firms, some accept a minimum age of 14 or the legally established minimum working age—whichever is higher. New Balance uses a minimum age of 16, or 15 if the domestic law in the country of manufacture allows for it. Timberland accepts the minimum age of 16 or the age for completion of compulsory education, whichever is higher. NIKE sets a minimum age of 16 for the production of apparel, and the minimum age of 18 for the production of footwear. It allows contractors who legally used 15 year-olds at the start of their production for NIKE, however, to continue to use such employees. Similarly, Pentland sets the minimum age at 18 for any nighttime or hazardous work conditions. Pou Yuen is unique in setting an across-the-board policy of not hiring anyone under the age of 18.

New Balance and Reebok require that official documentation verify each worker’s date of birth, or that if documentation is unavailable, that age be confirmed by a reliable assessment measure. Reebok augments this policy by requiring sourcing facilities to track all workers between the minimum working age and the age of 18. Pentland maintains procedures governing the remediation of child laborers found in violation of their standards — including the provision of adequate support to enable such children to attend and remain in school.

In terms of the strict limitations of age, the emerging trends in child labor conform to ILO Minimum Age Convention (No. 138) and the Worst Forms of Child Labor Convention (No. 182), in that minimum age is the greater of 15 (or 14 in certain countries), or the age for com-

pleting local compulsory education. The ILO provides for far more extensive protections for children than those mandated in most codes, however, such as protecting children from work that is hazardous or would “harm health.” Additionally, few firms comply with such recommendations as ILO Recommendation No. 146, which provides that for any child found performing labor, the firm must enable them to attend school, and will not hire them during school hours, although both ETI and SA8000 have similar provisions.

Virtually all codes comply with the spirit of the UN Global Compact (to “effectively abolish child labor”) or the UN Norms (to “respect the rights of children to be protected from economic exploitation”).

2.2.3 Wages, Benefits, and Terms of Employment

Because the level of compensation for minimum and overtime wages is dependent on the location of the country of manufacture, most firms and multi-party organizations maintain similar policies which allow for local laws to set monetary guidelines. Some codes also take industry practice into consideration as a factor in setting wages. All firm codes provide that minimum wage must be at least equal to the local minimum wage and most state that it should be the greater of local minimum wage or prevailing industry standard.

SA8000, FLA, and ETI require that minimum wages be at least the legal or industry minimum, and WRAP requires factories to provide no less than local minimum wages. SA8000 and ETI also stipulate that wages meet the basic needs of employees and provide discretionary income. On the issue of overtime, SA8000, ETI, and FLA all require that overtime be remunerated at a premium rate as legally required. While ETI, WRAP and FLA require legally mandated benefits, SA8000 is silent on the topic.

A series of benchmark criteria have emerged to determine whether factories are in compliance with compensation requirements, including whether workers have access to understandable information about their wages and benefits, and whether legally mandated benefits are paid in full and in a timely manner.

New Balance, NIKE, Pentland, Reebok, and Timberland all stipulate that wage deductions not be made for disciplinary purposes and that compensation be rendered either in cash or check through a clear accounting procedure. Timberland also proscribes pre-employment fees, deposits, and other practices that lower an employee’s pay below the legal minimum wage. New Balance, NIKE and Timberland maintain specific proscriptions against the use of “home work” and “false apprenticeship” schemes.

On the issue of overtime, there are discrepancies between codes regarding compensation. At a minimum, all overtime wages must be compensated “subject to domestic law” and “at least equal to regular hourly wages” though some codes commit to compensating overtime at the “industry standard,” or, at the most progressive end of the spectrum, at a “premium” rate. Adidas-Salomon, Pentland, Reebok, and Timberland require that overtime wages exceed hourly compensation if there is no premium rate legally required in the country of manufacture. NIKE, Pentland, Reebok, and Timberland stipulate that all overtime must be voluntary, and that employees must be informed at the time they are hired if mandatory overtime is a condition of employment. New Balance and Timberland codes provide that there be no penalties for declining overtime, workers must be paid annual leave and holidays as required by law, and wage statements include days worked, overtime, bonuses and deductions. The Worker Rights Consortium demands that in countries where overtime compensation is not covered by domestic law, it shall be covered at a rate at least one and a half times the regular hourly compensation.

Inasmuch as this “emerging” trend provides that minimum wage and benefits are to be at least the prevailing industry standard, it conforms with ILO Recommendation No. 116 on the Reduction of Hours of Work. One issue to highlight, however, is the distinction and potential discrepancy between the requirements of “minimum wages” and those of “livable wages.” In contrast to a “minimum” wage—which is tied to legal standards, “livable” wages ensure that wages not only meet at least national legal or industry benchmark standards, but that they are also sufficient to meet basic needs. The ICFTU defines such needs as

housing, energy, nutrition, clothing, health care, education, potable water, and childcare costs, as well as the provision of reasonable discretionary income. The WRC has a similar definition, but adds that a “living wage” is a “take home” or “net” wage, earned working a country’s legal maximum work week, that provides for the basic needs “of an average family unit of employees in the garment manufacturing employment sector of the country, divided by the average number of adult wage earners in the family unit of employees in the garment manufacturing employment sector of the country.”

2.2.4 Hours of Work

Virtually all peer industries and multi-party organizations cap the combined work and overtime hours at 60 hours per week and stipulate that employees must be given at least one day off in every seven. “Regular” working hours are almost always the lesser of 48 hours per week or domestic legal limits, and overtime is typically no more than 12 hours per week, and must be voluntary and not demanded on a regular bases. Most codes also provide for exceptions to work over 60 hours per week only in “extraordinary circumstances” (adidas-Salomon), though NIKE allows for hours in excess of 60 hours per week as long as they are voluntary.

There is little discrepancy among the code on the issue of overtime hours, though a few codes, like WRAP, require only that work and overtime hours be restricted to legal limits and that employees be given at least one day off in every seven. In contrast, SA8000, ETI, and FLA cap working hours at 48 hours per week or the legal limit, whichever is less, and that at least one day off be given in every seven. NIKE and Timberland stipulate that workers must be informed at the time of hire if mandatory overtime is a condition of employment. Pentland states that overtime must be voluntary and “not . . . on a regular basis.”

Many codes of conduct choose not to specify how the 48-hour or 60-hour work week is divided up, though a few elaborate on the standard and break it down into daily amounts. For instance, Reebok mandates that regular working hours, including overtime, be no more than

10 hours per day, whereas Pou Yuen and Timberland mandate that it be no more than 12 hours per day. Reebok also stipulates that working hours must include reasonable meal and rest breaks, and that a factory’s overtime schedule “should not significantly exceed that of other factories producing similar goods.”

All firms in this survey provided for at least one day off in every seven worked, though some codes require only that “reasonable” days off be permitted. Similarly, although none of the firms which consented to the use of their information did so, some codes of conduct set no specific number for hours worked, stating only that the hours of work are tied to domestic law and “local standards,” and stipulating that they must be “reasonable.”

The emerging trend of a 48-hour regular work week, with a cap of 60 hours per week including overtime, may meet some of the chief demands inherent in ILO Recommendation No. 116 on Reduction of Hours of Work, which states that hours of work should be at least the prevailing industry standard. The emerging trend in the codes of conduct, however, is still far from the much more comprehensive rights espoused in the ILO Recommendation.

2.2.5 Discrimination

The codes of conduct for virtually all firms and multi-party organizations give some non-discrimination guarantees. These guarantees vary, however, in coverage (e.g., whether solely for hiring and employment practices or also for such practices as advancement and retirement), and comprehensiveness (e.g., governing solely “core” personal characteristics such as age, race, and gender, or also including less traditional characteristics such as sexual orientation and political opinion).

Though WRAP provides only a very general guarantee that there be no discrimination on the basis of personal characteristics or beliefs, SA8000, ETI and the FLA provide that there be no discrimination with respect to hiring, compensation, advancement, termination or retirement. The codes of virtually all firms, including adidas-Salomon, New

Balance, NIKE, and Reebok, provide for non-discrimination in hiring and employment practices, and many of these firms define “employment practices” to include wages, benefits, training, advancement, and retirement.

In addition to proscribing discrimination on the basis of such “core” characteristics as gender, race, religion, age, disability, nationality, and social or ethnic origin, the various codes of conduct also give varying coverage to other basic personal characteristics or beliefs. For instance, FLA, SA8000 and ETI provide that there will be no discrimination with respect to sexual orientation or political affiliation, and Timberland prohibits discrimination on the basis of indigenous heritage, social status, and genetic features. With respect to the issue of pregnancy, the New Balance code prohibits any pre-employment or during-employment screening for pregnancy, NIKE prohibits discrimination based on maternity status, and Timberland prohibits discrimination regarding “capacity to bear children, or pregnancy.”

Some firms, not among those that consented to participation, provide only general safeguards, such as no “unlawful discrimination,” or that non-discrimination guarantees be “in conformance with local and national law.” These codes would appear to allow in forms of discrimination in other countries that would be prohibited in the United States.

There is no dearth of law proscribing racial and ethnic discrimination. Pursuant to the UDHR, “Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.” Many of these codes conform in some part to ILO Convention No. 111 on Discrimination in Employment and Occupation, in that the Convention also prohibits discrimination in access to employment, training, and working conditions on grounds of race color, gender, religion, national origin, social origin, or political opinions. The ILO standards, however, are significantly more extensive than any particular code of conduct, including the commitment expressed in ILO Convention No. 100,

Equal Remuneration, concerning equal pay for equal work, regardless of gender.

Many of the provisions match commitments in the UN Norms, which states that transnational corporations shall “ensure equality of opportunity and treatment, for the purpose of elimination discrimination based on race, color, sex, religion, political opinion, nationality, social origin, indigenous status, disability, age or other status of the individual unrelated to the individual’s ability to perform his/her job.”

2.2.6 Harassment, Abuse, and Disciplinary Action

Although the codes of virtually all of the firms and multi-party organizations prohibit employee abuse, many are not specific about the kind of behavior that they will not tolerate—such as sexually abusive or exploitative behavior. Instead, the codes offer general comments regarding the fundamental “dignity” of employees.

WRAP, SA8000, FLA, and ETI prohibit employee abuse, though SA8000 more specifically stipulates no “sexually coercive, abusive, or exploitative behavior,” and FLA provides that against “any physical, sexual, psychological or verbal harassment or abuse.”

Adidas-Salomon, New Balance, Pentland, Reebok and Timberland all offer comprehensive statements that explicitly prohibit physical, psychological, sexual or verbal harassment or abuse. NIKE simply states that “no harassment or abuse” is allowed. Firms are somewhat split on use of corporal punishment, with New Balance, Pentland, Reebok, and Timberland specifically banning any use of corporal punishment. Reebok’s code is particularly comprehensive, stipulating that in addition to no physical, sexual, psychological, or verbal harassment or abuse, there must be “no condoning, creating, or contributing to an intimidating, hostile, or offensive work environment.”

With regard to non-retaliation clauses, Timberland specifically provides that “employees must have the opportunity to notify us anonymously of any violations of standards at a workplace, and they must not receive retribution for this action.”

2.2.7 Freedom of Association and Collective Bargaining

The issues of freedom of association and collective bargaining are among the thorniest in codes of conduct, in large part because national laws differ dramatically regarding the protection of these guarantees. The People’s Republic of China, for example, in which many apparel industry members source product, does not allow for freedom of association or collective bargaining under its national laws.

Some codes of conduct reflect the inherent difficulty of enforcing these rights by stipulating that they are allowed to the extent possible under local law. As a result, many firm and multi-party codes refer generally to “recognizing and respecting lawful rights” of freedom of association and collective bargaining.

For instance, WRAP, SA8000, FLA, and ETI all “recognize and respect” lawful rights of freedom of association and collective bargaining. In addition, SA8000 and ETI state that where rights are restricted under law, the firm should facilitate a parallel means of organizing. Both organizations also seek to ensure that union representatives are not subject to discrimination and have access to members in the workplace.

Adidas-Salomon, NIKE, Pentland, Pou Yuen, Reebok, and Timberland all recognize and respect the right of workers to organize and join associations of their own choosing and to bargain collectively. Reebok maintains the most progressive policy regarding freedom of association and collective bargaining. In addition to recognizing these rights, the firm ensures that workers are represented on safety committees, problem-solving committees, and planning committees, and they are allowed to elect worker representatives. Reebok also mandates a system for resolving workplace disputes.

Where local law limits the right to freedom of association, adidas-Salomon, Pentland, and Timberland state that employers must not obstruct or interfere with alternative, parallel, and legal means for independent free association and collective bargaining. Some firms which did not give their consent to be used in this survey had no statements in their codes regarding freedom of association or collective bargaining rights.

Pursuant to the Universal Declaration of Human Rights, “Everyone has the right to freedom of peaceful assembly and association.” Art. 20(1), and “the right to form and join trade unions. . . .” Art. 23(4). ILO Convention No. 87, concerning Freedom of Association and the Right to Organize, establishes the right of all workers and employers to join organizations of their own choosing and lays down a series of guarantees for the free functioning of such organizations. ILO Convention No. 98 provides for the Right to Organize and Collective Bargaining. Though most codes of conduct do not begin to provide the rights inherent in the ILO Conventions with regard to freedom of association, the emerging trend is closer to fulfilling the mandate of the UN Global Compact, which provides that, “Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.”

2.2.8 Health and Safety Policies

Occupational safety and health issues are of increasing concern to both firms and multi-party organizations. Very few codes of conduct in the apparel and footwear industry, however, go beyond levels of generality to detail specific health or safety requirements for workplaces.

Most codes, including those of the FLA, WRAP, SA8000, and ETI, require “safe and healthy working environments.” SA8000 and ETI provide more specific health and safety guidelines than WRAP, by indicating that steps should be taken to prevent accidents and injury, regular health and safety training should be conducted for workers, access should be given to clean toilet facilities and potable water, sanitary food storage should be provided, and a senior manager should be responsible for health and safety. In conducting audits of member firms to determine compliance on health-related issues, the FLA provides a checklist of health and safety elements to look for during visual inspections, which includes: fire safety mechanisms, evacuation plans, fire extinguishers, electrical wiring, medical facilities and first aid kits, personal protective equipment, and guidelines for hazardous and combustible materials use, storage, and control.

All the firms reviewed, including adidas-Salomon, Gap, Levi's, Liz Claiborne, New Balance, NIKE, Pentland, Phillips-Van Heusen, Reebok, and Timberland, require a "safe and healthy working environment" in their codes of conduct. Some of these firms also list some health and safety practices that are specifically required, usually with respect to housing facilities, toilets, dining facilities, and occupational practices.

New Balance and Reebok have a particularly rigorous approach to health and safety issues. New Balance stipulates that a "safe and sanitary working environment using OSHA standards as a benchmark" be provided to "avoid preventable work-related accidents and injuries." Reebok similarly states that "quantitative requirements are based on common practice, regulatory requirements, consultation with local or regional occupational health experts, and the recommendations of public and private bodies and other national standard-setting bodies (e.g. OSHA in the U.S.)."

Pentland, Reebok, and Timberland codes provide that all personnel receive regular and recorded health and safety training; systems are established to detect and avoid potential threats to the health and safety of employees; and adequate steps are taken to prevent accidents and injury to health arising out of workplace hazards. Gap, Pentland, and Reebok also require that employers ensure reasonable access to potable water, fire safety, and adequate lighting and ventilation, in addition to sanitary facilities.

Though most corporate codes do not specifically reference international benchmarks, Timberland ties its health and safety requirements to "the recognized standards of the ILO and national laws". The key ILO standards include Convention No. 155 on Occupational Safety and Health and Recommendation No. 164, also on Occupational Safety and Health.

2.3 Findings Regarding Environmental Standards

In the apparel, footwear and light manufacturing sector, many of the non-corporate codes of conduct have no specifically articulated envi-

ronmental policies. The FLA, ETI, SA8000, WRAP, Clean Clothes Campaign, Worker Rights Consortium, ICFTU, and WFSGI have no specifically articulated policy, though they each provide general statements supporting a "safe and healthy working environment" and compliance with all applicable laws. The general policy statements with regard to environmental issues are provided for all codes in the first column of the environmental matrix.

Many of the corporate codes of conduct, however, have some statements specifically tailored to environmental issues, which were summarized on the matrix in the appropriate categories, as inspired by the GRI Guidelines. Some of these categories, such as those on "energy" or "water," are not particularly applicable to the apparel, footwear and light manufacturing industries. As a result, though the "international standard" for these categories was still included in the final row of the matrix, there was not enough information from the various codes to determine whether there were any emerging trends in these categories. In the following environmental areas, however, enough relevant information was gleaned from the codes reviewed to attempt to highlight key practices, as well as emerging trends in those categories.

2.3.1 General Policy Statement

The difference in this category between apparel and footwear firms and true "light manufacturing" firms that develop plastics and furnishings is quite significant. Apparel and footwear firms typically have no specifically articulated policy for environmental issues, and it is more commonly subsumed under the general "health and safety" stipulations. The plastics and furnishings firms, however, typically have very comprehensive and specific environmental policies.

For instance, the two firms with the most comprehensive environmental policies examined were IKEA and LEGO. The "IKEA Way Standard" lists minimum requirements for the environment and wooden merchandise, and provides very comprehensive statements regarding the reduction of emissions to air, discharges to ground and water, noise, hazardous and non-hazardous waste, and the use of natural resources. IKEA's broad statement strives to "minimize any possible damaging effects to the environment" and "reduce the environmental impacts of its operations."

Similarly in terms of its comprehensiveness, LEGO outlines “seven important environmental questions” to which it attaches “particularly great importance: plastics, semi-manufactured goods, packaging, printed materials, the logistics chain, recycling, and waste.” LEGO’s “fundamental principle” is that “we wish to assume a total view—from cradle to grave—in which we take all environmental aspects into account. We give a high priority to environmental considerations in our choice of materials and manufacturing processes. Environmental responsibility is a natural and integrated part of our value base.”

Among the footwear and apparel firms, Marks and Spencer has a very detailed environmental policy regarding suppliers, operations, and customers, and Levi Strauss has drafted and put in place a policy on “Environmental Philosophy and Guiding Principles.” Adidas-Salomon has a Guide to Environmental Practice “which covers such issues as building, energy, waste, water, and emissions. NIKE has worked with its Asian footwear contractors to implement management systems to allow them to achieve specific environmental, health and safety goals, beginning with its MESH (Management, Environment, Safety and Health) program. Timberland specifically “favors partners” who have an EMS that ensures compliance with environmental laws, increases energy efficiency and adopts clearer sources of energy, minimizes toxic and hazardous substances, reduces use of natural resources including raw materials and water, and takes responsibility for proper waste management by recycling all waste streams.

One clear trend apparent in all these codes is that many firms increasingly use and implement Environmental Management Systems. As the IFC states in its Handbook, EMSs such as ISO 14000 are seen as mechanisms for achieving improvements in environmental performance and for supporting the trade prospects of “clean” firms. Additionally, manufacturers almost uniformly mandate compliance with any applicable environmental regulations and laws, and also almost uniformly provide a safe and healthy working environment.

2.3.2 Materials

Although there is no specific measurement in the use of materials that is emerging as a trend, there is an evolving general philosophy to con-

duct business in a manner that utilizes natural resources efficiently and seeks to reduce the use of such resources.

Provisions in particular codes of conduct that support this are provided by H&M, IKEA, and Marks & Spencer. H&M’s code states that business should be conducted in a manner that utilizes natural resources as efficiently as possible. IKEA provides that a supplier can not utilize wood from “intact natural forests” or nationally or regionally recognized and geographically identified High Conservation Value Forests. Marks & Spencer’s code states that where there is the potential to improve significant environmental impacts, it will use raw materials only from known sources, and where the use of raw material is not sustainable (e.g., based on fossil fuels), it will support the development of innovative and more sustainable alternatives.

Though the IFC provides no specific policy in its Guidelines for the use of materials, non-hazardous materials are urged over the use of hazardous materials.

2.3.3 Emissions

As with the use of materials, although no specific standard is emerging with regard to actual emissions levels, there is now a generally pervasive philosophy to adopt pollution prevention measures, and to strive for improvements in the reduction of air emissions.

Particularly comprehensive policies were put forth in the codes of NIKE, Timberland, and adidas-Salomon. This is perhaps not surprising, since footwear manufacturers use hazardous chemicals more systematically than apparel manufacturers. NIKE prohibits the use of CFCs which “could contribute to the depletion of the ozone layer,” and instead it calculates an annual baseline emission of greenhouse gases and establishes goals for the reduction of such gases. Timberland has reduced Volatile Organic Compound (VOC) emissions by 100 tons a year every year since 1995, and its reduction in carbon dioxide emissions has led to improved energy efficiency. Adidas-Salomon also seeks to reduce VOCs in its footwear factories.

The World Bank and IFC Guidelines support “a number of efforts to help its client countries reduce emissions of greenhouse gases through

measures such as promoting energy efficiency and increasing the use of renewable energy.” Specific guidelines for the textile industry include a recommendation to reduce VOC emissions by implementing measures such as routing the extracted air a certain way.

2.3.4 Pollution Control and Hazardous Substances

There appears to be an emerging industry consensus within codes of conduct to encourage the adoption of pollution prevention measures and limit the use of hazardous substances, although few firms have established specific goals that would bind them to particular actions. An increasing number of firms restrict the use of specific substances, although these substances are typically very industry-specific (e.g., substances particularly used for dyeing clothing, or making plastics). There is a clear consensus among the codes that workers must be protected from hazardous and combustible materials through health, safety and environmental restrictions.

Examples abound within the codes of conduct of firms seeking to control their pollution and hazardous substances. In the plastics industry, LEGO states that printing must use non-toxic ink that is resistant to saliva and perspiration. In the footwear industry, Reebok has numerous specific requirements on the management of hazardous and combustible materials, including for its chemical management system, chemical storage, chemical use in production, disposal of chemical and hazardous waste, and controlling chemical exposure. Also in the footwear industry, NIKE has committed to phasing out PVC from its products. In the apparel industry, Marks & Spencer has stated that where potentially hazardous substances are used, it will set performance standards to carefully control their use, and where science or stakeholder concern demands it, the firm will phase out the use of particularly hazardous substances.

The World Bank and IFC Guidelines provide that whenever possible, non-hazardous materials should be used instead of hazardous ones. Several chemicals classified as ozone-depleting substances are scheduled for phase-out under the Montreal Protocol, including CFCs,

HCFCs and HBFCs. For textiles, in particular, the IFC Guidelines indicate that the use of pesticides and other chemicals “that are banned in OECD countries . . . is not acceptable.”

2.3.5 Waste Management

With respect to waste management, there is wide support for the general practice of “reduce, reuse and recycle” programs to limit waste, although few firms have established specific goals to implement or monitor such programs.

Firm practices of note in waste management include LEGO’s programs to recycle and re-use some of its forms of plastics. In 1998, the plastics waste which could not be re-used by the firm was less than 1% of LEGO’s total raw material consumption. LEGO factories also used specially designed moulds to generate minimum waste. Among footwear firms, Timberland has a preference for factories that reduce leather waste by reselling unused leather, as well as factories that manufacture smaller products by using scrap cuttings. In apparel manufacturing, Gap “encourages [its] employees and business partners to reduce waste, recycle and close the recycling loop by purchasing products that contain high percentages of post-consumer recycled material.”

World Bank and IFC Guidelines stipulate that project sponsors must recycle or reclaim materials (e.g., solid wastes generated in the course of operating the facility) where possible. If this is not practical, waste must be disposed of in an environmentally acceptable manner and in compliance with local laws and regulations.

2.3.6 Packaging and Transport

Packaging and transport initiatives are also particularly industry-specific, and lend themselves much more to plastics and footwear manufacturing than to apparel manufacturing. Among codes of conduct that address this issue, however, there appears to be an emerging trend toward limiting waste in the packaging of materials. There are no specific IFC or World Bank Guidelines regarding packaging and transport, independent of general waste management guidelines.

In the plastics industry, LEGO attaches “particular importance” to packaging, and stipulates that for it to be environmentally-friendly, packaging must use minimum resources in its manufacture, efficiently protect its contents to prevent waste, provide easy handling during storage and transit, and lend itself to efficient disposal, preferably

through recycling. Well over half of the cardboard packaging used by Danish and Swiss LEGO factories today is comprised of recycled materials. Similarly, in the footwear industry, Timberland provides that shoes now are transported in recycled boxes made from 100% post-consumer recycled products and printed vegetable-based inks.

Agribusiness Sector

3.1 Scope and Methodology

The second set of matrices was constructed for the codes of conduct of agribusiness firms, as well as other non-corporate actors in the agribusiness sector. Initially, firms were selected that had a particular nexus to Central America, and to El Salvador in particular. Though the scope of the project was expanded to include corporations without regard to the location of their geographic operations, the codes of conduct analyzed for these matrices were all from MNEs or non-corporate actors engaged in four different agribusiness products that have particularly strong ties to Central America: bananas, coffee, sugar, and cut flowers.

For the production of bananas, the corporate codes of conduct examined were from Chiquita Brands International, Inc., Dole Food Company, Inc., and Fresh Del Monte Produce, Inc., and the non-corporate codes were from the UK Banana Industry Code of Best Practice and the Better Banana Project (a joint operation of the Sustainable Agriculture Network and the Rainforest Alliance). For the production of coffee, the corporate codes of conduct examined were from Starbucks Coffee Company, Nestle S.A. (which produces the Hills Brothers, Taster's Choice, and Nescafe brands), The Procter & Gamble Company (which produces the Folgers brand), and McDonald's Corporation (one of the largest distributors of coffee in the U.S.), in addition to the non-corporate codes developed by the Fairtrade Labelling Organisation (FLO) (entitled "Fair Trade Standards for Hired Labor") and the Rainforest Alliance (entitled "Generic Coffee Standards"). Consent was received to publish summaries of all these codes of conduct.

For the cut flower and sugar industries, it was more difficult to find major multinational corporate codes of conduct, since most of the firms in those industries are small, local firms without codes of conduct. In fact, for the cut flower industry, no satisfactory corporate code of conduct was ever identified, and instead the codes of three non-corporate entities were summarized: the Flower Label Program (FLP), Florverde, and the International Code of Conduct for Production of Cut-Flowers. Likewise, research revealed that though there are a number of sugar mills active in El Salvador, most of the sugar industry there is almost exclusively owned by local firms. Therefore, only one corporate code of conduct was summarized in the sugar industry, for Tate & Lyle p.l.c., and one non-corporate code, produced by the members of European Sugar Manufacturers' Committee (or CEFS, for the Comité Européen des Fabricants de Sucre) and European Federation of Trade Unions in the Food, Agriculture and Tourism Trade Unions (EFFAT), entitled "Corporate Social Responsibility in the European Sugar Industry." Consent was received to publish summaries of all these codes of conduct, with the exception of Florverde, which is Colombia's national social and environmental program for its flower sector, and which has no specific labor or human rights provisions.

As with the codes of conduct in the apparel, footwear, and light manufacturing industry, each of the agribusiness codes of conduct was analyzed, and summaries of key provisions of the codes were entered into two matrices—one devoted to human rights and labor rights issues, and the other devoted to environmental standards. The human rights and labor rights matrix has separate categories to assess policies on forced labor, child labor, wages and benefits, hours of work,

discrimination, harassment and abuse, freedom of association and collective bargaining, and health and safety mechanisms. Additionally, an introductory category provides the code's "general policy statement" on CSR issues, and the final category is devoted to monitoring and compliance frameworks. The final row on the human rights and labor rights matrix is a comparison to international standards, which includes specific references to key ILO Conventions and Recommendations, as well as other relevant passages from international treaties and agreements, including the UDHR, the UN Global Compact, and the UN Norms.

For the environmental analysis, the matrix was again broken into categories modeled on the categories in the GRI's Sustainability Reporting Guidelines. Thus, separate categories have been provided which include summaries from the codes regarding the following topics: materials, energy, water, emissions, agrichemicals, waste, ecosystem/biodiversity, soil/erosion control, and monitoring and compliance frameworks. In a complement to the material provided in the human rights and labor matrix, a preliminary category has also been provided to detail the code's "general policy statement" on environmental issues, as well as any statement it may have regarding EMS.

As was the case in the environmental matrix for the light manufacturing industry, because of the relative lack of an international "standard" for environmental issues, comparable to the role played by the ILO Conventions and Recommendations for labor standards, the standards from the IFC/World Bank "Pollution Prevention and Abatement Handbook" have been provided in the final row of the environmental matrix. When there are guidelines for a specific agricultural product, such as the Handbook's Guidelines on Sugar Manufacturing, these have been included as a separate row on the matrix. However, in an effort to be more generally applicable, environmental standards that might be applied to any agribusiness product have also been distilled and provided in the final row of the matrix. The difficulty in this exercise, however, is that many environmental guidelines are applicable only at the domestic level rather than the international one, such as suggested regulations for wildlife conservation and soil conservation; thus, it is quite difficult to try to determine an "international consensus" for most of the environmental standards.

3.2 Findings Regarding Human Rights and Labor Rights

3.2.1 Forced Labor

As with the codes of conduct in the apparel, footwear and light manufacturing industries, perhaps the greatest point of conformity on every code of conduct examined is the prohibition against the use of forced labor. Virtually every code of conduct explicitly prohibits its use, including Chiquita, Procter & Gamble, McDonald's, the Rainforest Alliance's Generic Coffee Standards, the International Code of Conduct for Production of Cut Flowers, the Flower Label Program, and the code for CSR in the European Sugar Industry. Tate & Lyle "recognizes fundamental human rights" and Starbucks "does not condone" forced labor of any type.

Only Dole, Del Monte, the UK Banana Industry Code, the Better Banana Project, and Tate & Lyle have no specific statement about the use of forced labor. Dole does comply, however, "with all applicable laws and regulations," in its business practices, and Del Monte, which is a signatory of the UK Banana Industry Code, subscribes to a general statement of improving "working conditions" in those countries in which it is active. The Better Banana Project also provides that it is in compliance with ILO Conventions, which means that the Forced Labor Convention (No. 29) and the Abolition of Forced Labor Convention (No. 105) are both applicable to its practices. Both, of course, prohibit the use of any type of forced labor.

As in the apparel and footwear codes of conduct, the policies vary with respect to how they define forced labor, with references to "prison" (Chiquita, Flower Label Program), "indentured servitude" (McDonald's), "bonded" or "involuntary" (International Code of Conduct for Production of Cut Flowers) labor. Many codes of conduct include several of these references in their policies, however, in an effort to have comprehensive proscriptions.

Chiquita appears to be unique among the agribusiness firms in stipulating that workers not be required to lodge "deposits" or other identity papers with employers, as Pentland and several of the apparel firms similarly provide.

3.2.2 Child Labor

Due to the differences in the industries and the differing demands of workers, there is a similar but slightly different emerging standard regarding child labor in the agribusiness industry, compared to that in the apparel and footwear sector. Although virtually all of the codes condemn the use of child labor, they define the acceptable age anywhere between 14 and 18 years of age.

Perhaps more importantly, given the hazardous chemicals that agribusiness workers use, a few firms have set a higher age threshold for workers exposed to such hazardous conditions. This is occasionally the case for firms in the footwear industry (which subjects workers to greater exposure to hazardous chemicals than does the apparel sector), but it is less widely done than within the agribusiness sector.

On the less specific end of the spectrum is Dole, which observes all applicable laws and regulations, but has no specific statement about child labor, other than it does not knowingly purchase products from commercial producers who violate applicable child labor laws. Procter & Gamble provides for “no child labor” in any of its global operations or facilities. Tate & Lyle “recognizes fundamental human rights and freedoms and strives to reflect these in its businesses.”

Del Monte, and the UK Banana Industry Code, to which Del Monte is a signatory, set the minimum age at 15. McDonald’s provides for the greater of 15 (or 14 if domestic law allows it), or the legal minimum age. McDonald’s also specifies that minors between the ages of 14 and 16 may only be employed during periods of time when they are not required by law to attend school.

Starbucks’ policy provides that “children should not be unlawfully employed as laborers,” and that farm owners abide by local laws. Starbucks also sells Fair Trade Certified coffee, which has been certified by a licensing organization under the Fairtrade Labelling Organization, and in accordance with their standards. The FLO establishes a minimum age of 15 for most work, but a higher age of 18 for work “likely to jeopardize the health, safety or morals of young people.”

In a recognition of the role that ILO standards play in setting the international standard, many codes tie their conduct to the enforcement of ILO standards. For child labor, this means applying ILO Convention 138, which provides for a minimum age of 15, or 14 in certain insufficiently developed countries, or the minimum age for completion of compulsory education. Convention 138 also stipulates that the minimum age should be 18 for “physically or morally hazardous” work.

For instance, the Better Banana Project sets a minimum age of 14, but complies with relevant ILO Conventions. Nestlé stipulates that there is to be “no form of exploitation of children,” and no employment of children before they complete their compulsory education, but it also specifically complies with ILO Convention 138. The “Generic Coffee Standards” developed by the Rainforest Alliance provide that national child labor laws for agriculture be enforced, but also states that the policies must comply with applicable ILO Conventions, as well as other international instruments. The European Sugar Manufacturers’ Committee also specifically cites its adherence to ILO Convention 138 with regard to minimum age.

Similarly, both the International Code of Conduct for the Production of Cut-Flowers and the Flower Label Program provide for a minimum age the greater of 15 or compulsory school-leaving age, but also the observance of “core ILO standards” and “the universal human rights standards.” Both codes also provide that children under 18 shall not work in hazardous conditions.

Perhaps the most stringent code for child labor is that of Chiquita, which sets a flat minimum hiring age of 18 for all of its banana divisions. Chiquita’s 2001 CSR Report explains that its assessors noted in 2000 and 2001 that 16- and 17-year olds were exceeding the maximum allowable working hours, in violation of the SA8000 standard, and to avoid such problems in the future, the Guatemala division raised its minimum age to 18. Later, after finding that the Guatemala and Honduras divisions had not implemented effective systems to prevent independent suppliers from using child labor, Chiquita met with its suppliers and raised the minimum age for all of its banana divisions to 18, exceeding the minimum age required by the SA8000 standard.

Additionally, Chiquita maintains procedures for remediation of any child laborers identified, including providing adequate support to enable such children to attend and remain in school. In a similar vein, the International Code of Conduct for Production of Cut-Flowers and the Flower Label Program provide that adequate transitional economic assistance and appropriate educational opportunities shall be provided to any replaced child workers.

3.2.3 Wages, Benefits, and Terms of Employment

As with the codes of conduct in the apparel, footwear and light manufacturing sectors, because the level of compensation for minimum and overtime wages is dependent on the country of manufacture, most firms and non-corporate entities maintain similar policies which allow for local laws to set monetary guidelines. Some codes also take industry practice into consideration as a factor in setting wages. All firm codes provide that minimum wage must be at least equal to the local minimum wage and most state that it should be the greater of local minimum wage or prevailing industry standard.

Many of the codes recognize the discrepancy between minimum wages and “living wages” and seek to make special reference to the need for livable wages. Dole will pay “wages and benefits that are competitive within the industry and allow workers and their families to have a good standard of living within the society where the workers live.” Starbucks and the Flower Labor Programme state that their “wage and benefit levels should address the basic needs of workers and their families,” and Starbucks specifically provides that part-time workers who work at least 240 hours per quarter receive a benefits package.

Nestlé and Procter & Gamble benchmark their wages against other firms, and pay its employees a “competitive wage” compared to those offered by other leading firms. Similarly, Tate & Lyle commits itself to implementing human resource policies that “compare with those of other reputable employers in the country and industry concerned, while complying with or exceeding local laws and regulations, including any minimum wage requirements.”

With regard to overtime, McDonald’s states that it must be “appropriately compensated as required by applicable national and local laws,” but that if there is no legal standard for overtime premiums, then it must be at least equal to regular hourly rates. The Flower Label Program and the International Code of Conduct for Production of Cut-Flowers provides that overtime is voluntary, and must be compensated at “a premium rate.”

The Fair Trade Standards, developed by the Fairtrade Labelling Organisation, provide that salaries should be in line with or exceed regional average and official minimum wages for similar occupations, but that they are gradually increased to levels above the regional average and official minimum. The Fair Trade Standards also seek to progressively diminish the wage differences and employment conditions among casual, seasonal and permanent workers. This references the differing labor needs of the agribusiness sector, unlike the more seasonally-constant work in the apparel, footwear and light manufacturing industry. Starbucks, which sells Fair Trade Certified coffee, provides that coffee farms should “conform to local laws and applicable international conventions related to workers’ rights and benefits, and are in a process of continual improvement over time.”

The seasonal nature and needs of agribusiness are also reflected in the code of the Flower Label Program, which provides that workers that are not seasonal or temporary shall have permanent contracts, and provisions for non-permanent or seasonal workers should not be less favorable than for permanent workers.

Uniquely, Chiquita stipulates that wage deductions not be made for disciplinary purposes and that compensation be rendered either in cash or check through a clear accounting procedure. It also maintains specific proscriptions against the use of labor-only contracting arrangements and “false apprenticeship” schemes.

The most applicable ILO standards regarding the issues of minimum wage and benefits are Convention No. 100 on Equal Remuneration, Convention No. 131 on Minimum Wage Fixing, and Recommendation No. 116 regarding Reduction of Hours of Work. The European

Sugar Manufacturers' Committee referenced some of the key international standards in its provision that if no agreement or pay scale exists for minimum wage, then such wages should be enough to ensure that workers and their families have a decent standard of living as "defined by the Universal Declaration of Human Rights and the ILO Tripartite Declaration."

3.2.4 Hours of Work

As in the apparel and footwear industry, the emerging trend among codes in the agribusiness sector is to cap the combined work and overtime hours at 60 hours per week and stipulate that employees must be given at least one day off in every seven. Many codes in the agribusiness sector also make an explicit reference to the unique time demands of agribusiness firms.

Chiquita, for instance, provides for the lesser of a 60 hour week (broken down into 48 hours per week of regular hours and 12 hours per week of overtime), or the domestic legal limits for regular and overtime hours. It also guarantees at least one day off in seven. Due to "the seasonal and perishable nature of the food products it produces," Chiquita also "requires all of its salaried workers and hourly employees to work overtime hours as required to staff its production facilities during its seasonal peaks." This requirement is a condition of employment, and Chiquita will "develop and maintain systems to ensure that all employees knowingly and voluntarily undertake this commitment at the time of hiring."

Most codes provide that the firms are not this specific and, as in the case of Dole, Nestlé, and Procter & Gamble, will comply with the applicable laws and regulations where they operate. The UK Banana Industry Code and the Flower Label Program provide that normal working hours must not exceed the lesser of local legal limits or 48 hours per week, and overtime must be voluntary. McDonald's stipulates that regular working hours, including overtime, are the lesser of 60 hours per week or domestic legal limits, but it does not seek to separate out overtime hours. The Better Banana Project similarly provides for a maximum of eight hours per day, but caps the total hours per week worked at 42 if laborers are between the ages of 15–18.

Although virtually every code provides that employees must have at least one day off in every seven, the Flower Label Program also gives holiday rules.

The first ILO Convention addresses Hours of Work, and stipulates that maximum regular working hours should be eight hours per day and 48 hours per week. An exception is made, however, of 56 hours per week for processing that needs continuous successive shifts. Convention No. 1 also stipulates that overtime pay should be at least one and a quarter times the regular rate. Subsequent applicable ILO Conventions regarding hours of work include Conventions No. 47 (Forty Hour Work Week), No. 147 (Night Work), and No. 175 (Part-Time Work).

3.2.5 Discrimination

As with codes of conduct in the apparel and footwear industries, the agribusiness codes of conduct for virtually all firms and non-corporate entities provide some non-discrimination guarantees. These guarantees vary, however, in coverage (e.g., whether solely for hiring and employment practices or also for such practices as advancement and retirement), and comprehensiveness (e.g., governing solely "core" personal characteristics such as age, race, and gender, or also including less traditional characteristics such as sexual orientation and political opinion).

Chiquita's anti-discrimination code is particularly progressive and comprehensive, and includes protections for such personal characteristics or beliefs as caste, union membership, veteran status, sexual orientation or "age of older employees" in addition to the more "typical" protections for race, national origin, gender, and religion. Starbucks also "embraces diversity as one of [its] core values," and, since 1996, has "engaged in supplier diversity efforts." Additionally, diversity training courses are offered (which are mandatory for managers and senior executives), and benefits are offered to domestic partners.

Most codes, including those of the Better Banana Project, Nestlé, Procter & Gamble, McDonald's, the Flower Label Program, and Tate & Lyle, forbid discrimination based on such "core" factors as race, gender, religion, or national origin and, frequently, any other "applic-

able prohibited basis.” McDonald’s, however, specifies that non-discrimination guarantees be “in conformance with local and national law,” which would appear to permit forms of discrimination in other countries that would be prohibited in the United States. Dole states merely that it “practices non-discriminatory policies” and is an “equal opportunity employer.”

Several codes also single out gender-related issues for comment. For instance, the European Sugar Manufacturers’ Committee seeks to “guarantee and promote equal opportunities and equal treatment” for men and women, and the Flower Label Program prohibits pregnancy tests as a base of staff recruitment.

Chiquita, Nestlé, and McDonald’s make clear that discrimination is prohibited in a range of hiring and employment processes, including compensation, training, promotion, and termination.

Although the principal international standard with regard to discrimination is ILO Convention No. 111 on Discrimination, the Fairtrade Labelling Organisation is one of the very few codes, in its “Fair Trade Standards for Hired Labor,” that specifically references this standard.

3.2.6 Harassment, Abuse, and Disciplinary Action

There is no emerging “trend” with regard to harassment, abuse, or disciplinary action in the agribusiness codes of conduct because far fewer codes in this representative sample have specific references to these issues compared to the codes in the apparel and footwear sector. There are also few international standards with regard to the issues of harassment, abuse, and disciplinary action.

Chiquita is one of the few firms that has a specific statement in its code forbidding mental or physical coercion, as well as the use of corporal punishment or verbal abuse. McDonald’s provides that there will be no physical punishment or confinement, threats of violence, or other forms of physical, sexual, psychological or verbal harassment or abuse as a method of discipline or control. The International Code of Conduct for the Production of Cut-Flowers, and the code of the Flower Label Program, state that “physical harassment or psychological oppression, particularly of women, must not be tolerated.”

Starbucks has a more general statement that “each human should be accorded the opportunity to meet his/her basic needs,” and Nestlé ensures that its firms are “not complicit in human rights abuses.”

3.2.7 Freedom of Association and Collective Bargaining

As noted previously, the issues of freedom of association and collective bargaining are among the most difficult in codes of conduct, in large part because national laws differ dramatically regarding the protection of these guarantees. Many codes of conduct reflect the inherent difficulty of enforcing these rights by stipulating that they are allowed to the extent possible under local law. As a result, the codes of many firm and non-corporate entities refer generally to “recognizing and respecting lawful rights” of freedom of association and collective bargaining.

Some of the codes in the agribusiness sector, however, appear to give more definitive rights with regard to freedom of association and collective bargaining than the equivalent codes in the apparel and footwear industries. Dole “respects the freedom of workers to join” a union of his or her choice, or to “refrain from such membership;” Starbucks provides that “people have the right to freely associate with whichever organizations or individuals they choose;” Nestlé upholds freedom of association and the effective recognition of the right to collective bargaining; and Chiquita recognizes and respects the right of workers to organize and join associations of their own choosing, as well as the corollary right of employees to refrain from such activities.

As might be expected, many of the codes of the non-corporate entities provide more specific statements on freedom of association than merely recognizing the rights of collective bargaining. For instance, the International Code of Conduct for the Production of Cut-Flowers provides that workers’ representatives shall not be subject to discrimination and shall have access to all workplaces, and that workers and their organizations must be consulted, trained and allowed to investigate safety issues. The European Sugar Manufacturers’ Committee similarly recognizes the right for worker representatives to gain entry to facilities in order to carry out their functions promptly, and it also

confirms that exercising these rights will not cause any person or professional damage to the workers and their representatives.

The Better Banana Project and the Rainforest Alliance’s “Generic Coffee Standards” provide that workers must have the right to organize and negotiate freely with their superiors, and that the firm must also inform employees about planned farm management or organizational changes and associated social, environmental, and economic impacts. Procter & Gamble, McDonald’s, and Tate & Lyle have no stated policy on freedom of association and collective bargaining.

As stated in the previous section with regard to freedom of association, most codes of conduct only minimally comply with the main ILO Conventions on the subject, namely Convention No. 87, on the Freedom of Association and the Right to Organize, and No. 98, on the Right to Organize and Collective Bargaining, which provide for far greater and more comprehensive rights on this subject.

3.2.8 Health and Safety Policies

Occupational safety and health issues are of concern to both corporate and non-corporate entities. Increasingly, codes of conduct go beyond levels of generality to detail specific health or safety requirements for workplaces. Many major firms, like Chiquita, McDonald’s, Nestlé, Procter & Gamble, and Starbucks generally require a “safe and healthy working environment” free from “hazardous conditions” in their codes of conduct, but they also increasingly provide more detailed health and safety standards.

For instance, with respect to the production of bananas, Chiquita requires workers to wear protective clothing and an activated carbon mask when applying chlorpyrifos-infused bags to the banana fruit, and workers applying the bags must undergo routine blood tests to evaluate exposure. All workers must shower before going home and leave their clothing at the farms, and all personnel must receive regular health and safety training. Dole also requires the use of personal protective clothing, performs periodic medical tests on workers who use crop protection products, and trains workers regarding the safe application of such products. Del Monte, a signatory to the UK Banana In-

dustry Code, ensures that employees have safe working conditions by providing equipment and facilities to protect personnel, as well as training programs on the protection of workers and handling of agricultural chemicals. The non-corporate codes in the banana industry—the Better Banana Project and the UK Banana Industry Code of Best Practice—similarly provide that workers have special safety equipment and regular check-ups to constantly monitor the potential hazardous effects of the chemicals used in the industry.

The Fairtrade Labelling Organisation, which has standards that apply to both bananas and coffee, follows ILO Convention No. 155. The Organisation’s Fair Trade Standards for Hired Labor provide that regular risk assessments are conducted, adequate training and equipment is provided to employees who work with hazardous chemicals, and those younger than 18 do not work with hazardous materials. For bananas, the Standards stipulate that workers are not allowed to bring clothes or protective equipment used for spraying to their homes, and that those persons in charge of washing clothes and protective equipment use gloves and boots.

Among coffee-producing firms, McDonald’s and Starbucks require that employers ensure reasonable access to potable water, adequate lighting and ventilation, sanitary facilities and, if it is provided, housing. Starbucks stipulates that working conditions should “meet or exceed” applicable regulations related to the health and safety of workers, and Procter & Gamble states that “compliance with the law” is the highest priority for the firm’s health, safety, and environment programs.

In the cut-flower industry, the International Code of Conduct for Cut-Flowers states that firms must similarly comply with internationally recognized health and safety standards, provide free and appropriate protective clothing and equipment, and supply drinking water, clean toilets, and shower and washing facilities. Highly toxic or carcinogenic pesticides or chemicals are banned, pesticide and fertilizer use is to be recorded and reduced, and the spraying, handling, and storing pesticides and chemicals is to be done by specially trained people with suitable equipment. The Flower Label Program maintains that firms

must comply with all the health and safety standards of the International Code, as well as a number of other specific provisions calibrated to the use of pesticides. These include provisions that spray operators not be allowed to spray for more than four hours per week, post-harvest treatment of flowers only be permitted with non-toxic chemicals, and spray equipment be properly calibrated for application of pesticides.

Within the sugar sector, the health and safety provisions of the codes in this survey were relatively general. Tate & Lyle provides only that it is committed to providing safe and healthy conditions for its employees and visitors, and continuous improvement of its health and safety procedures. The code of the European Sugar Manufacturers' Committee provides for the implementation of specific training programs, safety procedures, and policies tailored to the sugar industry, taking into account the specific hazards linked to the manufacturing process.

3.3 Findings Regarding Environmental Standards

As occurred with the environmental standards included in the apparel, footwear, and light manufacturing codes of conduct, the agribusiness codes of conduct are also specifically tailored to the particular industry. Thus, there are differing emerging environmental standards among the four agribusinesses examined.

3.3.1 General Environmental Policy Statements

There is an emerging trend among the codes of conduct analyzed that for those firms with an EMS, the system should at least allow the firm to incorporate environmental matters into its business decisions. Virtually all codes also state in their environmental policies their intention to comply with all relevant and applicable laws and regulations.

Among the corporate codes of conduct, Chiquita requires each business unit to have an EMS in place to properly identify priorities, Dole ensures that its EMS programs conform with developing international standards, and Del Monte monitors environmental performance and

integrates environmental considerations into business decisions and planning activities.

In the coffee industry, Starbucks has an environmental affairs team which seeks to develop environmentally responsible policies and procedures, and Nestlé has an EMS developed to efficiently manage the environmental aspects of its activities, including achieving compatibility with international voluntary standards such as IS 14001. Procter & Gamble has an Environmental Quality Policy, and operating standards, programs and resources in place to implement it. McDonald's goal for 2002 was to develop an EMS that would work in every country in which it operates.

The Flower Label Program provides that a firm must develop a program for conserving the environment and sustainable use of natural resources, and prevent pollution of soil, water, and air wherever possible. Tate & Lyle requires each operating unit to "assess its particular environmental impacts and develop an improvement program based on identified areas of priority" and that each unit have an EMS.

The IFC Guidelines state that "EMSs such as ISO 14000 are seen as mechanisms for achieving improvements in environmental performance and for supporting the trade prospects of 'clean' firms."

3.3.2 Energy

Most of the codes of conduct for firms, particularly those engaged in the bananas and cut flowers industries, do not address energy issues specifically. The coffee industry does, however, and the trend within the coffee-related codes of conduct is to aim to reduce, or at least monitor, their energy consumption. For instance, Procter & Gamble and Nestlé optimize their shipments in order to reduce energy use and limit environmental effects. Tate & Lyle recognizes its impact on energy use, and has set a target of reducing group energy consumption per unit of production by 3% per year.

The IFC Guidelines provide that where feasible, firms should choose energy-efficient and environmentally sound processes. The IFC also states that with respect to sugar manufacturing particularly, waste

should be collected for use in other industries—such as cogeneration systems for large sugar mills which can generate electricity for sale.

3.3.3 Water

For the firms that had specific policies about the use of water, the overall trend was to seek ways to reduce consumption and/or contamination or, at a minimum, track water use.

With regard to bananas, both the Better Banana Project and the Fair-trade Labelling Organisation provide for the establishment of buffer zones along water bodies to control sedimentation and contamination, but prohibit altering the natural hydrology of the waterways. Chiquita is exploring ways to reduce the amount of water during the washing process in packing stations, and Dole is developing wastewater treatment options for packing operations.

Regarding the production of coffee, Nestlé provides that fresh water use be reduced as much as possible and wherever feasible, and McDonald's has organized a Global Water Team to better coordinate policies about water treatment and use. As in banana production, the Rainforest Alliance's Generic Coffee Standards seek to establish buffer zones along water bodies and prohibit the altering of natural hydrology.

The Flower Label Program's code has provisions for recording and documenting the consumption of water, with special measures to be taken to protect drinking water and ground water sources. A water management system for the supply of irrigation water is to be used to minimize water consumption and conserve ground and surface waters. In the sugar industry, Tate & Lyle has set a target of reducing water use per unit of production on an annual basis.

The IFC and World Bank Guidelines specify that when using water, processed wastewater, domestic sewage, and contaminated stormwater must meet certain guidelines.

3.3.4 Emissions, Effluents and Waste

Since there is considerable overlap between these three categories, as demonstrated in part by the fact that the GRI refers to them as a single

subject, the narratives for these three categories will be provided together.

The emerging “trend” with regard to emissions is to seek ways to reduce the contribution to climate change, as well as other air emissions, although this is not applicable to the banana industry. Coffee codes of conduct have sought to do this: Starbucks, Nestlé, and Procter & Gamble all state that they aim to reduce their air emissions by reducing their energy consumption. Tate & Lyle stipulates that emissions are reported locally as required by local and national regulations. The IFC Guidelines state that pollution control systems may be required to meet specified emissions limits.

There is no emerging trend with regard to the use of agrichemicals, since the codes are so variable on this topic. Some firms have detailed standards, but even for those that do not, codes at a minimum strive to limit the use of agrichemicals, and train workers that handle them. Chiquita and Dole use groundcover to reduce the need to use herbicides, and the Better Banana Project suggests that farms limit the use of agrichemicals to benefit workers, local communities, soil quality, water resources, and natural ecosystems.

Among the coffee industries, Starbucks offers rewards to farmers who minimize or eliminate agrichemical inputs, and Nestlé has an integrated pest management system using “environmentally compatible techniques for controlling pests at levels below those that cause economically unacceptable damage or loss.” The Rainforest Alliance similarly employs integrated pest management techniques but, more importantly, requires pesticides to be registered for use on crops and approved by the EPA and other national agencies. In the flower industry, the Cut-Flower code and the Flower Label Program code state that firms shall record and reduce pesticide and fertilizer use. The IFC provides a series of guidelines regarding agrichemicals, including one guideline that all hazardous materials be stored indoors. It also notes that several chemicals classified as ozone-depleting substances are scheduled for phase-out under the Montreal Protocol.

Lastly, with regard to waste, the emerging trend among codes of conduct is that firms should strive to recycle whenever possible and dis-

pose of materials with the most minimal environmental impact possible. In the banana sector, Del Monte has implemented recycling mechanisms for the plastic bags used to protect the fruit stalks, and the FLO requires firms to return unused agrichemicals and other reusable materials to suppliers.

Among coffee firms, Starbucks' waste reduction tactics include store recycling and use of commuter mugs in place of paper. In addition, it offers coffee grounds as compost. Nestlé promotes integrated waste management, including packaging source reduction, reuse, recycling, and energy recovery. McDonald's has implemented waste management, energy efficiency, and litter control programs, and uses recycled materials.

The Flower Label Program ensures that waste and pollution reduction be given high priority. Tate & Lyle recognizes that it has a significant impact on non-hazardous solid waste production and has set a target of reducing solid waste production per unit of production every year.

The IFC Guidelines provide that project sponsors must recycle or reclaim materials where possible and, if not practical, wastes must be disposed of in an environmentally acceptable manner.

3.3.5 Biodiversity

Biodiversity issues—whether “Ecosystem/Biodiversity” or “Soil/Erosion Control”, as categorized in the matrices—only arise sporadically in the agribusiness codes of conduct. For those codes that address ecosystems, firms at a minimum attempt to maintain existing ecosystems and protect biodiversity. Some codes, however, go further, and seek affirmative efforts to improve the ecosystem. With regard to soil erosion, those codes that grapple with the issue seek to prevent it.

Among banana firms, Del Monte reforests areas along major riverbanks, Chiquita plants groundcover to protect against soil erosion, and Dole preserves and protects rainforest resources and provides training for communities on reforestation. The UK Banana Industry Code states that virgin forests must not be exploited to establish new banana plantations and production must be designed to maintain soil fertility.

FLO provides for a number of specific mechanisms to conserve and improve soil structure to sustain long term productivity, including that within three months, no banana should grow on slopes of more than 60 degrees and cover crops should be planted for bananas growing on slopes between 30 and 60 degrees.

Starbucks rewards farmers whose coffee growing and processing systems contribute to conservation of soil, water, and biological diversity. Nestlé promotes contour planning as a good solution for reducing erosion when planting in hilly locations. The Rainforest Alliance's Generic Coffee Standards provide that agriculture must be located on lands suitable for the proposed crop and conservation plans must be implemented to minimize erosion.

The Flower Label Program states that trees and bushes should be planted at a farm's boundaries to protect the surroundings and constructed wetlands should be established to protect the soil and water resources.

The IFC Handbook has no stated policies for issues specific to biodiversity, since virtually all legal rules and regulations that pertain to wildlife conservation are formulated at the domestic, rather than at the international, level.

Tourism Sector

4.1 Scope and Methodology

Of all the industry sectors examined in this project, the tourism industry was the least “developed” both in terms of CSR initiatives and codes of conduct. Very few codes of conduct were identified akin to those used in the light manufacturing and textiles industry, the agribusiness sector, or the “principles” used in lieu of codes of conduct in the extractive industries. Although some firms have carved out a specific niche in providing tourism services with a focus on environmental conservation, and other MNEs have put in place specific practices and programs which are socially or environmentally responsible, the use of codes of conduct is far from widespread in the tourism sector.

Since the tourism sector appears to be only in the beginning stages of developing operating principles and “formal” codes of conduct, matrices could not be constructed for this sector that identified core policies for human rights, labor rights, environmental standards, and social impacts, as was done for the other industry sectors. It was also therefore impossible to ascertain any “emerging trends” or to compare such trends with international standards.

By and large, the tourism industry appears to be virtually unmonitored with regard to CSR initiatives, and claims of eco-friendly practices, while perhaps legitimate, appear to be more marketing schemes than actual policies. For instance, many tour operators market themselves as providers of eco-tourism and/or sustainable tourism, without any agreement or definition as to what these terms actually mean (e.g., responsibletravel.com or Adventure Life marketed themselves as spe-

cialists in eco-tourism, but did not appear to have any actual codes of conduct).

As a result, many CSR initiatives in the tourism industry tend to be informal when they exist at all, such as small tour operators with published descriptions of their efforts to protect the local ecology, though without any formal codes. Some major MNEs, however, publicize their key practices in such areas as human rights, labor rights, and environmental standards, despite not having formal codes.

Initially, this project sought to identify and summarize the codes of conduct of roughly ten MNEs in the tourism-related sector, with a particular nexus to Central America. When that proved impossible, the search was broadened beyond that regional area, and five specific firms with significant international scope were identified, all of which are in the forefront of CSR initiatives in the tourism sector. These firms are: British Airways p.l.c., the Hilton Group p.l.c. (“brands” include Hilton, Scandic, Livingwell, Conrad and Ladbroke’s), InterContinental Hotels Group p.l.c. (“brands” include InterContinental Hotels, Crowne Plaza, and Holiday Inn, and Britvic Soft Drinks), Lindblad Expeditions, Inc., and Royal Caribbean Cruises Ltd.

In the realm of non-corporate CSR initiatives, the country-specific tourism standards produced by Australia (the Australian National Ecotourism Strategy), the Government of Brazil (Guidelines for an Ecotourism Policy), and the Government of Costa Rica (Certification for Sustainable Development, or CST) were analyzed and summarized. Additionally, the policies of the World Tourism Organization’s (WTO) Global Code of Ethics for Tourism, the International

Ecotourism Standard, GREEN GLOBE 21 (which has the license for distribution and management of the International Ecotourism Standard), the Blue Flag Campaign, and the CERES Principles (Coalition for Environmentally Responsible Economies) were also researched and summarized.

Other tourism-related CSR initiatives reviewed in the course of this project, but not summarized, include the Quebec Declaration on Ecotourism; the World Travel and Tourism Council (WTTC) reports, including reports on “Corporate Social Leadership in Travel and Tourism” and “Industry as a Partner for Sustainable Development;” the Tour Operators Initiative’s “Statement of Commitment to Sustainable Tourism Development;” the International Hotel & Restaurant Association’s “Green Hotelier: Environmental Good Practice in Hotels;” and the Business Enterprises for Sustainable Development (BEST) goals for hotels, airlines, tour operators, cruise lines, and restaurants. Of all these corporate and non-corporate entities, only BEST chose not to participate in this project, on the ground that, rather than maintaining a CSR code, it focuses instead on industry best practices. Summarized material from all the other entities is referenced on the attached matrix.

4.2 Findings Regarding CSR Practices

Due to the absence of more “formal” codes of conduct, the publicly available CSR material for each of these firms or non-corporate entities was divided and then summarized into the following topics and themes: human rights and labor rights issues, health and safety issues, environmental issues, specific programs and initiatives, and monitoring and compliance mechanisms.

4.2.1 Human Rights and Labor Rights

Among the corporate materials and other principles reviewed, there were very few specific human rights or labor rights standards akin to those in the other industry sectors (e.g., statements on forced or child labor standards, discrimination, harassment, hours of work or wages paid, freedom of association, etc.). Some firms, however, including

British Airways and the Hilton Group, did specifically endorse or express support for the UDHR.

British Airways is unique in its specific support of the Convention on the Rights of the Child (and its commitment not to employ anyone under the age of 16), as well as formally promoting “equality of opportunity,” “encourag[ing] diversity,” and maintaining “clear disciplinary and grievance procedures.” The goal of its equal opportunity practice is “to employ and promote people regardless of gender, ethnicity, national origin, disability, religious or cultural background,” and it “aim[s] to uphold and support human rights wherever [it] operate[s], respecting local laws.”

Many of the other firms made specific reference to complying with all applicable laws and regulations, particularly with regard to labor standards, including the Hilton Group (“aim[s] to comply with all applicable laws and regulations in respect of wages and hours”) and the InterContinental Hotels Group (“comply with the labor laws of all countries” in which it operates).

Lindblad Expeditions is the only firm examined which references “working with indigenous peoples.” However, InterContinental Hotels references respecting “the preservation of cultural diversity wherever we conduct our business” and British Airways’ policy seeks to “respect local cultural and religious needs and consider them in determining our local conditions of employment and product offerings.” Royal Caribbean’s public statement emphasizes that the company has “developed policies, standards and practices to foster a positive and rewarding work environment for our employees.” It does not, however, release any specific standards or policies.

Among the policies and strategies developed by sovereign nations (Australia, Brazil, and Costa Rica), each emphasizes a participatory public planning or consultative process which engages local stakeholders and communities, and contributes to cultural development.

The WTO has produced what appears to be the closest to an industry-wide code in its “Global Code of Ethics for Tourism,” which is intended to serve as a “frame of reference for the responsible and

sustainable development of world tourism.” This code was approved by member states at the WTO General Assembly in 1999, but it does not appear to have been adopted or implemented by private sector firms. In fact, the UN Commission on Sustainable Development endorsed the concept of the code, but then required the WTO to seek further input on it from the private sector.

The WTO Code does, however, reference not only the UDHR (and in particular Article 24, guaranteeing reasonable limitation of working hours and periodic holidays with pay), but also the International Covenant on Economic, Social and Cultural Rights. It also seeks “an attitude of tolerance and respect for the diversity of religious, philosophical and moral beliefs,” and to combat “the exploitation of human beings in any form, particularly sexual, especially when applied to children.” The WTO Code specifically states that tourism activities should not only “respect the equality of men and women” but also “should promote human rights and, more particularly, the individual rights of the most vulnerable groups, notably children, the elderly, the handicapped, ethnic minorities and indigenous peoples.”

Other principles examined for this survey, such as GREEN GLOBE 21, CERES, and the Blue Flag Campaign, focus almost exclusively on environmental matters, and do not have any statements regarding human rights or labor rights matters (although CERES incorporates a number of health and safety matters into its principles).

Special note should also be made of the Quebec Declaration on Ecotourism, which is not included in this survey because it was still in a relatively formative stage. Notably, in May 2002, under the aegis of the UN Environmental Program and the WTO, over 1,000 participants from 132 countries met to set a preliminary agenda and formulate a set of recommendations for the development of ecotourism activities in the context of sustainable development. These were then provided to national, regional, and local governments, the private sector, NGOs, inter-governmental organizations, international financial institutions, development assistance agencies, and local and indigenous communities.

4.2.2 Health and Safety Issues

A separate category was established for health and safety issues was created primarily because many of the tourism principles contained specific statements about health and safety matters that were considerably more detailed than statements about human rights and labor issues. As a baseline, some firms (such as British Airways and the Hilton Group) made clear their commitment to abide by the law and ensure their practices complied with relevant local legislation and regulations. British Airways also sets targets for reporting and reductions in lost-time injuries, and the Hilton Group offers a statement to “support a proactive culture of risk management to ensure accidents and incidents remain as low as is reasonably practicable.” Royal Caribbean also publishes a general statement that the “health and welfare of our employees, our communities and our environment are critical to our success.”

Among the governmental codes, Costa Rica’s Certification for Sustainable Development commits to participate fully in public health programs and support programs which increase tourist safety. The WTO Global Code of Ethics suggests that both tourists and tourism professionals should be aware of health and security risks, and that the professionals, in cooperation with public authorities, “show concern” for the “security and safety, accident prevention, health protection and food safety of those who seek their services.”

The Blue Flag Campaign provides a series of regulations to protect safety, including requiring beach guards to be on duty with lifesaving equipment, the provision of adequate drinking water, and access ramps on the beach for disabled persons. CERES strives “to minimize the environmental, health and safety risk to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.”

4.2.3 Environmental Issues

Since the impetus of many firms in the tourism sector is to promote the natural environment, a number of these firms maintain codes and principles with specific guidelines and standards for environmental issues.

Many of these statements and principles also reference corporate EMS programs, which the firms apparently use as a mechanism to help them adhere to their environmental policies. Lindblad Expeditions and Royal Caribbean Cruises each have an EMS, and British Airways has a commitment to introduce one in the coming months.

Although compliance with the relevant laws and legislation is a baseline, some firms seek to exceed them, such as the Hilton Group's commitment to not only comply with relevant environmental legislation in the countries in which it operates, but seek to "measure its performance and work towards setting improvement targets for all business units," "work with employees, suppliers, contractors and partners to minimize our impacts," and "encourage environmentally-friendly and, where possible, local sources of products and services." Similarly, Lindblad Expeditions not only commits itself to "compliance with all international, federal, state, and local environmental laws and regulations applicable to the areas in which [it] operates," but "in places without existing legislation, we will set our own corporate standards to meet our overall objective of continual improvement of our environmental performance."

In an effort to use similar categories as those taken from the GRI Guidelines to organize the data in the other environmental matrices, the three overriding environmental issues that the principles address are: energy consumption, water consumption, and pollution abatement. Hilton Group states that "energy consumption, and the associated CO2 emissions, is our biggest environmental issue," and "using water efficiently is a key aspect of our program." Lindblad states that on its ships, it "endeavors to reduce emissions, solid waste, and effluent by the most economically viable application of the best available technology, and by adopting the principles of pollution prevention." Likewise, Royal Caribbean states that the three basic tenets of its EMS are reducing the creation or generation of waste, recycling or reusing materials, and properly disposing of remaining waste.

Of the governmental policies, the Australian National Ecotourism Strategy claims to be the first "natural ecotourism plan" in the world, and it seeks to develop a national strategy which includes facilitating

ecologically sustainable practices and improving natural resource management. Brazil commits itself to reviewing transportation corridors, trail systems, small-scale non-commercial river transportation systems, small aircraft access and other infrastructure necessary to develop ecotourism. Costa Rica's CST offers guidelines on emissions and wastes, gardens, protection of flora and fauna, water conservation, management of solid wastes, and customer room conditioning.

The WTO's Code stipulates that "all the stakeholders in tourism development should safeguard the natural environment with a view to achieving sound, continuous and sustainable economic growth geared to satisfying equitably the needs and aspirations of present and future generations."

Blue Flag Campaign offers a number of specific environmental regulations, including prohibitions on industrial or sewage-related discharges that may affect the beach area, and compliance with requirements and standards such as those of the EU Bathing Water Directive. The International Ecotourism Standard provides a set of core principles for ecotourism products.

GREEN GLOBE 21 markets itself as the "only global system designed to support firms, communities and consumers seeking sustainable tourism." Its principles are based on those of Agenda 21 and it requires compliance with all relevant environmental legislation and regulations. It highlights its support for "state of the art" EMS, "clear standards based on ISO and Article 21," and "quality alliances for global coverage and local implementation." The CERES Principles include protection of the biosphere, sustainable use of natural resources, reduction and disposal of wastes, energy conservation, and environmental restoration.

4.2.4 Specific Programs and Initiatives

Though the entries in this category speak for themselves, this category is included solely in the tourism sector because virtually all the participating firms and non-corporate entities in this sector highlighted their specific programs and initiatives rather than any broad CSR policies. Also, since many of the tourism participants included in this sur-

vey are among the industry leaders, this category also showcases some of the most innovative and progressive policies in the tourism sector.

Particular highlights in the matrices include specific initiatives in the areas of reduction of energy consumption and water use, emissions abatement, and waste reduction.

British Airways states that “climate change is a major concern,” and that it has continued “to pursue efficiency improvements to reduce our overall impact,” including by reducing aircraft CO₂ and nitrous oxides (NO) emissions over the past year. Fuel efficiency and noise reduction initiatives have also been undertaken, and “re-use and recycling” is actively encouraged.

Hilton International “reduced the overall energy consumption of its hotels by 16% over the last 4 years.” In addition, its Scandic hotels have reduced energy usage by 24% since 1996, reduced the amount of waste being sent for disposal by 40%, and introduced the “eco-room” concept. The “Scandic in Society” program was launched to “establish a dialogue on the issues surrounding social responsibility.” Similarly, InterContinental’s “Conserving for Tomorrow” program, now operational in 1100 participating hotels, saves 7 million gallons of

water and 46,920 gallons of detergent every month by washing sheets and towels every three days instead of daily.

In the tourism shipping industry, Royal Caribbean launched six ships between 2000 and 2002 equipped with “the cruise industry’s first smokeless gas turbine engines,” which it claims will lower emissions of NO by 85% and sulfur oxides by more than 90%. Lindblad has established the Galapagos Conservation Fund to channel donations from guests to priority conservation projects in the Galapagos.

The Brazilian Guidelines were tested in nine Amazon states due to their high biodiversity values and a technical cooperation program was developed for the region pursuant to which the Inter-American Development Bank loaned the regional states \$13.8 million to establish a framework to implement the necessary investments.

The International Ecotourism Standard also provides for “best practice innovation” and best practices are used for the construction new buildings, rehabilitation of degraded lands, conservation of water, and noise and air quality. Green Globe 21 states that its three stages for sustainable travel and tourism are: finding “affiliates,” “benchmarking” firms, and “certifying” participants.

Code of Conduct Comparison

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Apparel, Footwear and Light Manufacturing Sector Labor and Human Rights Standards

Companies/Organizations:

adidas-Salomon AG
 Clean Clothes Campaign
 Ethical Trading Initiative
 Fair Labor Association
 Gap Inc.
 H&M Hennes & Mauritz AB
 IKEA Services AB
 International Confederation of Free Trade Unions
 LEGO Company
 Levi Strauss & Co.
 Liz Claiborne Inc.
 Marks & Spencer Group p.l.c.
 New Balance Athletic Shoe, Inc.
 NIKE, Inc.
 Organization for Economic Cooperation and Development—
 Guidelines for Multinational Enterprises
 Pentland Group p.l.c.
 Phillips-Van Heusen Corporation
 Pou Yuen Vietnam Enterprise, Ltd.
 Reebok International, Ltd.
 Social Accountability International—SA8000
 Timberland Company (The)
 Worker Rights Consortium
 World Federation of the Sporting Goods Industry
 Worldwide Responsible Apparel Production
 International Standards

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Freedom of Association, Collective Bargaining	57–63
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Harassment, Abuse, and Disciplinary Action	71–77
Monitoring and Compliance Framework	78–84

	adidas-Salomon AG	Clean Clothes Campaign ¹	Ethical Trading Initiative (ETI) ²
General Policy Statement	<ul style="list-style-type: none"> ■ “We are dedicated to socially responsible, safe and environmentally sustainable practices in the company and its supply chain.” ■ “We adhere to social and environmental laws, directives and guidelines while continually improving our own contribution to a sustainable society.” 	<ul style="list-style-type: none"> ■ “The code is meant to be accompanied by a commitment by the companies adopting it to take positive actions in applying it. Companies are expected to insist on compliance with the code by any of their contractors, subcontractors, suppliers and licensees organizing production that would fall under the scope of the code.” ■ “These are minimum standards that are meant to apply throughout the industry and in all countries.” ■ “The code is not meant to be a substitute for international intergovernmental cooperation nor for international legislation . . . it does not seek to become a substitute for national laws or the national labor inspectorate.” 	
Forced Labor	<ul style="list-style-type: none"> ■ No forced labor of any type (“whether in form of prison labor, indentured labor, bonded labor or otherwise”) ■ No employee compelled to work through force or intimidation of any form 	<ul style="list-style-type: none"> ■ No use of forced, including bonded or prison, labor (per ILO Conventions 29 and 105) ■ No requirements to lodge “deposits” or identity papers with employers 	<ul style="list-style-type: none"> ■ No forced labor of any type ■ Workers not required to lodge “deposits” of money or identity papers with employer ■ Work is freely chosen ■ Free to leave employer following reasonable notice

Fair Labor Association (FLA) ³	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ “[C]onsumers can have confidence that products that are manufactured in compliance with these standards are not produced under exploitative or inhumane conditions.” ■ “Any Company that determines to adopt the Workplace Code of Conduct shall, in addition to complying with all applicable laws of the country of manufacture, comply with and support the Workplace Code of Conduct in accordance with the. . . Principles of Monitoring and shall apply the higher standard in cases of differences or conflicts.” 	<ul style="list-style-type: none"> ■ “Factories that produce goods for Gap shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules and regulations.” ■ “While Gap Inc. recognizes that there are different legal and cultural environments in which factories operate throughout the world, this Code sets forth the basic requirements that all factories must meet in order to do business with the Gap Inc.” 	<ul style="list-style-type: none"> ■ “We have a responsibility towards all the thousands of people taking part in the production of our garments. We have to make sure that nobody whose work is contributing to our success is deprived of his or her human rights, or suffers mental or bodily harm.” ■ “Suppliers must, in all their activities, follow the national laws in the countries where they are operating. Should any of the requirements by H&M, be in violation of the national law in any country or territory, the law should always be followed. In such a case, the supplier must always inform H&M immediately upon receiving this Code. It is however important to understand that H&M’s requirements may not be limited to the requirements of the national law.” 	<ul style="list-style-type: none"> ■ “We believe that our daily business has an impact on Environmental and Human Rights issues, in particular, in relation to people’s working and living conditions.” ■ Code of Conduct is “based on the eight core conventions defined in the Fundamental Principles of Rights at Work, ILO Declaration June 1998 and the Rio Declaration on Sustainable Development 1992.” ■ “Suppliers must comply with national laws and regulations and with international conventions concerning social and working conditions, child labor and the protection of the environment.” ■ IKEA shall communicate the IWAY requirements to the IKEA supplier. The supplier shall effectively communicate to all its sub-suppliers, as well as to its own co-workers, the content of the IWAY Standard, and ensure that all measures required are implemented accordingly.
<ul style="list-style-type: none"> ■ No forced labor of any type (including prison labor, indentured labor, bonded labor or otherwise) 	<ul style="list-style-type: none"> ■ No forced labor of any type (no “prison, indentured or forced labor” and “no involuntary labor, including debt bondage or forced labor by governments”) ■ “If the factory recruits foreign contract workers, the factory pays agency recruitment commissions and does not require any worker to remain in employment for any period of time against his or her will” 	<ul style="list-style-type: none"> ■ No forced labor of any type, including bonded, prison, indentured or illegal labor 	<ul style="list-style-type: none"> ■ No forced labor of any kind, including prison, bonded, indentured, or involuntary labor (each of which is defined in the Code) ■ Employees may freely leave factory premises when shift ends ■ Suppliers must sign agreement regarding forced and bonded labor requirements ■ Prior to starting up business relationships with IKEA, potential suppliers must fulfill requirements, including no forced or bonded labour

	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
General Policy Statement <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Purpose is to “promote the primacy of international labor standards and the inclusion of trade union rights in codes of conduct covering labor practices.” 	<ul style="list-style-type: none"> ■ “It is of great importance to LEGO Company that the men and women who manufacture LEGO products, in our own companies as well as at the suppliers to LEGO Company, are treated in a fair and respectful way.” ■ “[P]rovide a safe and healthy working environment in compliance with all applicable laws and regulations.” 	<ul style="list-style-type: none"> ■ “Levi Strauss & Co. seeks to conduct its business in a responsible manner. In 1991, Levi Strauss & Co. was the first multinational company to establish comprehensive Global Sourcing & Operating Guidelines. Our Global Sourcing and Operating Guidelines help us to selected business partners who follow workplace standards and business practices that are consistent with our company’s values.” ■ “We expect our business partners to be law abiding as individuals and to comply with legal requirements relevant to the conduct of all their businesses.”
Forced Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No forced labor of any type ■ May not require workers to put down “deposits” of money or identity papers with employer ■ References ILO Conventions 29 (Forced Labor Convention) and 105 (Abolition of Forced Labor Convention) 	<ul style="list-style-type: none"> ■ No forced labor of any type, including involuntary, prison, bonded, or indentured 	<ul style="list-style-type: none"> ■ No prison or forced labor of any type

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ “Our products must be made under fair and decent working conditions. In today’s world, where companies do business with more contractors, both in the U.S. and abroad, then ever before, it requires a serious commitment to improve working conditions.” ■ “Suppliers must observe all applicable laws of their country, including those concerning employment, discrimination, the environment, safety and apparel or apparel-related fields. . . . If local or industry practices exceed local legal requirements, the higher standard applies.” ■ If there is any difference in a category between the company’s standards and local law, the higher standard prevails. 	<ul style="list-style-type: none"> ■ “As well as providing the right products, a sustainable retail business needs the support of healthy communities and a high quality environment. . . . We aim to be the most trusted retailer wherever we trade by demonstrating a clear sense of social responsibility and consistency in our decision making and behavior.” ■ Follows the guidelines of the Ethical Trading Initiative (“ETI”). 	<ul style="list-style-type: none"> ■ “We expect our suppliers to ensure that no exploitative conditions or unsafe working conditions exist at the facilities where our merchandise is manufactured. This Supplier Code of Conduct expresses the commitment of New Balance to do business only with those manufacturers and suppliers that share its commitment to fair and safe labor practices.” ■ “All Standards set forth in this Code of Conduct are subject to compliance with applicable national and local laws. All vendors shall operate in full compliance with laws of their respective country of manufacture.” 	<ul style="list-style-type: none"> ■ “Nike designs, manufactures, and markets products for sports and fitness consumers. At every step in that process, we are driven to do not only what is required by law, but what is expected of a leader. We expect our business partners to do the same. Nike partners with contractors who share our commitment to the best practices and continuous improvement in: management practices that respect the rights of all employee . . . minimizing our impact on the environment, providing a safe and healthy work place; and promoting the health and well-being of all employees.” ■ “Contractor maintains on file all documentation needed to demonstrate compliance with this Code of Conduct and required laws.”
<ul style="list-style-type: none"> ■ No forced labor of any type (including indentured labor) ■ Hours of work are voluntary and not compulsory 	<ul style="list-style-type: none"> ■ No forced labor of any type ■ Workers not required to lodge “deposits” of money or identity papers with employer ■ Work is freely chosen ■ Free to leave employer following reasonable notice 	<ul style="list-style-type: none"> ■ No forced labor of any type (whether in form of prison labor, indentured labor, bonded labor, or otherwise) ■ Workers may not be locked inside factory premises for any reason 	<ul style="list-style-type: none"> ■ No forced labor, including prison, indentured, bonded or otherwise

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
General Policy Statement (Continued)	<ul style="list-style-type: none"> ■ “[R]ecommendations for responsible business conduct addressed by governments to multinational enterprises operating in or from the 33 adhering countries.” ■ “The Guidelines are not a substitute for, nor do they override, applicable law. They represent standards of behavior supplemental to applicable law and, as such, do not create conflicting requirements.” 	<ul style="list-style-type: none"> ■ “The Company and its shareholders believe that business should be conducted honestly, fairly and with respect for people, their dignity and their rights.” ■ “This Code provides minimum standards that should be exceeded where possible. In applying it, suppliers must comply with national and other applicable laws and, where the provisions of the law and this Code address the same subject, apply the provision that gives workers the greater protection.” ■ “We strive to comply with all relevant employment laws and regulations in each country in which we operate.” 	<ul style="list-style-type: none"> ■ “While respecting cultural differences and economic variances that reflect the particular countries where we and our vendors do business, our goal is to create, and encourage the creation of, model facilities that not only provide good jobs at fair wages, but which also improve conditions in the community at large.” ■ “We expect our vendors to be law abiding citizens and to comply with any and all legal requirement relevant to the conduct of their business.”
Forced Labor (Continued)	<ul style="list-style-type: none"> ■ No forced labor of any type (“contribute to the elimination of all forms of forced or compulsory labor”) 	<ul style="list-style-type: none"> ■ No forced labor of any type (including bonded or involuntary prison labor) ■ May not require workers to lodge “deposits” of money or identity papers with employer ■ Employees free to leave upon reasonable notice 	<ul style="list-style-type: none"> ■ No forced labor of any type, including prison, indentured, or bonded

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ “We comply fully with all legal requirements and prevailing standards relevant to the conduct of our business.” ■ “We treat our employees fairly and legally with regard to wages, benefits and working conditions.” 	<ul style="list-style-type: none"> ■ “Reebok’s devotion to human rights worldwide is a hallmark of our corporate culture. We believe that the incorporation of internationally recognized human rights standards into our business practice improves worker morale and results in a higher quality working environment and higher quality products.” ■ “Factory complies with all applicable laws and regulations regarding structural safety and working conditions, including worker health and safety, sanitation, risk protection, fire safety and electrical and mechanical safety.” 	<ul style="list-style-type: none"> ■ “This standard specifies requirements for social accountability to enable a company to develop, maintain, and enforce policies and procedures in order to manage those issues which it can control or influence.” ■ “The company shall comply with national and other applicable law, other requirements to which the company subscribes, and this standard. When national and other applicable law, other requirements to which the company subscribes, and this standard address the same issue, that provision which is most stringent applies.” 	<ul style="list-style-type: none"> ■ “Timberland strives to provide the opportunity for all employees to work in fair, safe and non-discriminatory environments, and we define ‘employee’ as any individual working in an enterprise.” ■ “We seek to apply both the letter and the spirit of all applicable local laws and to promote continuous improvement in our operations. We hold our business partners to these same standards and actively seek partners who share our beliefs.”
<ul style="list-style-type: none"> ■ No forced labor of any type (including prison, indentured, bonded or otherwise) 	<ul style="list-style-type: none"> ■ No forced labor of any type ■ Workers have right to enter into and terminate employment freely ■ Company must maintain hiring and employment records to verify compliance with this ■ No purchase of materials produced by any form of compulsory labor ■ Freedom of movement guaranteed during employment 	<ul style="list-style-type: none"> ■ No engagement in or use of forced labor ■ May not require workers to put down “deposits” of money or identity papers with employer ■ No debt bondage 	<ul style="list-style-type: none"> ■ No forced labor of any type, including prison, indentured, slave, or “any other form of compulsory labor” ■ Employees’ presence must be voluntary; employees retain option to leave

	Worker Rights Consortium (WRC) ⁴	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards ⁵
General Policy Statement <i>(Continued)</i>	<ul style="list-style-type: none"> ■ “The Universities participating are each committed to conducting their business affairs in a socially responsible and ethical manner consistent with their respective educational, research and/or service missions, and to protecting and preserving the global environment.” ■ “Licensees must comply with all applicable legal requirements of the country(ies) of manufacture in conducting business related to or involving the production or sale of Licensed Articles.” 		<ul style="list-style-type: none"> ■ “The Program’s objective is to independently monitor and certify compliance with these socially responsible global standards for manufacturing, and ensure that sewn products are produced under lawful, humane and ethical conditions.” ■ “Manufacturers of sewn products will comply with laws and regulations in all locations where they conduct business.” 	
Forced Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No use of forced labor of any type, including prison, indentured, or bonded labor 	<ul style="list-style-type: none"> ■ No forced labor of any type 	<ul style="list-style-type: none"> ■ No forced labor, including indentured, bonded or otherwise 	<ul style="list-style-type: none"> ■ ILO Forced Labor Convention, No. 29 ■ ILO Forced Labor Convention, No. 29 ■ ILO Abolition of Forced Labor Convention, No. 105 ■ UN Global Compact (“eliminate all forms of compulsory labor”) ■ UN Norms (transnational corporations shall not “use forced or compulsory labor as forbidden by the relevant international instruments and national legislation as well as international human rights law”)

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Child Labor	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● age for completing local compulsory education in country of manufacture, if over 15 	<ul style="list-style-type: none"> ■ No use of child labor ■ Minimum age: <ul style="list-style-type: none"> ● 15; or ● age for completing local compulsory education ■ Provides any replaced child workers with adequate transitional economic assistance and educational opportunities (per ILO Convention 138) ■ “Younger workers shall be given the opportunity to participate in education and training programs.” 	<ul style="list-style-type: none"> ■ Minimum age is the greatest of: <ul style="list-style-type: none"> ● 15 (or 14 if domestic law in country of manufacture allows); or ● age for completing local compulsory education, if over 15; or ● legally established minimum working age ■ 18 for work at night or in hazardous conditions ■ No new recruitment of child labor ■ Provide transition of child laborers to quality education programs until no longer children, and promote child education

	Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB
Child Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No person shall be employed at an age: <ul style="list-style-type: none"> ● younger than 15 (or 14 where the law and regulations of the country of manufacture allow); or ● younger than the age for completing compulsory education in country of manufacture where such an age is higher than 15 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 14; or ● legally established minimum working age ■ Support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people ■ Factories must comply with applicable child labor laws, including work schedules, labor intensity, wages, and working conditions ■ Official documentation to verify each worker's date of birth is required, or factory must confirm age with reliable assessment method if documentation unavailable 	<ul style="list-style-type: none"> ■ Minimum age is: <ul style="list-style-type: none"> ● 15; or ● 14, as an exception covered by Art. 2.4 in ILO Convention No. 138 ■ If a child is found working, factories must act in child's best interest considering a range of factors; do not ask factory to dismiss a child without a discussion about child's future; any costs for education must be paid for by factory; "any measures taken should aim to improve, not worsen, child's situation" ■ Recommend that factories with predominantly female workers arrange day care for children below school age ■ "Policy is based" on the UN Convention on the Rights of the Child, Article 32:1, as well as all relevant laws ■ Where country permits apprenticeship programs for children between 12-15, will accept that child to work a "few hours a day", and total number of hours spent in school and on light work must not exceed 7 ■ Employees between ages of 15-18 should be treated as children, and limits for working hours and overtime should be set with special consideration as to age

IKEA Services AB	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● legally established minimum working age; or ● age for completing mandatory education ■ Until young workers are 18, they must be protected from any type of employment which is likely to “jeopardize their health, safety or morals” ■ Employment of young workers must be avoided during school hours ■ Adopts standard of ILO Convention No. 138), and suppliers must abide by the UN Convention on the Rights of the Child, as well as all relevant laws ■ Prior to starting up business relationships with IKEA, potential suppliers must fulfill requirements, including no child labour ■ Suppliers must take “appropriate measures” to ensure no child labor occurs at their place of production or that of their sub-suppliers ■ Supplier must maintain a labor force register including date of birth for all workers ■ If child labor is found in any production, supplier must implement a corrective plan, and if repeated violations occur, business with the supplier will be terminated ■ National laws or regulations may permit the employment of work of persons 13 to 15 years of age on light work, which is: <ul style="list-style-type: none"> ● Not likely to be harmful to their health and development; and ● Not such as to prejudice their attendance at school, etc. 	<ul style="list-style-type: none"> ■ Minimum age: <ul style="list-style-type: none"> ● 15; or ● age for completing local compulsory education, if it is higher than 15 ■ Provides any replaced child workers with adequate transitional economic assistance and educational opportunities (per ILO Convention 138) 	<ul style="list-style-type: none"> ■ Minimum age is the greatest of: <ul style="list-style-type: none"> ● 16; or ● local minimum age; or ● age for completing compulsory education ■ “Encourage the creation of apprenticeship programs” 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● age for completing compulsory education ■ Support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people ■ Will not utilize partners who use child labor in any of their facilities

	Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.
Child Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● age for completing compulsory education in countries of manufacture 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15 (or 14 if domestic law in country of manufacture allows); or ● age for completing local compulsory education, if over 15; or ● legally established minimum working age ■ 18 for work at night or in hazardous conditions ■ No new recruitment of child labor ■ Provide transition of child laborers to quality education programs until no longer children, and promote child education 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 16 (or 15 if domestic law in country of manufacture allows); or ● age for completing local compulsory education ■ Official documentation must be maintained to verify each worker's date of birth ■ Facilities must comply with domestic laws regarding employment of young workers, including types of work, work schedules, and labor intensity

NIKE, Inc.	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
<ul style="list-style-type: none"> ■ Minimum age is: <ul style="list-style-type: none"> ● 18 to produce footwear; or ● 16 to produce apparel, accessories or equipment ■ If contractor legally uses 15 year olds at start of Nike production, those employees are grandfathered, but employer may not hire any new employee younger than Nike age limit or domestic legal age limit (whichever is higher) 	<ul style="list-style-type: none"> ■ "Contribute to" the effective abolition of child labor 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● age for completing local compulsory education in country of manufacture, if over 15; or ● legal established minimum working age ■ 18 minimum age for any nighttime or hazardous work conditions ■ No recruitment of child labor ■ If child labor is identified in the supplier's industry and region, supplier must transfer children into quality education until they are no longer children 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 14; or ● age for completing compulsory education in the country of manufacture ■ Must observe all legal requirements for the work of authorized minors, particularly: hours of work, wages, minimum education and working conditions ■ Encourage vendors to support night classes and work-study programs, especially for younger workers

	Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000
Child Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Minimum age is 18 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● legally established minimum working age ■ Documentation for proof of age required for all ■ Factory to track all workers, and respect applicable laws, for workers between minimum working age and 18 ■ Apprentices or vocational students must be at least minimum working age ■ No informal arrangements allowing school age students to work in factory ■ Must identify jobs which put workers under 18 at developmental risks 	<ul style="list-style-type: none"> ■ Minimum age: <ul style="list-style-type: none"> ● 15 (or 14 for developing countries if meet ILO 138 exemption); or ● age for work or mandatory schooling provided by local law if it is higher than 15 ■ Correction for the use of children subject to child labor by providing adequate support to enable them to attend and remain in school until they are no longer a child ■ No hiring of children and young workers during school hours ■ No exposing children and young workers to hazardous, unsafe, or unhealthy conditions

Timberland Company (The)	World Federation Worker Rights Consortium (WRC) ⁴	World Responsible of the Sporting Goods Industry (WFSGI)	Apparel Production (WRAP)	International Standards
<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 16; or ● age for completing local compulsory education in country of manufacture ■ “The labor of children cannot be used” 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15 (or 14, where, consistent with ILO practices, the law of the country of manufacture allows); or ● age for completing local compulsory education in country of manufacture, if over 15 ■ “Licensees agree to consult with governmental, human rights, and nongovernmental organizations, and to take reasonable steps as evaluated by the University to minimize the negative impact on children released from employment as a result of implementation or enforcement of the Code.” 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15 (or 14 if domestic law in country of manufacture allows); or ■ age for completing local compulsory education, if over 15 	<ul style="list-style-type: none"> ■ Minimum age: <ul style="list-style-type: none"> ● 14; or ● age for completing local compulsory education; or ● legally established minimum age, whichever is greater 	<ul style="list-style-type: none"> ■ ILO Minimum Age Convention, No. 138 ■ ILO Worst Forms of Child Labor Convention, No. 182 ■ ILO Minimum Age Recommendation, No. 146 ■ UN Convention on the Rights of the Child, Article 32:1 ■ UN Global Compact (“effectively abolish child labor”) ■ UN Norms (transnational corporations shall “respect the rights of children to be protected from economic exploitation as forbidden by the relevant international instruments and national legislation, as well as international human rights law”)

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Wages and Benefits, Terms of Employment	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Overtime wages must be: <ul style="list-style-type: none"> ● premium rate legally required in country of manufacture, or ● if no such laws, at a rate exceeding hourly compensation ■ Legally mandated benefits ■ Paid annual leave ■ Remuneration by cash or check paid directly to employee ■ Wage information provided regularly to employees ■ Advances and deductions from wages carefully monitored 	<ul style="list-style-type: none"> ■ Living wages are paid ■ “Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income.” ■ Deductions from wages for disciplinary measures shall not be permitted ■ Workers provided with written and understandable information about the conditions in respect of wages ■ No false apprenticeship schemes ■ “Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided through use of labor-only contracting arrangements.” 	<ul style="list-style-type: none"> ■ Minimum wage is whichever is higher between: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Minimum wages must meet basic needs of employees and provide some discretionary income ■ Overtime compensated at premium rate ■ No labor-only contracting or false apprenticeship schemes ■ No disciplinary wage deductions except as provided for under local law and with worker’s express consent ■ Wage composition regularly and clearly detailed, and provided in written and understandable form prior to employment
Hours of Work	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week (though an exception created for “extraordinary circumstances”); or ● domestic legal limits ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ “Hours of work are not excessive” ■ “Hours shall comply with applicable laws and industry standards” ■ Regular working hours: <ul style="list-style-type: none"> ● 48 hours per week ■ Overtime shall be: <ul style="list-style-type: none"> ● voluntary; and ● not to exceed 12 hours per week; and ● not be demanded on a regular basis; and ● shall always be compensated at a premium rate ■ Days off: At least 1 day in every 7 	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week maximum; or ● domestic legal limits; or ● industry standards ■ Overtime 12 hours per week maximum <ul style="list-style-type: none"> ● Overtime must be voluntary and on an irregular basis ■ Days off: at least 1 day in 7, on average

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ Employers recognize that wages are essential to meeting employees' basic needs ■ As a floor, employers must pay at least: <ul style="list-style-type: none"> ● the minimum wage required by local law; or ● the prevailing industry standard, whichever is higher ■ Employers must pay the legally mandated benefits ■ Overtime wages must compensate overtime hours: <ul style="list-style-type: none"> ● at a premium rate as legally required; or ● in countries where such laws do not exist, at a rate at least equal to regular hourly compensation rate 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing local industry standard ■ Overtime wage is the greater of: <ul style="list-style-type: none"> ● legal requirements; or ● prevailing local industry standard ■ No penalties, punishment or threat of dismissal for declining overtime ■ Workers must have paid annual leave and holidays as required by law or, if greater, the local industry standard ■ Wage statements must include days worked, wage, overtime, bonuses, and any deductions 	<ul style="list-style-type: none"> ■ Minimum wage must be at least legal minimum wage ■ Workers should be granted their stipulated annual leave and sick leave without any form of repercussions ■ Female workers should be given their stipulated maternity leave in case of pregnancy ■ "In developing countries, we recommend suppliers provide workers with at least one free meal daily" 	<ul style="list-style-type: none"> ■ Minimum wage must be at least legal minimum wage ■ Wages shall be paid at regular intervals and on time with respect to work performed, according to local legislation ■ Wages must be paid at least monthly ■ Prior to employment, supplier must provide written information to employee regarding wages ■ Overtime wage must be at least in accordance with local requirements ■ Supplier must maintain payroll records pertaining to wages and working hours for every employee, including piece-rate and temporary employees ■ Benefits: All legally mandated benefits required, including medical insurance, social insurance, and pensions ■ All workers must have an individual written contract, including all contract workers on site ■ Contracts must contain as a minimum: employer, name of worker, birth date, position, salary, benefits, and notice time
<ul style="list-style-type: none"> ■ Regular working hours: <ul style="list-style-type: none"> ● the lesser of: <ul style="list-style-type: none"> (a) 48 hours per week; or (b) domestic legal limits; or regular work week hours, if no legal limit exists ■ Overtime: <ul style="list-style-type: none"> ● The lesser of: <ul style="list-style-type: none"> (a) 12 hours per week; or (b) domestic legal limit, ■ Except in extraordinary business circumstances, employees <ul style="list-style-type: none"> ● shall not be required to work more than a regular work week with overtime, in accordance with the guidelines outlined above; and ● are entitled to at least one day off in every seven day period 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime: <ul style="list-style-type: none"> ● 60 hours per week maximum on a regularly scheduled basis ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours must not exceed the legal limit ■ Overtime work should always be voluntary and properly compensated 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, must be: <ul style="list-style-type: none"> ● 60 hours per week maximum, unless fewer hours are stipulated in local law ● Appropriate time off must be given for meals and breaks, at least one 30 minutes break/day of work ● Any overtime hours must be voluntary ■ Extraordinary business conditions exception to temporarily waive limit on maximum overtime hours ■ Days off: at least 1 day in 7 ■ Time off from job must also be given according to local legislation, local traditions, and standards

	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
Wages and Benefits, Terms of Employment <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Overtime compensated at premium rate ■ No labor-only contracting or false apprenticeship schemes ■ Provide education and training program opportunities to younger workers 	<ul style="list-style-type: none"> ■ Minimum wages must comply with all local legislation ■ Overtime wages must be compensated consistent with local law ■ All legally mandated benefits must be provided 	<ul style="list-style-type: none"> ■ Minimum wages and benefits must: <ul style="list-style-type: none"> ● comply with any applicable law; and ■ Match the prevailing local manufacturing or finishing industry practices ■ Overtime must be appropriately compensated
Hours of Work <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week; or ● domestic legal limits; or ● prevailing industry standards ■ Overtime is: <ul style="list-style-type: none"> ● no more than 12 hours per week; and ● voluntary and on an irregular basis ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week ; or ● domestic legal limits; or ● "regular work week" ■ Overtime is the lesser of: <ul style="list-style-type: none"> ● 12 hours per week ; or ● domestic legal limits ■ Hours in excess of 60 hours per week must be voluntary and be planned in a way "that ensures safe and humane working conditions" ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, must: <ul style="list-style-type: none"> ● not exceed 60 hours per week on a regular basis (though partners are "favored" for utilizing less than 60 hours per week) ● not exceed local legal limits, except for appropriately compensated overtime ■ Days off: at least 1 day in 7

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ Minimum wage must be at “regular hourly compensation” rate ■ Overtime wages must be: <ul style="list-style-type: none"> ● compensated at premium rate legally required in the country of manufacturing; or ● if no laws exist, at a rate at least equal to regular hourly compensation rate ■ Legally mandated benefits 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Minimum wages must meet basic needs of employees and provide some discretionary income ■ Overtime compensated at premium rate ■ No labor-only contracting or false apprenticeship schemes ■ No disciplinary wage deductions except as provided for under local law and worker’s express consent ■ Wage composition regularly and clearly detailed, and provided in written and understandable form prior to employment 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard, consistent with local area statistics ■ No deductions for disciplinary purposes ■ No false apprenticeship practices to avoid compensation ■ Overtime wages must be: <ul style="list-style-type: none"> ● subject to domestic law regarding payment; ● if no legal standard for overtime premiums, then industry standards prevail; and ● at least equal to regular hourly rates ■ No penalties or fines for declining overtime ■ Overtime should be limited to a humane and protective level 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Provide clear accounting for pay period ■ No deductions from wages for disciplinary infractions ■ Provide all legally mandated benefits ■ Overtime must be compensated according to domestic law ■ Must inform employee at hiring if mandatory overtime is condition of employment ■ No use of home work
<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week ; or ● legal limits in country of manufacture ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week maximum; or ● domestic legal limits; or ● industry standards ■ Overtime is: <ul style="list-style-type: none"> ● 12 hours per week maximum; and ● Voluntary and on an irregular basis ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week; or ● domestic legal limits ■ Overtime hours are the lesser of: <ul style="list-style-type: none"> ● any work in excess of 48 hours per week; or ● any work in excess of the local official workweek, ■ No home work ■ All hours documented and made available to workers ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Contractors should not require employees to work more than: <ul style="list-style-type: none"> ● 60 hours per week; or ● the domestic limits, whichever is less ■ Hours worked in excess of the 60 should be voluntary ■ Employee must be informed at time of hiring if mandatory overtime is a condition of employment ■ Days off: at least 1 day in 7, on a “regularly scheduled basis”

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
Wages and Benefits, Terms of Employment <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Provide reasonable notice to workers of significant changes in operations, including closure, collective lay-offs, or dismissals ■ Attempt to mitigate adverse effects to maximum extent practicable ■ “Observe standards of employment and industrial relations not less favorable than those observed by comparable employers in the host country” 	<ul style="list-style-type: none"> ■ Minimum wage and benefits are greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standards ■ Wages must meet basic needs of employees and provide some discretionary income ■ Overtime wages must be paid at a premium rate ■ Overtime must be voluntary ■ Wage and benefit composition regularly provided to workers in written and understandable format ■ No deductions from wages as disciplinary measure, or without employee’s permission ■ No “labor-only contracting, sub-contracting, home-working, apprenticeship schemes with no real intent to impart skills or provide regular employment, or excessive use of fixed-term contracts of employment” 	<ul style="list-style-type: none"> ■ Minimum wage must be: <ul style="list-style-type: none"> ● at least the minimum wage required by local law; or ● prevailing industry wage ■ Legally mandated benefits ■ Overtime compensation at either: <ul style="list-style-type: none"> ● the rate established by law; or ● where such rates do not exist, a rate at least equal to the regular hourly compensation rate
Hours of Work <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No specific mention, but “observe standards of employment and industrial relations not less favorable than those observed by comparable employers in the host country” 	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week ; or ● domestic legal limits; or ● “benchmark industry standard” ■ Overtime hours the least of: <ul style="list-style-type: none"> ● 12 hours per week ; or ● domestic legal limits; or ● “benchmark industry standard” ■ Regular and overtime hours must not be excessive ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours: <ul style="list-style-type: none"> ● no more than prevailing local work hours ● no more than 60 hours per week, with preference for vendors who utilize less than 60 hours ■ Days off: at least 1 day in 7

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ Minimum wage according to domestic law ■ Overtime wages are paid at the premium legal rates 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Upon hire, disclosure of regular hours to be worked per day, applicable wage rate, policies regarding overtime hours, and overtime rates ■ Maintain accurate and reliable payroll records and time cards to verify actual hours worked, and provide such records to workers ■ Compliance with all applicable laws restricting work hours and overtime hours ■ Overtime wages must: <ul style="list-style-type: none"> ● exceed regular working wages; and ● be greater of applicable domestic laws or prevailing industry standard ■ Overtime must be voluntary; no negative or punitive incentives for overtime ■ Legally mandated benefits ■ Paid leave and holidays the greater of applicable domestic law or local industry practice 	<ul style="list-style-type: none"> ■ Minimum wage must at least meet legal or industry minimum standards ■ Minimum wage must meet basic needs of workers, plus some discretionary income ■ Overtime compensated at premium rate ■ No labor-only contracting or false apprenticeship schemes ■ No disciplinary wage deductions ■ Remuneration by cash, check, or any other form convenient for employees ■ Wage and benefit composition regularly and clearly detailed 	<ul style="list-style-type: none"> ■ Wages and benefits must at least meet all applicable local minimum wage laws and laws regarding mandated benefits ■ Overtime compensated at a premium rate, and no lower than domestic law ■ Overtime is optional and voluntary ■ All wages paid on regular schedule ■ Wage slips must be understandable and demonstrate how wages calculated ■ Minimum wage required for any apprenticeship or training programs ■ No pre-employment fees, deposits, or other practices that effectively lower an employee's pay below the legal minimum wage
<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are no greater than: <ul style="list-style-type: none"> ● 60 hours per week maximum; or ● 12 hours per day 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are no more than 10 hours per day ■ Working hours include reasonable meal and rest breaks ■ Overtime the lesser of: <ul style="list-style-type: none"> ● 60 hours per week (though an exception created for extraordinary circumstances, defined as natural disasters, political upheaval, or mechanical failures); or ● local legal limits ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours: <ul style="list-style-type: none"> ● 48 hours; or ● legal limit which is not more than 48 hours; or ● more than 48 hours per week if it is not applied on a regular basis ■ Maximum overtime 12 hours per week ■ Overtime is voluntary except as agreed with a majority of workers in collective bargaining ■ Days off: at least 1 day in every 7 day period 	<ul style="list-style-type: none"> ■ Regular working hours are no greater than: <ul style="list-style-type: none"> ● 48 hours per 6 day period ■ Regular working hours, including overtime, are no greater than: <ul style="list-style-type: none"> ● 60 hours per week maximum; or ● 12 hours per day maximum ■ Days off: 1 day off after working 6 consecutive days

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
Wages and Benefits, Terms of Employment <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Recognition that “wages are essential to meeting employees’ basic needs” ■ Shall pay employees, “as a floor,” wages which comply with “all applicable laws and regulations, and which provide for essential needs and establish a dignified living wage for workers and their families” ■ “Living wage” defined as “take home” or “net” wage, earned doing a country’s legal maximum work week, but not more than 48 hours. A living wage provides for the basic needs (housing, energy, nutrition, clothing, health care, education, potable water, childcare, transportation and savings) of an average family unit of employees in the garment manufacturing employment sector of the country divided by the average number of adult wage earners in the family unit of employees in the garment manufacturing employment sector of the country.” 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing industry standard ■ Wage must at least meet employees’ “basic living needs” ■ Wages must fully compensate for all time worked ■ Overtime wages must: <ul style="list-style-type: none"> ● compensate at a premium rate legally required in country of manufacture; or ● if no domestic legal laws, then at a rate exceeding the regular hourly compensation rate ■ Legally mandated benefits (e.g., “meals or meal subsidies; transportation or transportation subsidies; other cash allowances; health care; child care; emergency, pregnancy or sick leave; religious, or bereavement leave; and contributions for social security and other insurance, including life, health and employees compensation”) 	<ul style="list-style-type: none"> ■ Minimum wages as provided under local law ■ Overtime wages as provided under local law ■ Legally mandated benefits 	<ul style="list-style-type: none"> ■ ILO Equal Remuneration Convention, No. 100 ■ ILO Minimum Wage Fixing Convention, No. 131 ■ ILO Holidays with Pay Convention (Revised), No. 132 ■ ILO Home Work Convention, No. 177 ■ ILO Reduction of Hours of Work Recommendation, No. 116 ■ ILO Tripartite Declaration (“Wages, benefits and conditions of work offered by multinational enterprises should not be less favorable to the workers than those offered by comparable employers in the country concerned.”) ■ Universal Declaration of Human Rights, Art. 23 (“everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existence worthy of human dignity”) ■ UN Norms (transnational corporations “shall compensate workers with remuneration that ensures an adequate standard of living for them and their families”)
Hours of Work <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Regular working hours are the lesser of: <ul style="list-style-type: none"> ● 48 hours per week; or ● limits on hours by law of country of manufacture ■ Overtime shall be: <ul style="list-style-type: none"> ● voluntary; and ● always compensated at a premium rate as is legally required in country of manufacture; or ● in countries where such laws do not exist, at a rate at least one and one half the regular hourly compensation. ■ Days off: At least 1 day in every 7 	<ul style="list-style-type: none"> ■ Regular working hours are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week (including overtime); or ● domestic legal limits ■ Overtime not more than 60 hours per week total or the domestic legal limit ■ In excess of 60 hours per week only in “extraordinary business circumstances” ■ Days off: at least 1 day in 7 	<ul style="list-style-type: none"> ■ Regular working hours as provided under local law ■ Days off: at least 1 day in 7, except to meet urgent business needs 	<ul style="list-style-type: none"> ■ ILO Hours of Work (Industry), Convention No. 1 ■ ILO Reduction of Hours of Work Recommendation, No. 116 ■ ILO Forty-Hour Work Week Convention, No. 47 ■ ILO Night Work Convention, No. 147 ■ ILO Part Time Work Convention, No. 175

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Freedom of Association, Collective Bargaining	<ul style="list-style-type: none"> ■ Recognize and respect the right of workers to organize and join associations of their own choosing and bargain collectively ■ Where local law limits rights to associate, must not obstruct alternative and legal means for independent free association and bargaining ■ Implement systems to ensure good communications with employees 	<ul style="list-style-type: none"> ■ Recognize right of "all workers to form and join trade unions and to bargain collectively." (per ILO Conventions 87 and 98) ■ "Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to enable them to carry out their representation functions." (per ILO Convention 135 and Recommendation 143) ■ "Employers shall adopt a positive approach towards the activities of trade unions and an open attitude towards their organizational activities." 	<ul style="list-style-type: none"> ■ Recognize and respect workers' rights to join and form trade unions of their choice and to bargain collectively ■ Where rights are restricted under law, company should facilitate parallel means of organizing ■ Ensure trade union representatives are not subject to discrimination and have access to members in workplace (provide necessary facilities for activities; employer must have open attitudes towards activities)

	Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB
Freedom of Association, Collective Bargaining <i>(Continued)</i>	<ul style="list-style-type: none"> Employers must recognize and respect workers' rights to freely associate and bargain collectively 	<ul style="list-style-type: none"> Workers are free to join associations of their own choosing Must not threaten, penalize, restrict or interfere with workers' lawful efforts to join associations 	<ul style="list-style-type: none"> Workers should be free to join associations of their own choosing, and have the right to bargain collectively No disciplinary action allowed against workers for choosing to peacefully and lawfully organize or join an association

IKEA Services AB	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
<ul style="list-style-type: none"> ■ Employees are not prevented from associating freely with any lawful organization that represents the best interests of such ■ Supplier shall not prevent employees from exercising collective bargaining 	<ul style="list-style-type: none"> ■ Recognize and respect all workers' rights to form and join trade unions and to bargain collectively (per ILO Conventions 87 and 98) ■ No discrimination against workers' representatives (references ILO Convention 135 and Recommendation 143) ■ Positive approach to union activities and open attitude towards their organizational activities 	<ul style="list-style-type: none"> ■ Every employee has the "right to choose to be a member of a trade union and to bargain collectively" without "fear of interference or restriction" ■ This right must be "consistent with applicable laws" 	<ul style="list-style-type: none"> ■ Respect the right of workers to form and join organizations of their choice and to bargain collectively ■ Expect suppliers to respect the right to free association and right to organize and bargain collectively without unlawful interference ■ Representatives of organizations must have access to their members under local legal conditions ■ Business partners should ensure that workers who make decisions or participate in collective bargaining associations are "not the object of discrimination or punitive disciplinary actions"

	Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.
Freedom of Association, Collective Bargaining <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Recognize and respect the right of employees to freedom of association and collective bargaining 	<ul style="list-style-type: none"> ■ Recognize and respect workers' rights to join and form trade unions of their choice and to bargain collectively ■ Where rights are restricted under law, company should facilitate parallel means of organizing ■ Ensure trade union representatives are not subject to discrimination and have access to members in workplace (provide necessary facilities for activities; employer must have open attitudes towards activities) 	<ul style="list-style-type: none"> ■ No discrimination against workers based on political affiliation or union membership ■ No stated policy on collective bargaining

NIKE, Inc.	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
<ul style="list-style-type: none"> ■ Right to free association ■ Right to collective bargaining 	<ul style="list-style-type: none"> ■ Recognize and respect all workers' rights to freely associate, bargain collectively, and negotiate with employer ■ No threats of partial or complete relocation to weaken bona fide negotiations ■ Provide facilities necessary for trade union activities ■ Provide company information necessary for employment conditions negotiation and to give fair view of the entity's performance ■ Promote employer/employee communication 	<ul style="list-style-type: none"> ■ Right to join, or not join, trade unions of their own choosing ■ Right to bargain collectively ■ Where rights are restricted under law, company should facilitate parallel means of organizing ■ No discrimination based on union membership or political affiliation 	<ul style="list-style-type: none"> ■ Employees free to join organizations of their choice ■ Recognize right to freedom of association and collective bargaining

	Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000
Freedom of Association, Collective Bargaining <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Right to freely associate ■ We recognise and respect the right of employees to join and organize trade unions of their own choice and to bargain collectively. 	<ul style="list-style-type: none"> ■ Right of employees to establish and join organizations of their own choosing ■ Right of all employees to organize and bargain collectively ■ No refusal of employment, or dismissal, to qualified workers because of union membership or participation ■ Workers represented on safety committees, problem-solving committees, and committees that plan activities ■ Workers elect worker representatives ■ Provision of system for resolving workplace disputes 	<ul style="list-style-type: none"> ■ Recognize and respect all workers' rights "to form and join trade unions of their choice and to bargain collectively" ■ Where rights are restricted under law, company should facilitate parallel means to attain goals ■ No discrimination against workers' representatives, and provide representatives access to workers

Timberland Company (The)	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
<ul style="list-style-type: none"> ■ Rights to freely associate and bargain collectively ■ Where rights to freedom of association are restricted under law, must be “an equivalent means of independent representation” 	<ul style="list-style-type: none"> ■ “Recognize and respect right of employees to freedom of association and collective bargaining” ■ “No employee shall be subject to harassment, intimidation or retaliation in their efforts to freely associate or bargain collectively” ■ No cooperation “with governmental agencies and other organizations that use the power of the State to prevent workers from organizing a union of their choice” ■ “Allow union organizers free access to employees” ■ “Recognize the union of the employees’ choice” 	<ul style="list-style-type: none"> ■ Recognize and respect workers’ rights to join workers’ organizations of their own choosing and to bargain collectively ■ Where rights are restricted under law, provide parallel means of independent and free association 	<ul style="list-style-type: none"> ■ Recognize and respect workers’ rights to freely associate and to bargain collectively 	<ul style="list-style-type: none"> ■ ILO Freedom of Association and the Protection of the Right to Organize Convention, No. 87 ■ ILO Right to Organize and Collective Bargaining Convention, No. 98 ■ ILO Workers’ Representatives Convention, No. 135 ■ UN Global Compact (“Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining”) ■ UN Norms (transnational corporations shall “ensure the freedom of association and effective recognition of the right to collective bargaining by protecting the right to establish and, subject only to the rules of the organization concerned, to join organization of their own choosing without distinction”)

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Health and Safety	<ul style="list-style-type: none"> ■ Require a safe and healthy working environment ■ Occupational health and safety practices promoted (including protection from fire, accidents and toxic substances) ■ Lighting, heating and ventilation systems should be adequate and clean ■ Employees must have access to sanitary facilities ■ Factory must clearly communicate health and safety policies to employees ■ Applicable to employee residential facilities, where provided by employers ■ “Guidelines for Health, Safety, and Environment” cover such areas as: management, architectural considerations, alarm systems, first aid, storage of chemicals, chemicals in production, threshold limit values, color coding, compressed gas, house keeping, machinery, waste management, waste water treatment, emission control, and sanitation and hygiene 	<ul style="list-style-type: none"> ■ “A safe and hygienic working environment shall be provided.” ■ Best occupational health and safety practice shall be promoted. 	<ul style="list-style-type: none"> ■ Provide safe and hygienic workplace ■ Workers receive regular and recorded health and safety training ■ Access to clean toilet facilities and potable water ■ Accommodations, where provided, shall be clean, safe, and meet workers’ basic needs ■ A senior management representative shall have responsibility for health and safety

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ Employers must provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities 	<ul style="list-style-type: none"> ■ Provide a safe working environment for employees ■ Facilities must comply with all applicable laws regarding sanitation and risk protection ■ Factories should be well lit and ventilated ■ Aisles should be easily accessible, and buildings should have clearly-marked emergency exits clear of obstacles, and doors are accessible and unlocked ■ Machinery should be properly maintained and equipped with operational safety devices ■ Hazardous materials should be sensibly stored and disposed of; appropriate protective clothing is available to employees at no cost ■ Workers have access to potable water and sanitary toilet areas throughout the workday 	<ul style="list-style-type: none"> ■ Workers' safety should "be a priority" at all times ■ No hazardous equipment or unsafe buildings ■ Factories must have clearly marked exits, that are unblocked and well-lit ■ Workers should be aware of safety arrangements in the factory ■ First aid equipment should be available, and at least one person trained in it ■ Employer should pay non-reimbursed medical costs incurred by a worker following an injury during work in the factory ■ Temperature should be tolerable, and ventilation should be adequate ■ Sufficient lighting ■ Sanitary facilities clean, and workers to have access without restrictions; separate for men and women ■ If a facility provides housing for its staff, it must be safe and clean; workers must have their own beds; separate dormitories, toilets and showers provided for men and women; importance of fire safety precautions in dorms 	<ul style="list-style-type: none"> ■ Supplier to comply with all relevant and applicable laws, legislation and regulations pertaining to internal air quality, noise levels, lighting levels and temperature levels in the workplace ■ Supplier shall provide appropriate personnel protective equipment to employees working in harmful or potentially risky work areas ■ Machines and other equipment used in production to be equipped with necessary safety devices ■ Warning signs must be posted, and safety training must be given ■ Adequate number of washing and toilet facilities available and maintained for men and women ■ Clean drinking water must be provided, free of charge, to all employees ■ First aid equipment must be available to all workers, at least one box in each building and at each floor, and at least one employee to be trained and present during working hours, during all work shifts ■ If provide housing facilities, must ensure reasonable cleanliness, privacy, personal hygiene, and quietness; if provided, employees must be given individual bed/mattress; separate toilet and shower accommodations available for men and women ■ Compliance with all fire prevention and safety rules, including fire fighting equipment, evacuation alarm, evacuation plan, emergency exits, and training and maintenance ■ Factory itself must also comply with all fire prevention and safety rules.

	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
Health and Safety <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Provide a safe and hygienic working environment ■ Best occupational health and safety practices shall be promoted, bearing in mind the prevailing knowledge of the industry and of specific hazards 	<ul style="list-style-type: none"> ■ Provide a “safe and healthy working environment” in compliance with all applicable laws and regulations, including: <ul style="list-style-type: none"> ■ Fire code rules and building safety ■ Proper lighting and ventilation ■ Aisles and exits accessible ■ Properly maintain and service all machinery ■ Provide safe storing and responsible disposal of hazardous materials ■ Well-known emergency, medical and evacuation plan for employees ■ Dormitories, where applicable, must be safe and clean and located separately from working facilities 	<ul style="list-style-type: none"> ■ Will only utilize business partners who provide workers with safe and healthy work environment ■ Business partners who provide residential facilities for their workers must provide safe and healthy facilities

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ Employers must provide safe and healthy working environment to prevent accidents and injury to health 	<ul style="list-style-type: none"> ■ “Committed to ensure the health, safety and well-being of all its employees” ■ An active program to protect the health and safety of employees, supported by safety officers in each store and annual audits carried out by an independent specialist ■ Provide a comprehensive range of occupational health services such as access to occupational health advisers, breast screening, private medical insurance, and cash back health plan ■ Trained Health & Safety officer in every location; 45% reduction in accidents in first six months of 2002 	<ul style="list-style-type: none"> ■ “Employers shall provide a safe and sanitary working environment using OSHA standards as a benchmark, in order to avoid preventable work-related accidents and injuries.” 	<p>Commitment to “providing a safe and healthy work place” and “promoting the health and well-being of all employees”</p> <ul style="list-style-type: none"> ■ “Worked with our Asian partners to implement management systems to achieve specific environmental, health and safety goals, beginning with a program called MESH (Management, Environment, Safety and Health)” ■ Subcontractor/supplier “certifies compliance with all applicable local government regulations regarding occupational health and safety”

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
Health and Safety <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "Take adequate steps to ensure occupational health and safety in their operations" 	<ul style="list-style-type: none"> ■ "A safe and hygienic working environment is provided, subject to any specific hazards intrinsic to the job." ■ "Adequate steps are taken to prevent accidents and damage to health arising out of, associated with, or occurring in the course of, work, by minimizing, so far as is reasonably practicable, the causes of hazards in the working environment." ■ Workers receive health and safety training on recruitment and subsequently at regular intervals ■ Workers provided with access to clean toilet facilities and potable water. Hygienic facilities for food storage are provided, if appropriate ■ If accommodation is provided, it is clear and safe and meets the basic needs of workers ■ Senior Manager responsible for health and safety 	<ul style="list-style-type: none"> ■ Provide a safe and healthy work environment to prevent accident and injury to health ■ Vendors should make a responsible contribution to the health care needs of their employees

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ Complies with all regulations for workers' social security and health benefits, including medical care, life and other compensations ■ Maintains a clinic at the factory ■ Standards articulated for ventilation, canteen, toilet facilities, potable water, workplace safety, stairs and aisles, emergency exits, machinery safety, fire prevention, and noise control ■ Requires use of personal protective equipment management ■ Education management suggestions on labor practices and safety, health, and environmental factors 	<ul style="list-style-type: none"> ■ "Reebok will seek business partners that strive to assure employees a safe and healthy workplace and that do not expose workers to hazardous conditions." ■ "The specific and quantitative requirements of the Reebok Standard are based on common practice, regulatory requirements, consultation with local or regional occupational health experts, and the recommendations of public and private bodies and other national standard-setting bodies around the world (for example, the United States Occupational Safety and Health Administration)." ■ In-depth implementation guide provided to factories, outlining specific requirements for: <ul style="list-style-type: none"> ● management of hazardous and combustible materials ● fire safety ● general factory conditions ● operational safety ● emergency medical care ● worker health and hygiene ● dormitory conditions 	<ul style="list-style-type: none"> ■ Company provides a safe and healthy work environment and takes adequate steps to prevent accidents and injury ■ A senior manager is to be responsible for the health and safety of all personnel ■ Regular health and safety training ■ All workers have access to clean bathrooms, potable water, and, if appropriate, sanitary facilities for food storage ■ Dormitory facilities are clean and safe 	<ul style="list-style-type: none"> ■ Workplace must be safe and healthy based on the recognized standards of the ILO and national laws ■ This requirement applicable to any residential facilities provided ■ Employees must receive training on workplace safety practices

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
Health and Safety <i>(Continued)</i>	<ul style="list-style-type: none"> ■ “Provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work” ■ Direct operations and those of any subcontractor must comply with the more rigorous of either: all national laws on workplace safety and health regulations, or Title 29 CFR of the Federal Code of Regulations, enforced by OSHA (Occupational Safety and Health Administration), whichever regulation is more health protective for a given hazard ■ Direct operations and those of any subcontractor must also comply with all health and safety conventions of the ILO ratified and adopted by the country in which the production facility is located ■ No exposure of workers to hazards, including glues and solvents, that may endanger their safety, “including their reproductive health” 	<ul style="list-style-type: none"> ■ Provide a safe and healthy work environment ■ Comply with all applicable laws governing health and safety ■ Workers should have access to sanitary facilities ■ Standards and procedures should be elaborated to protect workers from fire, accidents and toxic substances. ■ Lighting, heating and ventilation should be adequate 	<ul style="list-style-type: none"> ■ Provide a safe and healthy work environment. ■ Where residential housing is provided for workers, provide safe and healthy housing 	<ul style="list-style-type: none"> ■ ILO Occupational Safety and Health Convention, No. 155 ■ ILO Occupational Safety and Health Recommendation, No. 164 ■ ILO Occupational Health Services Convention, No. 161 ■ ILO Protection of Workers’ Health, Recommendation No. 97 ■ ILO Occupational Health Services Recommendation, No. 112 ■ ILO Occupational Safety and Health Protocol, No. 155 ■ UN Norms (transnational corporations shall “provide a safe and healthy working environment as provided by the relevant international instruments and national legislation as well as international human rights law”)

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Discrimination	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, national origin, gender, religion, age, disability, marital status, membership of associations, sexual orientation, or political opinion) ■ No discrimination in hiring and employment practices 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, color, sex, religion, political opinion, nationality, social origin, or other distinguishing characteristics) (per ILO Conventions 100 and 111) 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, caste, national origin, religion, disability, gender, marital status, sexual orientation, union membership, or political affiliation) ■ No discrimination in hiring, compensation, access to training, promotion, termination, retirement
Harassment, Abuse, and Disciplinary Action	<ul style="list-style-type: none"> ■ No physical, sexual, psychological, or verbal harassment or abuse 	<ul style="list-style-type: none"> ■ No physical abuse, threats of physical abuse, unusual punishments or discipline ■ No sexual or other harassment ■ Intimidation by employer is strictly prohibited 	<ul style="list-style-type: none"> ■ No physical or verbal abuse or intimidation of any kind for any purpose ■ All disciplinary measures must be recorded

	Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB
Discrimination <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No person shall be subject to any discrimination in hiring, salary, benefits, advancement, discipline, termination, retirement ● No discrimination based on personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin) 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (race, color, gender, nationality, religion, age, maternity, or marital status) ■ No discrimination in wages and benefits 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (race, gender, religion, or ethnic background) ■ “Workers with same experience and qualifications should receive equal pay for equal work”
Harassment, Abuse, and Disciplinary Action <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Every employee will be treated with respect and dignity ■ No employee will be subject to any physical, sexual, psychological, or verbal harassment or abuse 	<ul style="list-style-type: none"> ■ No physical or psychological coercion ■ No corporal punishment 	<ul style="list-style-type: none"> ■ No form of mental or physical disciplinary actions ■ No corporal punishment ■ No sexual harassment ■ Dismissal of pregnant female workers is unacceptable

IKEA Services AB	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (race, creed, sex, marital or maternal status, age, national origin, sexual orientation, or any other basis prohibited by law) ■ No discrimination in hiring, salary, fringe benefits, promotion, termination, and retirement ■ “Respect for local culture and religions shall be taken into consideration when evaluating the prevailing situation” 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, color, gender, religion, political opinion, nationality, social origin, or other distinguishing characteristics) ■ References to ILO Conventions 100 (Equal Remuneration, 1951) and 111 (Discrimination, Employment and Occupation, 1958) 	<ul style="list-style-type: none"> ■ No discrimination on the basis of personal characteristics or beliefs (race, religion, age, national origin, sexual orientation, or gender) ■ No discrimination in hiring and employment practices 	<ul style="list-style-type: none"> ■ No discrimination on the basis of personal characteristics or beliefs. “Characteristics that should not be used to determine the terms and conditions of employment include gender, ethnicity, age, religion, physical disability, political opinion, social status, or sexual orientation.” [Assessment Guidebook] ■ No discrimination in employment practices ■ “Favor” business partners who share this value
<ul style="list-style-type: none"> ■ No physical or mental coercion ■ No corporal punishment ■ No threats of violence, disciplinary actions, or sexual harassment ■ No use of public warning and punishment systems. “Reprimands for breach of duty or misconduct shall be a private matter between the employer and employee.” ■ Employee has right to appeal reprimands, disciplinary actions, and dismissal, and these appeals are recorded 	<ul style="list-style-type: none"> ■ No stated policy 	<ul style="list-style-type: none"> ■ No mental or physical coercion, abuse, or threats of violence ■ No corporal punishment ■ No engagement in, or tolerance of, sexual harassment 	<ul style="list-style-type: none"> ■ No mental or physical coercion ■ No corporal punishment

	Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.
Discrimination <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin) ■ No discrimination in employment, hiring, salary, benefits, advancement, discipline, termination or retirement 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, caste, national origin, religion, disability, gender, marital status, sexual orientation, union membership, or political affiliation) ■ No discrimination in hiring, compensation, access to training, promotion, termination, retirement 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (gender, race, caste, sexual orientation, religious or cultural beliefs) ■ No discrimination in employment, promotion, and compensation practices ■ No pre-employment or during-employment screening for pregnancy
Harassment, Abuse, and Disciplinary Action <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No physical, sexual, psychological or verbal harassment or abuse 	<ul style="list-style-type: none"> ■ No physical or verbal abuse or intimidation of any kind for any purpose ■ All disciplinary measures must be recorded 	<ul style="list-style-type: none"> ■ No physical, verbal, sexual, or psychological harassment or abuse ■ No corporal punishment

NIKE, Inc.	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (race, creed, gender, marital or maternity status, religious or political beliefs, age, or sexual orientation) ■ No discrimination in hiring, compensation, benefits, advancement, termination, or retirement practices 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, color, gender, religion, political opinion, national extraction, social origin) ■ Exceptions to non-discrimination when employee's characteristics further governmental policies to promote equal opportunity; or if meets specific job requirements 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (race, caste, national origin, religion, age, disability, sex, marital status, union membership, or political affiliation) ■ No discrimination in recruitment, wages, access to training, promotion, termination or retirement practices 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, or social or ethnic origin) ■ No discrimination in hiring, salary, benefits, advancement, discipline, termination or retirement
<ul style="list-style-type: none"> ■ No harassment or abuse ■ No corporal punishment 	<ul style="list-style-type: none"> ■ No specific mention, but "observe standards of employment and industrial relations not less favorable than those observed by comparable employers in the host country" 	<ul style="list-style-type: none"> ■ No physical abuse or discipline, and no threat of physical abuse ■ No verbal abuse ■ No sexual or other forms of harassment ■ No other forms of intimidation 	<ul style="list-style-type: none"> ■ No physical, sexual, psychological, or verbal harassment and/or abuse ■ No form of mental or physical coercion

	Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000
Discrimination <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (gender, race, religion, age, sexual orientation, nationality, political opinion, or social or ethnic origin) 	<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, caste, or social or ethnic origin) ■ No discrimination in hiring, salary, benefits, training opportunities, work assignments, advancement, discipline, termination or retirement practices 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age) ■ No discrimination in hiring, remuneration, access to training, promotion, termination, or retirement ■ No interference with the workers' observance of tenets or practices of their beliefs
Harassment, Abuse, and Disciplinary Action <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Employees are treated with respect and dignity. No employees may be subject to physical, sexual, psychological or verbal harassment or abuse. All disciplinary practices comply with local law and are fully documented. ■ Suggestion boxes established in the production areas of the factories "for employees to express their opinion, concerns or comments" ■ Set up an employees counseling center as another tool for workers' grievance and suggestions 	<ul style="list-style-type: none"> ■ No physical, sexual, psychological, or verbal harassment or abuse ■ No condoning, creating, or contributing to an intimidating, hostile, or offensive work environment ■ Standard reporting and disciplinary procedures for implementing non-harassment policy ■ Non-retaliation policy permits workers to express concerns without fear of retribution ■ No monetary fines or threats 	<ul style="list-style-type: none"> ■ No physical, mental, or sexual abuse or coercion of any kind for any purpose ■ No corporal punishment ■ No sexually coercive, threatening, abusive, or exploitative behavior (e.g., gesture, language, physical contact)

Timberland Company (The)	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or beliefs “unrelated to the ability to perform the job” (race, color, sex, religion, political opinion, nationality, social origin, social status, indigenous heritage, disability, age, marital status, capacity to bear children, pregnancy, sexual orientation, genetic features) 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin) ■ No discrimination in employment practices, including hiring, salary, benefits, advancement, discipline, termination or retirement 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social or ethnic origin) ■ No discrimination in employment, hiring, salary, benefits, advancement, disciplines, termination, or retirement 	<ul style="list-style-type: none"> ■ No discrimination based on personal characteristics or beliefs ■ No discrimination in employment, compensation, promotion, and termination 	<ul style="list-style-type: none"> ■ ILO Discrimination (Employment and Occupation) Convention, No. 111 ■ ILO Equal Remuneration Convention, No. 100 ■ ILO Vocational Rehabilitation and Employment (Disabled Persons) Convention, No. 159 ■ UN Global Compact (“eliminate discrimination in respect of employment and occupation” ■ UN Norms (transnational corporations shall “ensure equality of opportunity and treatment, for the purpose of eliminating discrimination based on race, color, sex, religion, political opinion, nationality, social origin, indigenous status, disability, age, or other status of the individual unrelated to the individual’s ability to perform his/her job”)
<ul style="list-style-type: none"> ■ No intolerance, harassment or abuse ■ Whistle-blowing protections, and no “retribution for grievances” ■ No corporal punishment 	<ul style="list-style-type: none"> ■ No physical, sexual, psychological, or verbal harassment or abuse ■ No use, or toleration of, any form of corporal punishment ■ Every employee shall be treated with dignity and respect 	<ul style="list-style-type: none"> ■ No physical, sexual, psychological, or verbal abuse or harassment ■ All workers should be treated with respect and dignity 	<ul style="list-style-type: none"> ■ No harassment or abuse of any kind ■ No corporal punishment 	<ul style="list-style-type: none"> ■ UN Global Compact (“businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence’ and “make sure they are not complicit in any human rights abuses”)

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Monitoring and Compliance Framework	<ul style="list-style-type: none"> ■ FLA membership provides framework for external and independent monitoring of factories in supply chain ■ Targets 10% of suppliers for monitoring by FLA accredited monitors 	<ul style="list-style-type: none"> ■ “Companies adopting the code will be expected to engage an independent institution established for the purpose of monitoring compliance with the code, in assisting companies in implementing the code, and in providing consumers with information concerning the labor practices in the industry.” 	<ul style="list-style-type: none"> ■ Alliance of companies, NGOs and trade unions seeking to identify and promote good practice in implementation of codes ■ Companies adopt ETI’s “Base Code” of labor practice, or draw up their own based on it, then work with selected suppliers worldwide to move towards these standards ■ ETI will not publicly endorse any product or company, or any member or non-member organization ■ Companies engage with other ETI members to design, implement and analyze pilot schemes to identify good practice in monitoring ■ Administered by ETI Secretariat ■ ETI does not accredit independent monitors ■ Costs borne by company

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ Voluntary company-based monitoring and certification program ■ Companies/brands seek certification that internal monitoring is consistent with FLA principles ■ FLA independent external monitoring system is used to verify companies' internal systems ■ For enhanced independence of monitoring, independent external monitors are accredited, selected, and paid by the FLA (not companies) ■ FLA independent external monitoring visits are unannounced ■ Reports from independent external monitoring visits are posted on FLA website within 60 days of visit ■ After initial implementation period (2 or 3 years), certification granted to companies/brands found to be in compliance with FLA principles; reviewed annually ■ Administered by independent Fair Labor Association, governed by 16 member Board of Directors ■ Accredits monitors ■ Funded by university and company annual dues; government and foundation grants 	<ul style="list-style-type: none"> ■ Voluntary, company-based monitoring program in place since mid 1990s ■ Close to 100% of audits done internally; independent monitoring performed in addition to internal auditing in several countries ■ Conduct audits of 100% of apparel sourcing facilities every year ■ Use a system of "Risk Based Audit" protocol, where more visits are conducted at facilities with more risk, and fewer when the risk is less ■ No licensees used by company 	<ul style="list-style-type: none"> ■ H&M reserves right to make unannounced visits to all factories producing goods at any time ■ Reserve right to let an independent third party (e.g., NGO) of our choice make inspections to ensure compliance ■ If corrective measures not taken, or repeated violations occur, relationship will be terminated 	<ul style="list-style-type: none"> ■ IKEA Trading Service Offices has the direct responsibility to support and monitor suppliers ■ To ensure compliance, IKEA has also formed a global compliance and monitoring group ■ Reserves the right to check suppliers "with the help of independent organizations" ■ IKEA conducts an "IKEA Way" audit of suppliers on premises; it reserves the right to perform unannounced audits or inspections to verify requirements; suppliers must allow for confidential employee interviews and access to all documentation and records

	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No stated policy 	<ul style="list-style-type: none"> ■ Lego will “monitor relevant suppliers and their facilities to ensure compliance with Code of Conduct” ■ Results of the monitoring will be documented in a monitoring report ■ Suppliers must maintain and provide access to all documentation on site ■ On-site inspections, including unannounced visits, by Lego and/or assigned representatives ■ Access to employees for confidential visits during monitoring trips ■ If improvements do not occur, Lego will terminate relationship 	<ul style="list-style-type: none"> ■ Voluntary company-based monitoring program utilizing compliance audits ■ Thorough audits conducted annually and internally for 100% of facilities (any external audits conducted in addition to internal audits) ■ Beginning in 2001, 100% of licensees were also monitored, in addition to the other facilities ■ Dropped FLA membership for 2003. Instead, Verite, the Edinburgh Resource Center and the Environmental Resource Management group conduct external monitoring for 5% of sourcing base

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ FLA Member ■ Voluntary company-based monitoring program utilizing compliance audits ■ Seek to monitor 50% of factory base in 2003 under FLA; monitored 30% of facilities in 2002 ■ Also used COVERCO, ITS, Cotchna and MTL for independent monitoring 	<ul style="list-style-type: none"> ■ Audits through membership in Ethical Trading Initiative (“ETI”) ■ Company adopts ETI’s “Base Code” of labor practice, or draw up their own based on it, then work with selected suppliers worldwide to move towards these standards ■ Company engages with other ETI members to design, implement and analyze pilot schemes to identify good practices in monitoring ■ Costs borne by company 	<ul style="list-style-type: none"> ■ Internal Steering Committee, consisting of company executives, set policy and standards and review factory audits ■ Professional staff located in each factory every day to work with factory management and workers toward continuous improvement in accomplishing goals in all areas ■ Retain Verite to conduct independent third-party audits of factories ■ All audits include interviews with workers both on- and off-site ■ Sponsor a Mobile Training program with Verite to provide education and training in a number of areas for workers at factories in PRC 	<ul style="list-style-type: none"> ■ As a FLA Member, regularly scheduled internal and external audits ■ Voluntary company-based monitoring program utilizing compliance audits ■ Outside of FLA, both extensive internal and external monitoring ■ Significant CSR audit material available for public on web site, including publishing the scores of factory audits under “Transparency 101,” including internal “SHAPE” audits (Safety, Health, Attitude of Management, Treatment of People, Environment), which are targeted to be conducted 4 times per year for footwear facilities and 2 times per year for apparel and equipment facilities. ■ Founding member of the Global Alliance for Workers and Communities, which has conducted workplace assessments in four countries (Thailand, Vietnam, Indonesia and India) and interviewed more than 10,000 workers. Results of those interviews (which include both issues of compliance as well as aspirational goals) have been made public by the GA, and Nike has posted those results on its web site.

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ For implementation and reporting purposes: ● Adhering countries to set up National Contact Points to undertake promotional activities and to consider instances where companies are believed not to have observed the Guidelines ● Oversight responsibility given to Committee on International Investment and Multinational Enterprises (CIME). The CIME periodically holds exchanges of views on matters covered by the Guidelines 	<ul style="list-style-type: none"> ■ Member of, and reflects, Base Code of Ethical Trading Initiative (ETI) ■ Each Group company is responsible for implementing the policy in respect of its own suppliers ■ A “small central team of specialists provides advice, training and assistance”, helps coordinate programs across the Group and arranges participation in cooperative projects with other organizations. It also monitors the progress of Group companies and reports back to the Board.” 	<ul style="list-style-type: none"> ■ FLA Member ■ Voluntary company-based monitoring program utilizing compliance audits ■ Works with ILO ■ “PVH has been committed to the enforcement of these standards and has an on-going approval and monitoring system. Our goal is to engage our suppliers, contractors and business partners in the implementation of these standards.”

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ Regulations for daily safety, health, and environment inspections ■ Provisions for testing of workplace for solvents, noise, light, and a variety of other health, safety, and environmental factors 	<ul style="list-style-type: none"> ■ Implements and monitors standards through on-site inspection of facilities, off-site interviews, and regular reporting requirements for factory management ■ Provides an in-depth, 47-page, implementation guide to the Reebok Standards for specific direction to factory managers for incorporating basic human rights principles into daily operations 	<ul style="list-style-type: none"> ■ Voluntary factory-based monitoring and 3rd party certification system ■ Companies seek to certify owned/operated facilities or contractors' facilities; contractors seek certification to secure contract; development/multilateral organizations seek to certify suppliers ■ Requires on-site inspection by approved external monitor ■ Requires management system ■ Certification granted to companies/contractors/ suppliers in compliance with standard ■ SAI accredits monitors, including certification agencies, accounting firms, and NGOs ■ Costs borne by company/contractor/supplier being certified ■ Certified facilities have obligation to monitor and control their own suppliers/subcontractors and have obligation to offer similar protection to home workers 	<ul style="list-style-type: none"> ■ "Explorer" category of the SA8000 standard ■ Uses both internal and external resources to evaluate factories, and conduct ongoing audits and reviews ■ Require full and open access to facilities and operations for audits ■ Started working with Verite in 1998 to audit factories, including all footwear and apparel vendors, and some licensees' facilities ■ In 2000-2001, all facilities making Timberland products, including tanneries and major component suppliers, were audited ■ Also have compliance monitors that visit factories every 5 months ■ Employees must have opportunity to notify company anonymously of any violations of standards, and must not receive any retribution for action ■ "Will make information on our compliance program available publicly" ■ Not a member of FLA or WRAP

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Compliance, Disclosure, Verification, and Remediation programs 	<ul style="list-style-type: none"> ■ Members should take steps to ensure compliance with these standards in their own operations and those who supply them ■ Members should consider requiring suppliers to provide legally binding contractual assurances of their compliance with these standards and develop mechanisms to monitor their own performance and that of their suppliers 	<ul style="list-style-type: none"> ■ Voluntary factory-based monitoring and certification program ■ Apparel manufacturing facilities seek certification or compliance with the WRAP principles ■ Requires on-site inspection by approved external monitor ■ Certification granted to factories meeting the WRAP principles ■ Administered by independent certification agency with 9 member Board of Directors ■ Costs borne by manufacturing facilities 	<ul style="list-style-type: none"> ■ ILO Labor Inspection Convention, No. 81

Endnotes

1. Established in 1998, the code is “intended for retailers as well as manufacturers and all companies positioned in between those in the apparel and sportswear supply chain.” Code specifically applies to: knitting industry, manufacture of mass-produced footwear, production of hand-made footwear, manufacture of ready-made clothing and accessories, bespoke tailoring, dressmaking and hatmaking, and manufacture of furs and fur goods. Provides for observance of all core International Labour Organizations (ILO) standards. “The code applies to all of the companies’ contractors, subcontractors, suppliers and licensees world-wide.”
2. The ETI is an alliance of companies, non-governmental organizations, and trade union organizations committed to working together to identify and promote ethical trade - good practice in the implementation of a code of conduct for good labor standards, including the monitoring and independent verification of the observance of ethics code provisions, as standards for ethical sourcing.
3. The FLA is a non-profit organization combining the efforts of industry, non-governmental organizations, colleges and universities to promote adherence to international labor standards and improve working conditions worldwide. The FLA enforces an industry-wide Workplace Code of Conduct, which is based on the core labor standards of the ILO.
4. Created by college and university administrations, students and labor rights experts. More than 100 colleges and universities are affiliated with the WRC.
5. This material has been drawn from the ILO Conventions and Recommendations, as well as the 1977 ILO Tripartite Declaration of Principles, but does not purport to be an exhaustive survey of all ILO materials. Other documents referenced include the UN Global Compact and the UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights (UN Norms), which provides that transnational corporations “shall recognize and respect applicable norms of international law; national laws; regulations; administrative practices; the rule of law; development objectives; social, economic, and cultural policies.”

Apparel, Footwear and Light Manufacturing Sector Environmental Standards

Companies/Organizations:

adidas-Salomon AG
 Clean Clothes Campaign
 Ethical Trading Initiative
 Fair Labor Association
 Gap Inc.
 H&M Hennes & Mauritz AB
 IKEA Services AB
 International Confederation of Free Trade Unions
 LEGO Company
 Levi Strauss & Co.
 Liz Claiborne Inc.
 Marks & Spencer Group p.l.c.
 New Balance Athletic Shoe, Inc.
 NIKE, Inc.
 Organization for Economic Cooperation and Development—
 Guidelines for Multinational Enterprises
 Pentland Group plc
 Phillips-Van Heusen Corporation
 Pou Yuen Vietnam Enterprise, Ltd.
 Reebok International, Ltd.
 Social Accountability International—SA8000
 Timberland Company (The)
 Worker Rights Consortium
 World Federation of the Sporting Goods Industry
 Worldwide Responsible Apparel Production
 International Standards

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	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
General Policy Statement and Environmental Management Systems	<ul style="list-style-type: none"> ■ "Business partners should aim for progressive improvement in their environmental performance, not only in their own operations, but also in their operations with partners, suppliers and subcontractors. This includes: integrating principles of sustainability into business decisions; responsible use of natural resources; adoption of cleaner production and pollution prevention measures; and designing and developing products, materials and technologies according to the principles of sustainability." ■ "We adhere to social and environmental laws, directives and guidelines while continually improving our own contribution to a sustainable society." ■ EMS's in place for some suppliers; seeking to improve the environmental performance of factories ■ Certified EMS (EMAS/ISO 14.001) in place at majority of own sites ■ "Guide to Best Environmental Practice" covers building, energy, waste, water, emissions, soil and ground water, and management systems 	<ul style="list-style-type: none"> ■ "A safe and hygienic working environment shall be provided, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards." ■ No specifically articulated environmental policy ■ Comply with all applicable legal requirements for hours of work, and wages and benefits 	<ul style="list-style-type: none"> ■ "A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment." ■ No specifically articulated environmental policy (labor and human rights-focused initiative)

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ “Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.” ■ “Any Company that determines to adopt the Workplace Code of Conduct shall, in addition to complying with all applicable laws of the country of manufacture, comply with and support the Workplace Code of Conduct in accordance with the...Principles of Monitoring and shall apply the higher standard in cases of differences or conflicts.” ■ No specifically articulated environmental policy (labor and human rights-focused organization) 	<ul style="list-style-type: none"> ■ “We believe that business profitability and environmental responsibility go hand in hand. We strive to keep this in mind in both principle and practice and have developed two basic tenets to guide us in our efforts: <ul style="list-style-type: none"> ● wherever we do business, we will operate with respect and sensitivity to the environment; ● we will encourage our employees to take individual steps to protect and restore the environment, and empower them to ensure that company activity is consistent with our environmental practices.” ■ “Factories must comply with all applicable environmental laws and regulations. Where such requirements are less stringent than Gap’s own, factories are encouraged to meet the standards outlined in Gap’s statement of environmental principles.” ■ Factories must have an environmental management system or plan. 	<ul style="list-style-type: none"> ■ “We shall always consider the health and safety of our employees. By adopting the precautionary principle, we will continually update our restrictions against the use of environmentally and health hazardous chemicals in the production of our garments and other products.” ■ “The environment is of increasing concern globally and H&M expects its suppliers to act responsibly in this respect.” ■ “Suppliers must comply with all applicable laws and regulations in the country of operation.” ■ Will continually update ourselves on environmental news and legislation ■ Will not be content to follow existing environmental legislation, but will in certain areas do more than the law requires 	<ul style="list-style-type: none"> ■ “We always strive to minimize any possible damaging effects to the environment, which may result as a consequence of our activities. Therefore, IKEA and its suppliers shall continuously reduce the environmental impacts of operations.” ■ Supplier shall always comply with the most demanding requirements whether it is relevant applicable laws or IKEA specific requirements. ■ “IKEA Way Standard,” listing minimum requirements for Environment, Social and Working Conditions and Wooden Merchandise, is a very comprehensive environmental statement. ■ If required by law, the supplier shall conduct an Environmental Assessment and obtain approval from authorities prior to changes in production, processes and buildings. ■ Potential suppliers - prior to starting a business relationship with IKEA - must fulfill certain requirements first, including no use of wood from intact natural forests or high conservation value forests. ■ Supplier shall ensure and demonstrate continuous environmental improvements, relative to increases in production, in various areas (e.g., reduction of emissions to air, discharges to ground and water, noise, hazardous and non-hazardous waste, the use of natural resources, and continuously working to replace hazardous substances with less hazardous). ■ Supplier shall establish a list of relevant legislation and regulations in order to remain in compliance with the requirements; supplier shall have a basic factory registration/license to operate, if required by law; and supplier shall appoint one or several persons who shall have defined responsibilities for Environmental, Social and Working conditions.

	International Confederation of Free Trade Unions (ICFTU)	LEGO Company	Levi Strauss & Co.
<p>General Policy Statement and Environmental Management Systems (Continued)</p>	<ul style="list-style-type: none"> ■ “A safe and hygienic working environment shall be provided, and best occupational health and safety practices shall be promoted, bearing in mind the prevailing knowledge of the industry and of specific hazards.” ■ No specifically articulated environmental policy 	<ul style="list-style-type: none"> ■ “Our environmental concern is linked both to Lego play materials and to the way in which they are manufactured. Our fundamental principle is that we wish to assume a total view—from cradle to grave—in which we take all environmental aspects into account. We give a high priority to environmental considerations in our choice of materials and manufacturing processes. Environmental responsibility is a natural and integrated part of our value base. It is thus also an important component of our image, and we wish to be seen as an environmentally conscious and responsible company.” ■ “At Lego, there are seven important environmental questions to which we attach particularly great importance: plastics, semi-manufactured goods, packaging, printed materials, the logistics chain, recycling, and waste.” ■ “All suppliers must provide a safe and healthy working environment in compliance with all applicable laws and regulations.” ■ “[C]omply with existing legislation and regulations regarding the protection of the environment” 	<ul style="list-style-type: none"> ■ “We will only do business with partners who share our commitment to the environment and who conduct their business in a way that is consistent with Levi Strauss & Co.’s Environmental Philosophy and Guiding Principles.” ■ “We will only utilize business partners who provide workers with a safe and healthy work environment.” ■ Educate and assist factories in building their own environmental management system ■ Must comply with all legal requirements relevant to the conduct of businesses

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ “We favor suppliers who practice environmental protection.” ■ “Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of the operation of employer facilities.” ■ “Suppliers must observe all applicable laws of their country, including those concerning employment, discrimination, the environment, safety and apparel or apparel-related fields.” ■ If there is any difference in a category between the company’s standards and local law, the higher standard prevails. 	<ul style="list-style-type: none"> ■ “Like the world around us, our understanding of environmental issues is continually changing. There are few perfect solutions to the challenges we face, only responsible steps we can take. We are committed to keeping you regularly updated on our progress and to developing the measurements we publish.” ■ “We care about the well-being of all our people and are committed to maintaining the quality of our health and safety at work.” ■ Detailed Environmental Policy regarding Suppliers, Operations, and Customers ■ Ensure compliance with legislation ■ “Introduce an Environmental Management System to improve efficiencies, reduce the risks of pollution and ensure compliance with legislation” 	<ul style="list-style-type: none"> ■ “Employers shall provide a safe and sanitary working environment using OSHA standards as a benchmark, in order to avoid preventable work-related accidents and injuries.” ■ No specifically articulated environmental policy ■ “All facilities shall comply with all local environmental laws. Manufacturers, sub-contractors and suppliers must certify compliance with all applicable environmental regulations in their country.” 	<ul style="list-style-type: none"> ■ “The contractor has written environmental, safety and health policies and standards, and implements a system to minimize negative impacts on the environment, reduce work-related injury and illness, and promote the general health of employees.” ■ “We’ve worked with our key Asian footwear contractors to implement management systems to allow them to achieve specific environmental, health and safety goals, beginning with a program called MESH (Management, Environment, Safety and Health).” ■ Subcontractor/supplier “certifies compliance with all applicable local environmental regulations.”

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
General Policy Statement and Environmental Management Systems <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "Enterprises should, within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives, and standards, take due account of the need to protect the environment, public health and safety, and generally to conduct their activities in a manner contributing to the wider goal of sustainable development." ■ "The Guidelines are not a substitute for, nor do they override, applicable law. They represent standards of behavior supplemental to applicable law and, as such, do not create conflicting requirements." ■ Enterprises should "establish and maintain a system of environmental management appropriate to the enterprise" ■ Where proposed activities of the enterprise may "have significant environmental, health, or safety impacts, and where they are subject to a decision of a competent authority, prepare an appropriate environmental impact assessment" 	<ul style="list-style-type: none"> ■ We "consider environmental issues to be an influential factor in our drive for world class standards and sustainable development." ■ "We recognise that our business activities affect the natural environment in a number of ways. We aim, through continuing improvement, to minimise the adverse effects on the environment and the earth's natural resources, whilst safeguarding the health & safety of our employees and the public." ■ "We will strive to: <ul style="list-style-type: none"> ● comply with or exceed relevant legislative requirements ● develop and implement a set of procedures to monitor, control and review our significant environmental impacts (and environmental management system) and update it as necessary ● encourage manufacturing suppliers to recognise their environmental responsibilities ● provide safe working conditions ● design and manufacture our products with consideration of the environment ● reduce progressively the environmental impact caused by our products and activities ● protect local and wider communities from environmental damage or nuisance resulting from our activities" 	<ul style="list-style-type: none"> ■ "We are committed to the environment and will favor vendors who share this commitment. We require our vendors to meet all applicable environmental laws in their countries and to nurture a better environment - at their facilities and in the communities in which they operate." ■ "Employers shall provide a safe and healthy work environment to prevent accident and injury to health." ■ Compliance with all applicable environmental laws

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ We manage our business operations with spirit to strive for continual improvement in minimising/eliminating all pollution sources to achieve business goal of sustainability and maintain a good environment ■ We comply with all relevant and applicable local laws, legislation and regulations pertaining to environment, social & working conditions, fire, as well as health & safety 	<ul style="list-style-type: none"> ■ "Around the world, leading manufacturers have found that environmental, safety and health programs can improve business operations and reduce costs, while creating safer working conditions, eliminating environmental hazards to workers and achieving more efficient use of natural resources." ■ "Factory complies with all applicable laws and regulations regarding structural safety and working conditions, including worker health and safety, sanitation, risk protection, fire safety and electrical and mechanical safety." ■ "Strive to assure employees a safe and healthy workplace" and one that does "not expose workers to hazardous conditions" ■ "The specific and quantitative requirements of the Reebok Standard are based on common practice, regulatory requirements, consultation with local or regional occupational health experts, and the recommendations of public and private bodies and other national standard-setting bodies around the world (for example, the United States Occupational Safety and Health Administration)." 	<ul style="list-style-type: none"> ■ "Company shall provide a safe and healthy work environment and takes adequate steps to prevent accidents and injury to health." ■ "The company shall comply with national and other applicable law, other requirements to which the company subscribes, and this standard. When national and other applicable law, other requirements to which the company subscribes, and this standard address the same issue, that provision which is most stringent applies." ■ No specifically articulated environmental policy 	<ul style="list-style-type: none"> ■ "We expect a strong environmental commitment and aggressive efforts to protect and restore the natural environment. We will favor partners who: <ul style="list-style-type: none"> ● have an environmental management system that ensures compliance with environmental laws and demonstrates environmental commitment through clear programs, procedures and management accountability ● disclose environmental impacts, programs and goals through regular reporting ● increase energy efficiency and adopt cleaner sources of energy ● minimize toxic and hazardous substances used in products and operations ● reduce use of natural resources including raw materials and water ● take responsibility for proper waste management by recycling all recyclable waste streams and disposing properly of all non-recyclable waste streams ■ "We require a continuous effort to improve environmental performance along a defined path towards clean production." ■ "The workplace must be safe and healthy based on the recognized standards of the ILO and national laws." ■ Compliance with national health and safety laws ■ Preference for factories that have an environmental management plan

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards ¹
General Policy Statement and Environmental Management Systems <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "The Universities participating are each committed to conducting their business affairs in a socially responsible and ethical manner consistent with their respective educational, research and/or service missions, and to protecting and preserving the global environment." ■ Comply with all applicable legal requirements of the countries of manufacture in conducting business related to or involving the production or sale of Licensed Articles ■ Direct operations and those of any subcontractor must comply with the more rigorous of either: all national laws on workplace safety and health regulations, or Title 29 CFR of the Federal Code of Regulations, enforced by OSHA (Occupational Safety and Health Administration), whichever regulation is more health protective for a given hazard ■ Direct operations and those of any subcontractor must also comply with all health and safety conventions of the ILO ratified and adopted by the country in which the production facility is located 	<ul style="list-style-type: none"> ■ "Member companies shall comply with all relevant laws and regulations regarding the protection and preservation of the environment. In particular, members should carefully monitor discharges and waste which could pollute the local environment." ■ No specifically articulated environmental policy 	<ul style="list-style-type: none"> ■ "Manufacturers of sewn products will comply with environmental rules, regulations and standards applicable to their observations, and will observe environmentally conscious practices in all locations where they operate." ■ "Provide a safe and healthy work environment" ■ Compliance with all applicable rules and regulations 	<ul style="list-style-type: none"> ■ "EMSs such as ISO 14000 are seen as mechanisms for achieving improvements in environmental performance and for supporting the trade prospects of "clean" firms. The potential advantages of EMSs are clear, but the adoption of ISO 14000 is very recent, and practical issues are emerging, among them the need for an emphasis on performance improvement and for simplification of certification; the potential for regulatory streamlining; and the trade consequences." ■ ISO (International Standard Organization) 14001 specifies the actual requirements for an Environmental Management System that can be audited and certified; a company may seek certification of its EMS by an external third party organization ■ UN Global Compact provides: "Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally-friendly technologies"

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Materials			
Energy	<ul style="list-style-type: none"> ■ Specific recommendations listed in "Guide to Best Environmental Practice" 		
Water	<ul style="list-style-type: none"> ■ Specific recommendations listed in "Guideline for Health, Safety & Environment" as well as "Guide to Best Environmental Practice" 		

	Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB
Materials <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Company policy developed and implemented; not publicly available ■ Company expects to make policy available to the public within the next year 	<ul style="list-style-type: none"> ■ Conduct business in a manner that utilizes natural resources as efficiently as possible
Energy <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Company policy developed and implemented; not publicly available ■ Company expects to make policy available to the public within the next year 	<ul style="list-style-type: none"> ■ Caution in decision-making out of respect for nature ■ Conduct business in a manner that utilizes natural resources as efficiently as possible
Water <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Company policy developed and implemented; not publicly available ■ Company expects to make policy available to the public within the next year 	<ul style="list-style-type: none"> ■ Conduct business in a manner that utilizes natural resources as efficiently as possible ■ "... the use of water is a significant [environmental] aspect in the production of the garment and in the use of the garment"

IKEA Services AB	International Confederation of Free Trade Unions (“ICFTU”)	LEGO Company	Levi Strauss & Co.
<ul style="list-style-type: none"> ■ Supplier must ensure and demonstrate continuous improvements to reduce use of natural resources ■ Supplier must not use wood originating from national parks, nature reserves, intact natural forests or any areas with official declared high conservation values, unless certified 		<ul style="list-style-type: none"> ■ To be environmentally-friendly, packaging must have minimum use of resources (raw materials, water and energy) in manufacture; efficient protection of contents, to prevent waste; easy handling during storage and transit; and efficient disposal, preferably through recycling 	<ul style="list-style-type: none"> ■ The facility should know whether or not asbestos and/or PCBs are present at the site and, if so, educate their employees in the proper handling of these materials
<ul style="list-style-type: none"> ■ Supplier shall ensure and demonstrate continuous environmental improvements—relative to increases in production—by reducing the use of energy 			
<ul style="list-style-type: none"> ■ Supplier shall ensure and demonstrate continuous environmental improvements—relative to increases in production—by reducing discharges to ground and water 			<ul style="list-style-type: none"> ■ Finishing facilities must meet LS&CO. Global Waste-water Effluent Guide-lines

	Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.
Materials <i>(Continued)</i>		<ul style="list-style-type: none"> ■ “Sourcing—Where there is the potential to improve significant environmental impacts we will use raw materials from known sources” ■ “Sustainable use—for important raw materials we will work towards defined sustainability performance standards based on recognized best practice” ■ “Where the use of raw material is not sustainable (e.g., fossil fuel based) we will support the development of innovative, more sustainable alternatives” 	
Energy <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Suppliers expected to minimize consumption of energy by operating efficiently 	
Water <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Suppliers expected to minimize consumption of raw materials like water by operating efficiently ■ “Stores, warehouses, and offices use modest amounts of water” 	

NIKE, Inc.	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
	<ul style="list-style-type: none"> ■ Enterprises should seek to develop products that are “efficient in their consumption of energy and natural resources” 	<ul style="list-style-type: none"> ■ Reduce site energy consumption by 20% by 2012, which will be calculated relative to square meters of space ■ Systems and procedures in place to reduce energy consumption ■ Launch energy awareness campaign, which includes posters relevant to energy reduction 	

	Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
Materials <i>(Continued)</i>	<ul style="list-style-type: none"> Choose environmentally friendly materials and apply the best production process to utilize materials most effectively 			<ul style="list-style-type: none"> Seek to reduce use of natural resources including raw materials
Energy <i>(Continued)</i>	<ul style="list-style-type: none"> Promote energy/resources saving and waste reduction. 			<ul style="list-style-type: none"> Seek to reduce use of natural resources including energy Adopt cleaner sources of energy as possible
Water <i>(Continued)</i>	<ul style="list-style-type: none"> Waste water is being treated to meet the standard of local regulation before discharging 			<ul style="list-style-type: none"> Seek to reduce use of natural resources including water

Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
			<ul style="list-style-type: none"> ■ No specific policy in IFC/World Bank Guidelines ■ Whenever possible, use non-hazardous instead of hazardous materials
			<ul style="list-style-type: none"> ■ “Where feasible, choose energy-efficient and environmentally sound processes.” ■ “Efficient use of energy is one of the main strategic measures not only for the conservation of fossil energy sources, but also abatement of air pollution”
			<ul style="list-style-type: none"> ■ Process wastewater, domestic sewage, and contaminated stormwater must meet certain maximum limits before being discharged to surface water. ■ Textiles: Process wastewater is a major source of pollutants. Wastewater also contains solids, oil, and possibly toxic organs from dyeing and bleaching. Wastewater should be checked for pesticides like DDT and PCP.

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Emissions	<ul style="list-style-type: none"> ■ Suppliers encouraged to adopt pollution prevention measures ■ Reducing Volatile Organic Compounds in footwear factories 		
Pollution Control and Hazardous Substances	<ul style="list-style-type: none"> ■ No use of restricted substances in product production ■ Suppliers must regularly submit test reports for all hazardous substances ■ Restricted substances include: <ul style="list-style-type: none"> ● heavy metals such as arsenic, antimony, cadmium, chrome VI, lead, copper, nickel, cobalt ● penta-chlorophenole, stri- and tetrachlophenoles ● pesticides ● formaldehyde ● allergic dyes; and ● flame retardants ■ Reduce PVC-containing materials by the end of 2002, except where appropriate alternatives do not exist. 2003 model shoes expected to be 100% PVC free 		

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
		<ul style="list-style-type: none"> ■ Conduct business in a manner that utilizes natural resources as efficiently as possible 	<ul style="list-style-type: none"> ■ Supplier shall, if required, obtain the necessary permits - pertaining to emissions to the air, discharges to ground and water, as well as noise pollution
	<ul style="list-style-type: none"> ■ Store hazardous and combustible materials in secure and ventilated areas ■ Factories have procedures for notifying authorities of accidental discharge or release or other environmental emergencies 	<ul style="list-style-type: none"> ■ Will update restrictions against the use of environmentally and health hazardous chemicals in the production of our garments and other products 	<ul style="list-style-type: none"> ■ Must abide by legislation regarding contaminated areas on site and within confines of facility ■ Compliance with applicable laws pertaining to the use, storage and import of all chemicals

	International Confederation of Free Trade Unions ("ICFTU")	LEGO Company	Levi Strauss & Co.
Emissions <i>(Continued)</i>			
Pollution Control and Hazardous Substances <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Printing must use non-toxic ink that is resistant to saliva and perspiration 	<ul style="list-style-type: none"> ■ Chemicals required to be stored, labeled and disposed of appropriately

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
	<ul style="list-style-type: none"> ■ "Gases used in our refrigeration systems can have significant environmental impacts if allowed to escape" 		<ul style="list-style-type: none"> ■ "Prohibition of the use of CFCs" which "could contribute to the depletion of ozone layer" ■ Calculate an annual baseline emission of Greenhouse Gases and establish goals for reduction
	<ul style="list-style-type: none"> ■ Where potentially hazardous substances are used, will set performance standards to carefully control their use. Where science or stakeholder concern demands it, will phase out the use of particularly hazardous substances ■ Ensure potentially hazardous substances in equipment are reduced ■ Banned a number of specific, named, chemicals, including ozone-depleting chemicals 		<ul style="list-style-type: none"> ■ Researching gas and barrier film alternatives with proven performance that allow substitution of a benign cushioning gas ■ Pursuing phase-out of PVC from Nike products ■ Reduced the use of petroleum solvents in footwear manufacturing by more than 90% since 1995

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
Emissions <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Will work to substantially reduce emissions caused by travel to work or in work time, calculated relative to the number of people employed 	
Pollution Control and Hazardous Substances <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Enterprises should seek to “provide adequate education and training to employees in environmental health and safety matters, including the handling of hazardous material and the prevention of environmental accidents” 	<ul style="list-style-type: none"> ■ Conduct asbestos surveys as necessary ■ Emergency procedures for environmental incidents at each site 	

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ Recommendations for air quality ■ Recommendations for workplace noise 			<ul style="list-style-type: none"> ■ Significant reduction in VOC emissions through improved efficiency and substitution of lower solvent alternatives ■ Reduction in carbon-dioxide emissions and improved energy efficiency
<ul style="list-style-type: none"> ■ Workplace is supplied with Material Safety Data Sheet for organic solvents ■ Chemical storage rooms are located separately from products, raw materials, excessive heat, etc. and having the fire suppression, adequate secondary containment, sufficient ventilation, and being free of obstructions ■ Before purchasing hazardous materials, the material purchasing department must ask vendors to provide labels on the containers to describe the primary chemical ingredients, precautionary measures, warning statement, manufacturer's and supplier's information 	<ul style="list-style-type: none"> ■ Numerous specific requirements on management of hazardous and combustible materials, including: <ul style="list-style-type: none"> ● chemical management system ● chemical storage ● chemical use in production ● disposal of chemical and hazardous waste ● controlling chemical exposure 		<ul style="list-style-type: none"> ■ Preference for factories that increase efficiency and minimize and pollution ■ Expanding use of water-based cements

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
Emissions <i>(Continued)</i>				<ul style="list-style-type: none"> ■ “The World Bank Group supports a number of efforts to help its client countries reduce emissions of greenhouse gases through measures such as promoting energy efficiency and increasing the use of renewable energy.” ■ Pollution control systems may be required in order to meet specified emissions limits. These systems must be well maintained and operated and must not be fitted with overflow or bypass devices, unless required for emergencies. ■ Most of the air emissions from commercial and general industrial facilities originate with the fuel used for heating purposes or for generating steam for process purposes. Particular emissions that may originate in the process are addressed case by case. ■ Textiles: Air emissions include dust, oil mists, acid vapors, odors, and boiler exhausts. ■ Textiles: VOC emissions should be reduced to less than 1 kg carbon per metric ton of fabric by implementing measures such as routing the extracted air from the solvent usage areas through a combustion system
Pollution Control and Hazardous Substances <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No exposure of workers to hazards, including glues and solvents, that may endanger their safety, “including their reproductive health” 			<ul style="list-style-type: none"> ■ Whenever possible, use nonhazardous instead of hazardous materials ■ All hazardous materials must be stored in clearly labeled containers or vessels, and storage and handling must be in accordance with local regulations ■ Several chemicals classified as ozone-depleting substances are scheduled for phase out under the Montreal Protocol, including CFCs, halons, HCFCs and HBFCs. ■ Textiles: “The use of pesticides and other chemicals (used for mothproofing, flame retardants, etc.) that are banned in OECD countries is discouraged and in general, is not acceptable.” ■ Textiles: Pollution prevention programs should focus on reduction of water use and on more efficient use of process chemicals.

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Waste Management	<ul style="list-style-type: none"> ■ Specific recommendations listed in “Guideline for Health, Safety & Environment” as well as “Guide to Best Environmental Practice” 		
Packaging and Transport	<ul style="list-style-type: none"> ■ Reducing the impact of transporting products 		

	Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB
Waste Management <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Dispose of hazardous and combustible materials in a safe and legal manner ■ “Paper, packaging material, garbage—Gap works hard to reduce these side effects of business operations. We encourage our employees and business partners to reduce waste, recycle and close the recycling loop by purchasing products that contain high percentages of post-consumer recycled material.” ■ Recycling programs in stores, distribution centers and headquarters buildings ■ To further minimize paper waste, increasingly manage information electronically 	<ul style="list-style-type: none"> ■ Resource conservation, recycling and reduction of waste ■ “...solid waste is a significant [environmental] aspect in our stores and at our DC’s”
Packaging and Transport <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Employees are empowered to find re-uses for fixtures, electronic equipment, packing material and paper products 	

IKEA Services AB	International Confederation of Free Trade Unions ("ICFTU")	LEGO Company	Levi Strauss & Co.
<ul style="list-style-type: none"> ■ Supplier must ensure proper compliance pertaining to the handling, storage, utilization, transporting and disposing of hazardous and non-hazardous wastes ■ Hazardous and non-hazardous waste must be kept separate ■ If waste is disposed of on-site, all relevant legal requirements must be fulfilled <ul style="list-style-type: none"> • No allowance of hazardous waste in land-fills or incinerated on-site 		<ul style="list-style-type: none"> ■ Moulds used in Lego factories are designed to generate minimum waste ■ Programs in place to recycle and re-use some forms of plastic ■ To be environmentally-friendly, packaging must have minimum use of resources (raw materials, water and energy) in manufacture; efficient protection of contents, to prevent waste; easy handling during storage and transit; and efficient disposal, preferably through recycling ■ In 1998, the plastics waste that Lego could not re-use amounted to less than 1% of the total raw material consumption ■ Quantity of plastics packaging has been reduced by 25-30% 	<ul style="list-style-type: none"> ■ Ensure that "no hazardous wastes are being improperly used, stored, transported or disposed of from the facility"
<ul style="list-style-type: none"> ■ Code of conduct for distribution under development 		<ul style="list-style-type: none"> ■ Attach "particular importance" to packaging ■ To be environmentally-friendly, packaging must have minimum use of resources (raw materials, water and energy) in manufacture; efficient protection of contents, to prevent waste; easy handling during storage and transit; and efficient disposal, preferably through recycling ■ Over half the cardboard packaging used by the Danish and Swiss factories today comprises recycled materials ■ Plastics that Lego uses for its packaging disturb the environment the least—primarily known as PET, or PolyEthyleneTerephthalate 	

	Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.
Waste Management <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Suppliers will be expected to minimize their consumption of raw materials and other resources such as energy and water by operating efficiently ■ Use a range of re-usable transport packaging systems to reduce waste ■ Reduce by operating re-use and recycling schemes for packaging store equipment and unsold foods ■ Ensure that recycled materials in equipment are used wherever practical and other resources are used efficiently ■ Specify the most environmentally efficient combinations of vehicle types, fuels and technologies for distribution fleets 	
Packaging and Transport <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Packaging should “use a range of re-usable transport packaging systems to reduce waste” ■ “Distribution—specify the most environmentally efficient combinations of vehicle types, fuels and technologies for distribution fleets” ■ “Packaging is used to reduce waste by protecting our products from damage during storage and distribution” 	

NIKE, Inc.	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
<ul style="list-style-type: none"> ■ Company is in the process of setting targets for waste reduction ■ Worked with Asian partners to achieve specific environmental, health and safety goals, including factory waste in Asia, which has been disposed of in a number of ways, including incineration 	<ul style="list-style-type: none"> ■ Enterprises should “continually seek to improve environmental performance” by encouraging “development and provision of products and services that have no undue environmental impacts; are safe in their intended use; are efficient in their consumption of energy and natural resources; can be reused, recycled, or disposed of safely” 	<ul style="list-style-type: none"> ■ Reduce waste sent to landfill by 20% by 2012 (warehouse and office reduction will be calculated relative to number of units processed and people employed) ■ Significantly increase the proportion of waste recycled by 2012 (warehouse and office reduction will be calculated relative to number of units processed and people employed) ■ Launch waste and recycling awareness campaign: <ul style="list-style-type: none"> ● systems and procedures to reduce waste to landfill; ● posters relevant to reduction of waste; ● Green commuter day; ● Pentland Green award or similar incentive 	
		<ul style="list-style-type: none"> ■ “Make efforts to inform the end users of our products and how to use and dispose of them and their packaging responsibly” 	

	Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
Waste Management <i>(Continued)</i>	<ul style="list-style-type: none"> Establish a standard procedure according to legislation for the safe handling, storing, transporting utilisation, and disposal of waste. 			<ul style="list-style-type: none"> Preference for factories that take responsibility for waste management and minimize waste Preference for factories that reduce leather waste by reselling unused leather Preference for factories that manufacture smaller products using scrap cuttings
Packaging and Transport <i>(Continued)</i>				<ul style="list-style-type: none"> Shoe boxes are in recycled boxes made from 100% post-consumer recycled products and printed vegetable-based inks

Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
			<ul style="list-style-type: none"> ■ Project sponsors must recycle or reclaim materials (re solid wastes generated in the course of operating the facility) where possible, and if not practical, wastes must be disposed of in an environmentally acceptable manner and in compliance with local laws and regulations. ■ Textile Industry: "Emissions of volatile organic compounds (VOCs) mainly arise from textile finishing, drying processes, and solvent use."
			<ul style="list-style-type: none"> ■ No specific policy in IFC/World Bank Guidelines

	adidas-Salomon AG	Clean Clothes Campaign	Ethical Trading Initiative (ETI)
Monitoring and Compliance Framework	<ul style="list-style-type: none"> ■ A number of suppliers are currently pursuing independent assessment and certification under ISO 14001 ■ As FLA member, regularly scheduled internal and external audits include assessment of some environmental factors 	<ul style="list-style-type: none"> ■ “Companies adopting the code will be expected to engage an independent institution established for the purpose of monitoring compliance with the code, in assisting companies in implementing the code, and in providing consumers with information concerning the labor practices in the industry.” 	<ul style="list-style-type: none"> ■ Companies adopt ETI’s “Base Code” of labor practice, or draw up their own based on it, then work with selected suppliers worldwide to move towards these standards ■ To the extent that environmental hazards affect workers’ health and well-being, they are part of the ETI framework

Fair Labor Association (FLA)	Gap Inc.	H&M Hennes & Mauritz AB	IKEA Services AB
<ul style="list-style-type: none"> ■ Companies/brands seek certification that compliance program is consistent with FLA principles ■ To the extent that environmental hazards affect workers' health and well-being, they are reviewed in the FLA monitoring process 	<ul style="list-style-type: none"> ■ Internal compliance audits include assessment of some environmental factors 	<ul style="list-style-type: none"> ■ Internal compliance audits include assessment of some environmental factors 	<ul style="list-style-type: none"> ■ IKEA Trading Service Offices has the direct responsibility to support and monitor suppliers ■ To ensure compliance, IKEA has also formed a global compliance and monitoring group ■ Reserves the right to check suppliers "with the help of independent organizations" ■ IKEA conducts an "IWAY" audit of suppliers on premises; it reserves the right to perform unannounced audits or inspections to verify requirements; suppliers must allow for confidential employee interviews and access to all documentation and records

	International Confederation of Free Trade Unions ("ICFTU")	LEGO Company	Levi Strauss & Co.
Monitoring and Compliance Framework <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Internal compliance audits include assessment of some environmental factors 	<ul style="list-style-type: none"> ■ Internal and external compliance audits that are conducted include assessment of some environmental factors

Liz Claiborne Inc.	Marks & Spencer Group p.l.c.	New Balance Athletic Shoe, Inc.	NIKE, Inc.
<ul style="list-style-type: none"> ■ As FLA member, regularly scheduled internal and external audits include assessment of some environmental factors 	<ul style="list-style-type: none"> ■ Participate in, and publish findings of, "EIRIS" (Ethical Investment Research Service) Environmental Survey 2002 ■ "Use energy and water efficiently supported by regular monitoring and audits" ■ "Will encourage and monitor our suppliers' actions to measure and communicate their environmental performance" 		<ul style="list-style-type: none"> ■ "Worked with our key Asian footwear contractors to implement management systems to achieve specific environmental, health and safety goals, beginning with a program called MESH (Management, Environment, Safety and Health)" ■ Selections of results of internal "SHAPE" audits (Safety, Health, Attitudes of Management, Treatment of People, Environment) include evaluation of environmental factors, and have been made public on the Nike web site

	Organization for Economic Cooperation and Development (OECD), Guidelines for Multinational Enterprises	Pentland Group p.l.c.	Phillips-Van Heusen Corporation
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ For implementation and reporting purposes: <ul style="list-style-type: none"> ● adhering countries to set up National Contact Points to undertake promotional activities and to consider instances where companies are believed not to have observed the Guidelines ● oversight responsibility given to Committee on International Investment and Multi-national Enterprises (CIME), which the CIME periodically holds exchanges of views on matters covered by the Guidelines 	<ul style="list-style-type: none"> ■ Management commitment to and endorsement of environmental policy ■ Each site to report progress and requirements four times a year ■ Formation of Health, Safety, and Environmental Committee ■ Continuing staff training ■ Bi-annual meetings ■ Meet with LA21 representative 	<ul style="list-style-type: none"> ■ As FLA member, regularly scheduled internal and external audits include assessment of some environmental factors ■ "PVH has been committed to the enforcement of these standards and has an on-going approval and monitoring system. Our goal is to engage our suppliers, contractors and business partners in the implementation of these standards."

Pou Yuen Vietnam Enterprise, Ltd.	Reebok International, Ltd.	Social Accountability International, SA8000	Timberland Company (The)
<ul style="list-style-type: none"> ■ Numerous specific suggestions for health and safety regulations, including: <ul style="list-style-type: none"> ● “workplace with solvents operation should be tested [for] air quality biweekly” ● “workplace noise should be tested biweekly” ■ Test records should be retained for a minimum of 2 years 	<ul style="list-style-type: none"> ■ Implements and monitors standards through on-site inspection of facilities, off-site interviews, and regular reporting requirements for factory management ■ Provides an in-depth, 47-page, implementation guide to the Reebok Standards for specific direction to factory managers for incorporating basic principles into daily operations 	<ul style="list-style-type: none"> ■ Auditing under SA8000 includes monitoring of environmental factors ■ Voluntary factory-based monitoring and certification system 	<ul style="list-style-type: none"> ■ Endorsement of the CERES Principles, which includes participating in regular audits and reports, as well as protection of the biosphere, sustainable use of natural resources, reduction and disposal of wastes, energy conservation, risk reduction, safe products and service, environmental restoration, informing the public, and management commitment ■ Internal and external compliance audits that are conducted include assessment of some environmental factors

	Worker Rights Consortium (WRC)	World Federation of the Sporting Goods Industry (WFSGI)	Worldwide Responsible Apparel Production (WRAP)	International Standards
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Compliance, disclosure, verification, and remediation programs 		<ul style="list-style-type: none"> ■ Factory-based monitoring and certification program, including assessment of some environmental factors 	<ul style="list-style-type: none"> ■ Project sponsor is required to maintain records of air emissions, effluents, and hazardous wastes sent off site, as well as significant environmental events such as spills, fires, and other emergencies that may have an impact on the environment. The information should be reviewed and evaluated to improve the effectiveness of the environmental protection plan. ■ ISO 14001 is the only International Standard Organization standard against which it is currently possible to be certified by an external certification authority, but it does not itself state specific environmental performance criteria ■ CERES Principles provide for participating in regular audits and reports, as well as protection of the biosphere, sustainable use of natural resources, reduction and disposal of wastes, energy conservation, risk reduction, safe products and services, environmental restoration, informing the public, and management commitment

Endnote

1. Unless otherwise noted, standards are from World Bank and International Finance Corporation (“IFC”) Guidelines in the “Pollution Prevention and Abatement Handbook 1998.”

Agribusiness Sector Labor and Human Rights Standards

Companies/Organizations:

Banana Group (The)—UK Banana Industry Code of Best Practice
 Chiquita Brands International, Inc.
 Dole Food Company, Inc.
 European Federation of Food, Agriculture and Tourism Trade Unions/European
 Sugar Manufacturers' Committee—Corporate Social Responsibility in the European
 Sugar Industry
 Fairtrade Labelling Organizations International—Fair Trade Standards for Hired Labor
 Flower Label Program
 Fresh Del Monte Produce, Inc.
 International Code of Conduct for Production of Cut-Flowers
 McDonald's Corporation
 Nestlé S.A. (Brands include Hills Brothers, Taster's Choice, and Nescafe)
 Procter & Gamble Company (The) (Brands include Folgers)
 Rainforest Alliance—Better Banana Project
 Rainforest Alliance—Generic Coffee Standards
 Starbucks Coffee Company
 Tate & Lyle p.l.c.
 International Standards

Issues Examined:

General Policy Statement	124–128
Forced Labor	124–128
Child Labor	129–133
Wages and Benefits, Terms of Employment	129–133
Hours of Work	134–138
Freedom of Association, Collective Bargaining	134–138
Health and Safety	139–143
Discrimination	139–143
Harassment, Abuse, and Disciplinary Action	144–148
Monitoring and Compliance Framework	144–148

	Banana Group (The), UK Banana Industry Code of Best Practice ¹	Chiquita Brands International, Inc.	Dole Food Company, Inc. ²
General Policy Statement	<ul style="list-style-type: none"> ■ “Committed to progressive change in the industry to improve the environment, and through increased productivity, improve remuneration and working conditions of those in the industry.” 	<ul style="list-style-type: none"> ■ “The company shall comply with national and other applicable law, other requirements to which the company subscribes, and [its social accountability] standard....The provision which is most stringent applies.” ■ “The company shall also respect the principles of the following international instruments:” ILO Conventions 29, 105, 87, 98, 100, 111, 135, 138, 155, 159 and 155, and Recommendations 146 and 164, the UDHR, and the UN Convention on the Rights of the Child. 	<ul style="list-style-type: none"> ■ “It is Dole’s policy to comply with all applicable laws and regulations at all times wherever we operate, to take all practicable steps to promote health, safety and environmental protection and to continually progress toward attainment of the company’s goals.”
Forced Labor		<ul style="list-style-type: none"> ■ No forced labor of any type, including prison ■ No requirement to lodge “deposits” or identity papers upon commencing employment 	<ul style="list-style-type: none"> ■ Observes all local labor laws

European Federation of Food, Agriculture and Tourism Trade Unions (EFATT)/European Sugar Manufacturers' Committee (CEFS), Corporate Social Responsibility in the European Sugar Industry ³	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor ⁴	Flower Label Program (FLP) ⁵	Fresh Del Monte Produce, Inc. ⁶
<ul style="list-style-type: none"> ■ "Members of CEFS... undertake to comply with the minimum standards set out...and, as appropriate, to promote these standards beyond the area of activities for which the CEFS has a mandate." ■ "The respect of these standards shall not constitute a valid reason for reducing pre-existing higher standards..." 	<ul style="list-style-type: none"> ■ FLO requires that "producer organizations and companies always abide by national legislation. Furthermore national legislation prevails if it sets higher standards on a particular issue than FLO." ■ In "setting its standards," FLO follows "certain internationally recognized standards and conventions," especially ILO Conventions 29, 87, 98, 100, 105, 138, 155 and 182 	<ul style="list-style-type: none"> ■ "Member farms must comply with ILO standards for workers' rights." 	<ul style="list-style-type: none"> ■ "Commitment to conduct all of our business affairs honestly, ethically and legally, and to act always in the best interests of our customers, our employees and our shareholders"
<ul style="list-style-type: none"> ■ Will not operate with any form of forced or compulsory labor 	<ul style="list-style-type: none"> ■ No forced labor of any type ■ Employment not conditioned on employment of spouse (spouses have the right to off-farm employment) 	<ul style="list-style-type: none"> ■ No forced labor, including bonded, involuntary, or prison ■ No worker shall be required to lodge deposits or their identify papers with their employer 	<p>Signatory to UK Banana Industry Code of Best Practice (refer to that code).</p>

	International Code of Conduct for Production of Cut-Flowers ⁷	McDonald's Corporation ⁸	Nestlé S.A. ⁹
General Policy Statement <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "The code provides a concise statement of minimum labor, human rights and environmental standards...the company pledges to observe core ILO standards, the universal human rights standards and basic environmental standards." 	<ul style="list-style-type: none"> ■ "[C]ommitted to a policy of complying with the law wherever it does business, and to maintaining high standards of business conduct." 	<ul style="list-style-type: none"> ■ "Nestlé's emphasizes that, as a minimum, its employees must comply with the laws applicable in the countries in which it operates." ■ "Nestlé's continues to maintain its commitment to follow and respect all applicable local laws in each of its markets. If an interpretation of [its Business Principles] is construed as contrary to local laws, such interpretation should not be followed in that country." ■ Supports and advocates the UN Global Compact
Forced Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No forced labor, including bonded or involuntary prison labor ■ No workers shall be required to lodge deposits or their identity papers with their employer 	<ul style="list-style-type: none"> ■ No forced labor of any type, including prison and indentured servitude ■ Suppliers may not contract with subcontractors who utilize such practices 	<ul style="list-style-type: none"> ■ No forced labor of any type, including involuntary or prison labor

Procter & Gamble Company (The) ¹⁰	Rainforest Alliance, Better Banana Project ¹¹	Rainforest Alliance, Generic Coffee Standards ¹²	Starbucks Coffee Company ¹³
<ul style="list-style-type: none"> ■ “We operate within the spirit and letter of the law and maintain high ethical standards wherever we conduct business. We expect all our vendors to conduct their business with the same high standards.” ■ Supports the Global Sullivan Principles. 	<ul style="list-style-type: none"> ■ “The employer must implement a labor policy that includes compliance with the relevant national legislation, ILO conventions, other international conventions ratified by the national government, and the Sustainable Agriculture Network standards.” ■ “Agriculture should improve the standard of living for workers and their families.” 	<ul style="list-style-type: none"> ■ “The employer must implement a labor policy that includes compliance with the relevant national legislation, ILO conventions, other international conventions ratified by the national government, and the Sustainable Agriculture Network standards.” 	<ul style="list-style-type: none"> ■ Six guiding principles include “Provide a great work environment and treat each other with respect and dignity” and “Embrace diversity as an essential component in the way we do business.” ■ Partnership with Conservation International, and alliance with CARE
<ul style="list-style-type: none"> ■ No forced labor in any of its global operations or facilities ■ Expects suppliers and contractors to uphold the same standards 		<ul style="list-style-type: none"> ■ No forced labor of any type 	<ul style="list-style-type: none"> ■ Company does not condone forced labor of any type

	Tate & Lyle p.l.c. ¹⁴	International Standards ¹⁵
General Policy Statement <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Company “strives toward the highest ethical standards in all aspects of its business in all parts of the world” 	
Forced Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ “Recognizes fundamental human rights and freedoms and strives to reflect these in its business” 	<ul style="list-style-type: none"> ■ ILO Forced Labor Convention, No. 29 ■ ILO Abolition of Forced Labor Convention, No. 105 ■ UN Global Compact (“eliminate all forms of compulsory labor”) ■ UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights (“UN Norms”), (transnational corporations shall not “use forced or compulsory labor as forbidden by the relevant international instruments and national legislation as well as international human rights law”)

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Child Labor	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● legal minimum age for employment 	<ul style="list-style-type: none"> ■ Minimum age is 18. (“All of our banana divisions now have a minimum hiring age of 18, higher than the minimum required by the SA8000 standard.”) ■ Procedures for remediation of any child laborers found, including providing adequate support to enable such children to attend and remain in school 	<ul style="list-style-type: none"> ■ Observes all local labor laws ■ Does not knowingly purchase products from commercial producers who violate applicable child labor laws
Wages and Benefits, Terms of Employment	<ul style="list-style-type: none"> ■ Wages must respect local legal minimum and will equal or exceed wages in the local Agriculture and Food sectors ■ Overtime payment must be in accordance with local legal requirements ■ Period of notice for termination of employment by employers will be equal to that required of the employees by employers 	<ul style="list-style-type: none"> ■ Minimum wage is the greater of: <ul style="list-style-type: none"> ● local minimum wage; or ● prevailing local industry standard ■ Overtime wages shall be compensated at a premium rate ■ Wages must “always be sufficient to meet basic needs” of employees and “provide some discretionary income” ■ Wage deductions may not be made for disciplinary purposes ■ Compensation rendered either in cash or check form ■ Labor-only contracting arrangements and false apprenticeship schemes not allowed 	<ul style="list-style-type: none"> ■ Pays wages and benefits that are competitive within the industry and allows workers and their families to have a good standard of living within the society where the workers live

	European Federation of Food, Agriculture and Tourism Trade Unions (EFATT)/European Sugar Manufacturers' Committee (CEFS), Corporate Social Responsibility in the European Sugar Industry	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)
Child Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Opposed to child labor ■ Meets ILO Convention 138 in relation to the minimum age for employment 	<ul style="list-style-type: none"> ■ FLO follows ILO Convention 29 ■ Minimum age is 15 ■ Minimum age to work which is likely to jeopardize the health, safety or morals of young people, is 18 ■ Working does not jeopardize schooling or the social, moral or physical development of the young person 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● compulsory school-leaving age ■ Children under 18 shall not work in hazardous conditions ■ Adequate transitional economic assistance and appropriate educational opportunities shall be provided to any replaced child workers
Wages and Benefits, Terms of Employment <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Pay levels meet or exceed the minimum rates provided for by branch or industry collective agreements and/or legal provisions ■ If no agreement or pay scale exists, wages are enough to ensure that workers and their families have a decent standard of living as defined by the Universal Declaration of Human Rights and the ILO Tripartite Declaration 	<ul style="list-style-type: none"> ■ FLO follows ILO Convention 100 on Equal Remuneration ■ Salaries are in line with or exceed regional average and official minimum wages for similar occupations, and are gradually increased to levels above regional average and official minimum ■ Regular payment is in legal tender and properly documented ■ After two years of certification, all workers employed under legally binding labor contracts ■ Differences in employment conditions among casual, seasonal, and permanent workers progressively diminished ■ Employers work toward providing provident scheme or pension fund or all permanent workers ■ Employers provide adequate sick leave 	<ul style="list-style-type: none"> ■ Wages and benefits shall at least meet legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income ■ Pay should be in cash, direct to the workers, promptly, and in full ■ Information about wages shall be available to workers in an understandable and detailed form ■ Overtime is voluntary, and compensation at a premium rate ■ Workers that are not seasonal or temporary shall have permanent contracts. Provisions for non-permanent or seasonal workers should not be less favorable than for permanent workers. Every worker shall get a copy of his or her contract

Fresh Del Monte Produce, Inc.	International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.
<p>Signatory to UK Banana Industry Code of Best Practice (refer to that code).</p>	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15; or ● compulsory school-leaving age ■ Children under 18 shall not work in hazardous conditions ■ Adequate transitional economic assistance and appropriate educational opportunities shall be provided to any replaced child workers 	<ul style="list-style-type: none"> ■ Minimum age is the greater of: <ul style="list-style-type: none"> ● 15 (or 14 if domestic law allows); or ● legal minimum age for employment ■ Minors between the ages of 14 and 16 may only be employed during periods of time when they are not required by law to attend school ■ Apprenticeship programs allowed under law are permitted 	<ul style="list-style-type: none"> ■ No form of exploitation of children ■ No employment of children before they have reached the age to have completed their compulsory education ■ Complies with ILO Convention 138 on the Minimum Age for Employment
<p>Signatory to UK Banana Industry Code of Best Practice (refer to that code).</p>	<ul style="list-style-type: none"> ■ Wages and benefits shall at least meet legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income ■ Pay should be in cash, direct to the workers, promptly, and in full ■ Information about wages shall be available to workers in an understandable and detailed form ■ Overtime is voluntary, and compensation at a premium rate ■ Workers that are not seasonal or temporary shall have permanent contracts. Provisions for non-permanent or seasonal workers should not be less favorable than for permanent workers. Every worker shall get a copy of his or her contract 	<ul style="list-style-type: none"> ■ Minimum wage and benefits must comply with applicable national and local laws ■ Overtime and “other premium pay situations” must be appropriately compensated as required by applicable national and local laws ■ Overtime wages must be: <ul style="list-style-type: none"> ● subject to domestic local and national laws; and ● if no legal standard for overtime premiums, then at least equal to regular hourly rates 	<ul style="list-style-type: none"> ■ Wages and overtime pay comply with applicable local laws and are competitive with those offered by similar companies

	Procter & Gamble Company (The)	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards
Child Labor <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No child labor in any of its global operations or facilities ■ Expects suppliers and contractors to uphold the same standards 	<ul style="list-style-type: none"> ■ Minimum age is greater of <ul style="list-style-type: none"> ● 14; or ● legal minimum age for employment 	<ul style="list-style-type: none"> ■ National child labor laws for agriculture enforced
Wages and Benefits, Terms of Employment <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Pays its employees a competitive wage as benchmarked with other leading companies ■ "At a minimum we comply with all applicable wage ... laws, rules and regulations, including minimum wage" ■ "At a minimum, we expect our vendors to comply with all applicable wage and hour laws, and rules and regulations, including minimum wage, overtime and maximum hours." 	<ul style="list-style-type: none"> ■ Minimum wage must be equal to or greater than minimum wage and the average regional salary ■ No demand for payment in exchange for work permits 	<ul style="list-style-type: none"> ■ Wages must be equal to or greater than minimum wage and the average regional salary

Starbucks Coffee Company	Tate & Lyle p.l.c.	International Standards
<ul style="list-style-type: none"> ■ “Children should not be unlawfully employed as laborers” ■ “If children work, it should not interfere with mandated education” ■ Company’s request for farm owners and co-ops to abide by local laws is supported by the company’s Coffee Sourcing Guidelines 	<ul style="list-style-type: none"> ■ “Recognizes fundamental human rights and freedoms and strives to reflect these in its business” 	<ul style="list-style-type: none"> ■ ILO Minimum Age Convention, No. 138 ■ ILO Worst Forms of Child Labor Convention, No. 182 ■ ILO Minimum Age Recommendation, No. 146 ■ UN Convention on the Rights of the Child, Article 32:1 ■ UN Global Compact (“effectively abolish child labor”) ■ UN Norms (transnational corporations shall “respect the rights of children to be protected from economic exploitation as forbidden by the relevant international instruments and national legislation, as well as international human rights law”)
<ul style="list-style-type: none"> ■ “Wage and benefit levels should address the basic needs of workers and their families” ■ Starbucks Total Pay package combines compensation, benefits and stock ■ Part time workers who work at least 240 hours per quarter receive benefits package ■ Coffee sourcing guidelines - “Coffee farms that employ workers should conform to local laws and applicable international conventions related to workers’ rights and benefits and are in a process of continual improvement over time” ■ Internal fund dedicated to supporting partners in emergency situations 	<ul style="list-style-type: none"> ■ “Operating Units should seek to implement human resource policies that compare with those of other reputable employers in the country and industry concerned, while complying with or exceeding local laws and regulations, including any minimum wage requirements” 	<ul style="list-style-type: none"> ■ ILO Equal Remuneration Convention, No. 100 ■ ILO Minimum Wage Fixing Convention, No. 131 ■ ILO Holidays with Pay Convention (Revised), No. 132 ■ ILO Home Work Convention, No. 177 ■ ILO Reduction of Hours of Work Recommendation, No. 116 ■ ILO Tripartite Declaration (“Wages, benefits and conditions of work offered by multinational enterprises should not be less favorable to the workers than those offered by comparable employers in the country concerned.”) ■ Universal Declaration of Human Rights, Art. 23 (“everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existence worthy of human dignity”) ■ UN Norms (transnational corporations “shall compensate workers with remuneration that ensures an adequate standard of living for them and their families”)

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Hours of Work	<ul style="list-style-type: none"> ■ Normal working hours must not exceed the lesser of: <ul style="list-style-type: none"> ● local legal maximum; or ● 48 hours per week ■ Overtime must be voluntary 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week (48 hours per week regular hours and 12 hours per week overtime); or ● domestic legal limits for regular and overtime hours ■ Days off: at least 1 day in 7 ■ "Due to the seasonal and perishable nature of the food products it produces," the company "requires all of its salaried workers and hourly employees to work overtime hours as required to staff its production facilities during its seasonal peaks" ■ This requirement is a condition of employment, and the company "will develop and maintain systems to ensure that all employees knowingly and voluntarily undertake this commitment at the time of hiring" ■ Follow ILO 180 regarding hours of work for seafarers 	<ul style="list-style-type: none"> ■ Complies with the labor codes of the countries where it operates
Freedom of Association, Collective Bargaining	<ul style="list-style-type: none"> ■ Workers must have the right to join any worker organization of their choice 	<ul style="list-style-type: none"> ■ Recognize and respect the right of workers to organize and join associations of their own choosing and bargain collectively, and the right of employees to refrain from such activities 	<ul style="list-style-type: none"> ■ Respects freedom of workers to join unions of their choice or to refrain from such membership ■ Employees who choose unions in accordance with applicable local laws and regulations are entitled to bargain collectively through representatives of their choosing

European Federation of Food, Agriculture and Tourism Trade Unions (EFATT)/European Sugar Manufacturers' Committee (CEFS), Corporate Social Responsibility in the European Sugar Industry	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.
	<ul style="list-style-type: none"> ■ Regulation for hours and overtime in place 	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week; or ● domestic legal limits; or ● industry standard ■ Overtime: <ul style="list-style-type: none"> ● no more than 12 hours per week ■ Days off: <ul style="list-style-type: none"> ● at least 1 day off in 7 ■ Holiday rules 	<p>Signatory to UK Banana Industry Code of Best Practice (refer to that code).</p>
<ul style="list-style-type: none"> ■ Respects the freedom of association and the right for all workers to establish trade unions and to affiliate, including the right of access for workers' representatives ■ Recognizes the effective right to collective bargaining and the right for worker representatives to gain entry to facilities in order to carry out their functions promptly and efficiently ■ Confirms that exercising these rights will not cause any personal or professional damage to the workers and their representatives 	<ul style="list-style-type: none"> ■ FLO follows ILO Convention 87 and 98 ■ Management recognizes in writing the right of all employees to join an independent trade union free of interference by employer, the right to establish and join federations, and the right to collective bargaining ■ Management allows trade union organizers to meet all the workers, and allows workers to hold meetings and organize themselves without interference of management ■ No discrimination based on union membership ■ Workers elect a workers' committee, if no independent and active union exists, to discuss with management and defend workers' interests ■ If one or more independent and active trade union exists in the sector and region, workers shall be covered by a Collective Bargaining Agreement within one year of certification 	<ul style="list-style-type: none"> ■ Recognize the rights of all workers to form and join trade unions to bargain collectively ■ Workers' representatives shall not be subject to discrimination and shall have access to all workplaces to enable them to carry out representation functions 	<p>Signatory to UK Banana Industry Code of Best Practice (refer to that code).</p>

	International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.
Hours of Work <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Regular working hours are the least of: <ul style="list-style-type: none"> ● 48 hours per week; or ● domestic legal limits; or ● industry standard ■ Overtime: <ul style="list-style-type: none"> ● no more than 12 hours per week ■ Days off: <ul style="list-style-type: none"> ● at least 1 day off in 7 	<ul style="list-style-type: none"> ■ Regular working hours, including overtime, are the lesser of: <ul style="list-style-type: none"> ● 60 hours per week; or ● domestic legal limits for regular and overtime hours ■ Days off: at least 1 day in 7, "except in extraordinary business circumstances" ■ If a conflict between a statute and a published industry standard pertaining to this issue, compliance must be with the one taking precedence under national law 	<ul style="list-style-type: none"> ■ Working hours comply with applicable local laws and limit overtime to a reasonable level
Freedom of Association, Collective Bargaining <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Recognize the rights of all workers to form and join trade unions to bargain collectively ■ Workers' representatives shall not be subject to discrimination and shall have access to all workplaces to enable them to carry out representation functions ■ Workers and their organizations must be consulted, trained and allowed to investigate safety issues 		<ul style="list-style-type: none"> ■ Upholds freedom of association and the effective recognition of the right to collective bargaining

Procter & Gamble Company (The)	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company
<ul style="list-style-type: none"> ■ “At a minimum we comply with all applicable ... hour laws, rules and regulations, including ... overtime and maximum hours” ■ “At a minimum, we expect our vendors to comply with all applicable wage and hour laws, and rules and regulations, including minimum wage, overtime and maximum hours” 	<ul style="list-style-type: none"> ■ Maximum of 8 hours per day; or ■ if between ages of 15-18, 42 hours per week 		
	<ul style="list-style-type: none"> ■ Workers must have the right to organize and negotiate freely with their superiors ■ Company must inform employees about planned farm management or organizational changes and the possible social, environmental, and economic impacts 	<ul style="list-style-type: none"> ■ Workers must have the right to organize and negotiate freely with their superiors ■ Company must inform employees about planned farm management or organizational changes and the possible social, environmental, and economic impacts ■ No discrimination due to union membership 	<ul style="list-style-type: none"> ■ “People have the right to freely associate with whichever organizations or individuals they choose”

	Tate & Lyle p.l.c.	International Standards
Hours of Work <i>(Continued)</i>		<ul style="list-style-type: none"> ■ ILO Hours of Work (Industry), Convention No. 1 ■ ILO Reduction of Hours of Work Recommendation, No. 116 ■ ILO Forty-Hour Work Week Convention, No. 47 ■ ILO Night Work Convention, No. 147 ■ ILO Part Time Work Convention, No. 175
Freedom of Association, Collective Bargaining <i>(Continued)</i>		<ul style="list-style-type: none"> ■ ILO Freedom of Association and the Protection of the Right to Organize Convention, No. 87 ■ ILO Right to Organize and Collective Bargaining Convention, No. 98 ■ ILO Workers' Representatives Convention, No. 135 ■ UN Global Compact ("Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining") ■ UN Norms (transnational corporations shall "ensure the freedom of association and effective recognition of the right to collective bargaining by protecting the right to establish and, subject only to the rules of the organization concerned, to join organization of their own choosing without distinction")

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Health and Safety	<ul style="list-style-type: none"> ■ Workers who handle the chemicals must: <ul style="list-style-type: none"> ● wear safety equipment provided free of charge ● receive adequate safety training ● be over the age of 18 ● receive a satisfactory medical health check prior to use ■ Workers must be informed of symptoms of agricultural chemical contamination and biannual health checks must be provided ■ Notification of chemical applications must be given to workers and workers must not reenter areas sprayed until sufficient time has elapsed as recommended by the chemical manufacturer or as the Code specifies 	<ul style="list-style-type: none"> ■ Must provide a “safe and healthy working environment” ■ Take adequate steps to prevent accidents and injury to health arising out hazards inherent in the working environment ■ All personnel receive regular and recorded health and safety training ■ Requires workers to wear protective clothing and an activated carbon mask when applying chlorpyrifos-infused bags to the banana fruit <ul style="list-style-type: none"> ● Workers applying the bags must undergo routine blood tests to evaluate exposure ■ All workers must shower before going home and leave the clothing and safety equipment at the farms 	<ul style="list-style-type: none"> ■ Complies with employee safety and crop protection product regulations ■ Trains workers in safe application of crop protection products ■ Requires use of and provides to workers personal protective clothing appropriate to their activities ■ Performs periodic medical tests on workers who use crop protection products ■ Safe handling of crop protection products supervised by occupational safety professionals
Discrimination		<ul style="list-style-type: none"> ■ No discrimination on basis of personal characteristics or belief (race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, veteran status, or age of older employees) ■ No discrimination in hiring, compensation, access to training, promotion, termination or retirement 	<ul style="list-style-type: none"> ■ “Practices non-discriminatory policies” ■ An equal opportunity employer

	European Federation of Food, Agriculture and Tourism Trade Unions (EFATT)/European Sugar Manufacturers' Committee (CEFS), Corporate Social Responsibility in the European Sugar Industry	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)
Health and Safety <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Considers all preventive measures on health and safety a priority ■ Implements specific training programs, safety procedures and policies, tailored to the sugar industry by taking into account the specific hazards linked to the manufacturing process ■ Special attention paid to prevention issues 	<ul style="list-style-type: none"> ■ FLO follows ILO Convention 155 which aims to “prevent accidents and injury to health arising out of, linked with or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment” ■ Adequately train and provide equipment to those workers who store, apply, and dispose of hazardous chemicals ■ Persons younger than 18, pregnant or nursing women, and specified others are not allowed to work with application of hazardous materials ■ All workers have continuous access to clean drinking water and clean and proper toilet facilities ■ As a part of ongoing improvement, employers must establish occupational health and safety committee with worker participation ■ Conduct regular risk assessments ■ Workers are not allowed to bring clothes or protective equipment used for spraying to their homes ■ Persons in charge of washing clothes and protective equipment for fumigation must use gloves, boots and apron ■ Within two years of certification, a separate building/section for protective clothes/equipment must be established ■ Workplaces, machinery and equipment are safe and without risk to health 	<ul style="list-style-type: none"> ■ Companies must comply with the standards of the International Code of Conduct for Production of Cut-Flowers, as well as the following: ■ Post-harvest treatment of flowers only permitted with non-toxic chemicals ■ Spray operators are not allowed to spray for more than 4 hours per day and a job rotation scheme must be implemented ■ No pesticide application in greenhouses if unprotected workers inside ■ Spray equipment must be properly calibrated for application of pesticides and must receive regular maintenance ■ Spray operators must wear suitable protective equipment that is provided free of charge ■ Personnel working in spraying, mixing, storing, and handling of pesticides must be medically examined every three months ■ Workers in the cultivation, harvesting and finishing sections should be medically examined once a year ■ Pesticides and chemicals must be properly stored, labeled, and mixed ■ All workers must be regularly informed of risks and safety measures relating to pesticides and chemicals used on the farms ■ Safety instructions must be displayed clearly in workplaces
Discrimination <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No discrimination on basis of ethnic or national origin, religion, sex, sexual orientation, affiliation to trade union, age or political affiliation ■ Seeks to guarantee and promote equal opportunities and equal treatment for men and women 	<ul style="list-style-type: none"> ■ FLO follows ILO Convention 111 on Discrimination 	<ul style="list-style-type: none"> ■ Workers shall have access to jobs and training on equal terms, irrespective of gender, age, ethnic origin, color, marital status, sexual orientation, political opinion, religion, or social origin ■ Pregnancy tests are prohibited as a basis of staff recruitment (before placements)

Fresh Del Monte Produce, Inc.	International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.
<ul style="list-style-type: none"> ■ Provides employees with safe working conditions by providing equipment and facilities to protect personnel as well as training programs on the protection of workers and handling of agricultural chemicals ■ Products handled according to accepted industry standards 	<ul style="list-style-type: none"> ■ A safe and hygienic working environment shall be provided ■ Companies must: <ul style="list-style-type: none"> ● provide free and appropriate protective clothing and equipment ● comply with internationally recognized health and safety standards ● supply drinking water, provide clean toilets and offer shower and washing facilities ■ Workers and their organizations must be consulted, trained and allowed to investigate safety issues ■ Must regularly monitor workers' health and safety ■ Assess the risk of the chemicals used and apply measures to prevent any damage to workers' health ■ Record and reduce pesticide and fertilizer use by adequate techniques and methods ■ Spraying, handling, and storing pesticides and chemicals should be done by specially trained people with suitable equipment ■ No use of banned, highly toxic, or carcinogenic pesticides or chemicals 	<ul style="list-style-type: none"> ■ Suppliers shall provide employees with safe and healthy working and, where provided, living conditions ■ At a minimum, potable drinking water, adequate, clean restrooms, adequate ventilation, fire exits and essential safety equipment, an emergency aid kit, access to emergency medical care, and appropriately lit work stations must be provided ■ Facilities must be constructed and maintained in accordance with applicable codes and ordinances 	<ul style="list-style-type: none"> ■ Creates a safe and healthy working environment for each employee
	<ul style="list-style-type: none"> ■ Workers shall have access to jobs and training on equal terms, irrespective of gender, age, ethnic origin, color, marital status, sexual orientation, political opinion, religion, or social origin 	<ul style="list-style-type: none"> ■ No discrimination, in conformance with local and national law, on basis of personal characteristics (race, color, religion, sex, age, physical ability, national origin, or any other "applicable prohibited basis") ■ No discrimination in hiring and employment practices 	<ul style="list-style-type: none"> ■ No discrimination in employment practices ■ Offers career opportunities based upon merit, irrespective of color, age, national origin, religion, gender, disability, veteran status or any other protected class as defined by local law

	Procter & Gamble Company (The)	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards
Health and Safety <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Compliance with the law is a P&G Core Value and it is the highest priority for the Company's Health Safety & Environment programs ■ Applies a single performance standard to each of its worldwide manufacturing facilities ■ "Expect vendors to provide a safe work environment, to prevent accidents and injury, and to minimize exposure to health risks" 	<ul style="list-style-type: none"> ■ Work conditions must meet safety and health requirements ■ Companies must provide workers appropriate training and equipment for the safe use of agri-chemicals, fuels, and equipment ■ Must provide workers periodic medical exams ■ Personnel must have proper training to minimize risk of accidents and to contain a spill if one occurs ■ Showering and dressing areas and exclusive areas for washing personal protection gear and equipment must be available ■ Workers must have access to potable water, sanitary facilities, and bathing facilities 	<ul style="list-style-type: none"> ■ Companies must provide workers appropriate training and equipment for the safe use of agri-chemicals, fuels, and equipment ■ Must provide workers periodic medical exams ■ Personnel must have proper training to minimize risk of accidents and to contain a spill if one occurs ■ Farm must have emergency plan to address contamination events and workers must be trained in emergency procedures annually ■ Showering and dressing areas and exclusive areas for washing personal protection gear and equipment must be available
Discrimination <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No discrimination . . . because of race, color, religion, gender, age, national origin, citizenship, sexual orientation or disability ■ "We expect our vendors to comply with all applicable laws of their country, including laws relating to employment, discrimination, environment, and health and safety. Vendors who knowingly violate laws or have repeated problems conforming to them will not receive our business." 	<ul style="list-style-type: none"> ■ No discrimination based on race, sex, religion, political position or national origin 	<ul style="list-style-type: none"> ■ No discrimination in hiring based on race, color, sex, religion, social status, political beliefs, nationality, affiliation with unions, sexual orientation, or marital status

Starbucks Coffee Company	Tate & Lyle p.l.c.	International Standards
<ul style="list-style-type: none"> ■ “People should work in safe and healthy places that are free from hazardous conditions” ■ People should have access to “safe housing, clean water, and health facilities and services” ■ Coffee sourcing guidelines — Working conditions should meet or exceed applicable laws and regulations related to health and safety of workers 	<ul style="list-style-type: none"> ■ Target to reduce accidents to zero ■ Committed to providing safe and healthy conditions for its employees and visitors ■ Committed to continuous improvement of its Health and Safety procedures and performance ■ Safety Committee comprised of employees, seeks to ensure that safety remains paramount 	<ul style="list-style-type: none"> ■ ILO Occupational Safety and Health Convention, No. 155 ■ ILO Occupational Safety and Health Recommendation, No. 164 ■ ILO Occupational Health Services Convention, No. 161 ■ ILO Protection of Workers’ Health, Recommendation No. 97 ■ ILO Occupational Health Services Recommendation, No. 112 ■ ILO Occupational Safety and Health Protocol, No. 155 ■ UN Norms (transnational corporations shall “provide a safe and healthy working environment as provided by the relevant international instruments and national legislation as well as international human rights law”)
<ul style="list-style-type: none"> ■ “Starbucks embraces diversity as one of our core values” ■ “Since 1996, we have engaged in supplier diversity efforts to actively build a broad, efficient supplier network of businesses owned by minorities and women” ■ Offers benefits to domestic partners ■ Functioning diversity team ■ Diversity training courses offered to partners; mandatory for managers and above 	<ul style="list-style-type: none"> ■ “It is vital to recruit, train, promote, and retain talented individuals irrespective of sex, age, marital status, disability, sexual orientation, race, religion, ethnic or national origin” ■ “Committed to a just and robust approach to equal opportunities in all parts of the business, with people gaining promotion on merit” 	<ul style="list-style-type: none"> ■ ILO Discrimination (Employment and Occupation) Convention, No. 111 ■ ILO Equal Remuneration Convention, No. 100 ■ ILO Vocational Rehabilitation and Employment (Disabled Persons) Convention, No. 159 ■ UN Global Compact (“eliminate discrimination in respect of employment and occupation”) ■ UN Norms (transnational corporations shall “ensure equality of opportunity and treatment, for the purpose of eliminating discrimination based on race, color, sex, religion, political opinion, nationality, social origin, indigenous status, disability, age, or other status of the individual unrelated to the individual’s ability to perform his/her job”)

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Harassment, Abuse, and Disciplinary Action		<ul style="list-style-type: none"> ■ No mental or physical coercion ■ No use of corporal punishment or verbal abuse 	
Monitoring and Compliance Framework	<ul style="list-style-type: none"> ■ “Committed to independent impartial verification” 	<ul style="list-style-type: none"> ■ In 2000, Chiquita adopted Social Accountability 8000 as its labor standard and its Costa Rican farms were recently certified by the SA8000 standard. Company conducts internal assessments annually to measure compliance with SA8000 (includes results in its annual Corporate Responsibility Report) ■ In 2000, Chiquita achieved Better Banana Certification for all of its banana farms in Latin America. These farms were re-certified in 2001. (2001 Corporate Responsibility Report) ■ Invited President of Coordinator of Banana and Agroindustrial Unions of Honduras (COSIBAH) to join Chiquita’s internal team conducting social responsibility assessments of compliance with its Code of Conduct ■ Requested Commission for the Verification of Corporate Codes of Conduct (COVERCO) to observe Chiquita’s internal assessments against the SA8000 standards ■ Work with the Grupo del Monitorio de El Salvador 	<ul style="list-style-type: none"> ■ Achieved SA8000 certification for two of its overseas subsidiaries

European Federation of Food, Agriculture and Tourism Trade Unions (EFATT)/European Sugar Manufacturers' Committee (CEFS), Corporate Social Responsibility in the European Sugar Industry	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.
		<ul style="list-style-type: none"> ■ “Physical harassment or psychological oppression, particularly of women, must not be tolerated” 	
<ul style="list-style-type: none"> ■ European Federation of Food Agriculture and Tourism (EFAT) and Comité Européen Des Fabricants De Sucre (CEFS) will ensure monitoring of implementation of Code of Conduct and regularly update examples of good practices ■ Will prepare annual report of assessment of the implementation of the Code of Conduct 	<ul style="list-style-type: none"> ■ Certification Unit co-ordinates all tasks and processes all information related to inspection of producers, trade auditing and certification. ■ Operates independently from any other Fairtrade interests, follows the ISO Standards for Certification Bodies (ISO 65) 	<ul style="list-style-type: none"> ■ Independent auditors inspect farms, and inspected farms become FLP members, provided they comply with FLP standards ■ Human rights groups and trade unions entitled to carry out spot checks ■ Requires specific documents and records be kept and continuously updated so that compliance with each provision can be demonstrated — E.g., records of: work contracts for permanent and seasonal workers; effective working hours and overtime paid for all workers; regular medical checks for all workers; all accidents, sicknesses and absences of work; all training programs and names of workers attending; etc. ■ Unannounced spot checks organized by FLP ■ Use of local coordinators 	<ul style="list-style-type: none"> ■ “Conduct audits and inspections systematically to verify product and facility compliance with Del Monte quality and safety objectives and regulatory requirements”

	International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.
Harassment, Abuse, and Disciplinary Action <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "Physical harassment or psychological oppression, particularly of women, must not be tolerated" 	<ul style="list-style-type: none"> ■ No physical punishment or confinement, threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse as a method of discipline or control 	<ul style="list-style-type: none"> ■ Ensures its own companies are not complicit in human rights abuses ■ Supports and respects the protection of international human rights within its sphere of influence
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Companies accept that the implementation of the code is subject to independent verification 	<ul style="list-style-type: none"> ■ Conducts monitoring through external auditors who do on-site inspection, record verification, and employee interviews ■ Uses stakeholder dialogues, training and education, self assessment procedures, and benchmarking to raise awareness and improve within McDonald's supplier base ■ Conducts unannounced audits when warranted ■ Uses audit results to support development of corrective action plans 	<ul style="list-style-type: none"> ■ Compliance with its Corporate Business Principles monitored by internal auditors on the basis of auditing instructions that are certified by KPMG and published for all employees

Procter & Gamble Company (The)	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company
<ul style="list-style-type: none"> ■ No harassment because of race, color, religion, gender, age, national origin, citizenship, sexual orientation or disability ■ “We expect our vendors to comply with all applicable laws of their country, including laws relating to employment, discrimination, environment, and health and safety. Vendors who knowingly violate laws or have repeated problems conforming to them will not receive our business.” 			<ul style="list-style-type: none"> ■ “Each human should be accorded the opportunity to meet his/her basic needs and [that] human rights and values should be upheld and promoted”
<ul style="list-style-type: none"> ■ Employees are encouraged to bring questions or concerns in this area to their management. Strict disciplinary action for violations of this policy will be taken, including termination of employment. ■ “We expect our vendors to comply with all applicable laws of their country, including laws relating to employment, discrimination, environment, and health and safety. Vendors who knowingly violate laws or have repeated problems conforming to them will not receive our business.” 	<ul style="list-style-type: none"> ■ Certification committee independent of the auditing committee reviews and grants (or denies) a farm’s certification award, thus ensuring no conflict of interest between the group surveying the farm and the group grading the farm’s production practices ■ Trained specialists and partner groups inspect farms and certify them once farms have sufficiently improved to meet the standards ■ Farms are re-audited annually and certified farms must be committed to constant improvement 	<ul style="list-style-type: none"> ■ Certification committee independent of the auditing committee reviews and grants (or denies) a farm’s certification award, thus ensuring no conflict of interest between the group surveying the farm and the group grading the farm’s production practices ■ Sustainable Agriculture Network (SAN) staff prepare reports specifying which changes must be made to achieve certification ■ A committee of representatives of the SAN awards certification once an evaluation demonstrates the farm has achieved compliance. ■ SAN conducts annual evaluations and reserves the right to conduct random audits of farms 	<ul style="list-style-type: none"> ■ Degree of auditing unknown ■ Prepares a Corporate Social Responsibility Annual Report ■ 2002 Corporate Social Responsibility Annual Report verified by independent third party ■ Applications for preferred supplier program must be verified by an independent third party and are subject to audit

	Tate & Lyle p.l.c.	International Standards
Harassment, Abuse, and Disciplinary Action <i>(Continued)</i>		<ul style="list-style-type: none"> ■ UN Global Compact (“businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence’ and “make sure they are not complicit in any human rights abuses”)
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Each Tate & Lyle business is asked to confirm twice a year that the Group’s Code of Conduct is being communicated to suppliers and must report on any contravention ■ Additional policies and compliance requirements are distributed internally, posted on the intranet and translated into a variety of languages ■ The Board reviews corporate social responsibility annually 	<ul style="list-style-type: none"> ■ ILO Labor Inspection Convention, No. 81

Endnotes

1. Signatories: Bristol Fruit Sales, Del Monte, Fyffes, Geest Bananas, J.P. Fruit Distributors Ltd., Keelings, M.W. Mack, S.H. Pratt.
2. Dole does not have a published code of conduct on its website, but does have policy statements from which this information is obtained.
3. Drafted by the European Sugar Manufacturers' Committee, or the Comité Européen Des Fabricants De Sucre (CEFS), as well as the European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT). Members agree to comply with the minimum standards set out in the Code, which will come into effect on January 1, 2004. This code exclusively focuses on human rights and labor issues and does not cover any environmental standards. It therefore does not have an entry in the Annex D, the Agribusiness—Environment matrix.
4. Fairtrade Labelling Organisation (FLO) sets forth standards for small farmers' organizations as well as hired labor setups (like plantations), and small farm organizations and plantations can be certified by FLO if they comply with these standards. FLO also has product specific standards, which are included within this category as specified.
5. Created in 1998 by flower industry associations in Germany. Over 50 flower farms certified in Kenya, Ecuador, Zimbabwe, Tanzania, and Colombia.
6. Signatory to the UK Banana Industry Code of Best Practice. Currently rewriting its Code of Conduct, to be released in 2003. The information in this chart was distilled from Del Monte's website.
7. Proposed by International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Association (Geneva), Flower Campaign (Germany), Trade Union for Construction, Agriculture and Environment (Germany), Trade Union Confederation (Netherlands), Organisatie Latigns Amerika Activiteiten (Netherlands), INZET (Netherlands), Fair Trade Center (Sweden), Flower Coordination (Switzerland), and Christian Aid (UK). The Code is primarily based on ILO Conventions. (August 1998).
8. McDonald's strives to achieve the Global Reporting Initiative (GRI) goals. The majority of this information is taken from policies set forth in McDonald's Corporation Code of Conduct for Suppliers (1998)—it holds its suppliers to the same standards of social responsibility. (Social Responsibility Report, April 2002).
9. "Key suppliers with which Nestlé has contractual relationships are audited in order to ensure that they comply with Nestlé's Corporate Business Principles." (1999 Nestlé Policy on the Environment, Environmental Progress Report, 2000).
10. Brands include Folgers. Procter & Gamble's Code of Conduct is not coffee specific, but applies to its entire company and products. (2002 Sustainability Report using Global Reporting Initiative's June 2000 Sustainability Reporting Guidelines).
11. Developed by the Rainforest Alliance and the Sustainable Agriculture Network (SAN) (formerly the Conservation Agriculture Network). SAN certifies the use of the best management practices that protect water quality, worker health and safety and wildlife habitat. (September 1999).
12. Developed by the Rainforest Alliance and the Sustainable Agriculture Network (formerly the Conservation Agriculture Network). Salvadoran farms certified by this program include: Irlanda, La Providencia, Cooperativa Las Lajas, El Carmen, Santa Margarita, Fincas Horizontes Lejanos, Nuevos Horizonte, Cooperativa La Union, Finas Las Delicias and San Luis, Francisco S.A. (January 2002).
13. This analysis is based on Starbucks 2002 Corporate Social Responsibility Annual Report and "Framework for a code of conduct" developed in 1995. Starbucks sells Fairtrade™ Certified coffee, which has been certified by a licensing organization under the Fairtrade Labelling Organizations.
14. Subscribes to the principles of International Chamber of Commerce's Business Charter for Sustainable Development. Member of Comité Européen Des Fabricants De Sucre (CEFS). Tate & Lyle acts as a bridge into the European market for cane sugar, predominantly from African, Caribbean and Pacific countries. The EU imports 1.7 million tons of cane sugar annually from Least Developed and Developing Countries and roughly two-thirds of this total (which amounts to just under 10% of total EU sugar consumption) is processed by Tate & Lyle.
15. This material has been drawn from the International Labor Organization (ILO) Conventions and Recommendations, as well as the 1977 ILO Tripartite Declaration of Principles, but does not purport to be an exhaustive survey of all ILO materials. Other documents referenced include the UN Global Compact and the UN Norms, which provides that transnational corporations "shall recognize and respect applicable norms of international law; national laws; regulations; administrative practices; the rule of law; development objectives; social, economic, and cultural policies."

Agribusiness Sector Environmental Standards

Companies/Organizations:

Banana Group (The)—UK Banana Industry Code of Best Practice
 Chiquita Brands International, Inc.
 Dole Food Company, Inc.
 Fairtrade Labelling Organizations International—Fair Trade Standards for Hired Labor
 Flower Label Program
 Fresh Del Monte Produce, Inc.
 International Code of Conduct for Production of Cut-Flowers
 McDonald's Corporation
 Nestlé S.A. (Brands include Hills Brothers, Taster's Choice, and Nescafé)
 Procter & Gamble Company (The) (Brands include Folgers)
 Rainforest Alliance—Better Banana Project
 Rainforest Alliance—Generic Coffee Standards
 Starbucks Coffee Company
 Tate & Lyle p.l.c.
 International Standards—General Agribusiness
 International Standards—Sugar Manufacturing

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 Monitoring and Compliance Framework 172–176

	Banana Group (The), UK Banana Industry Code of Best Practice ¹	Chiquita Brands International, Inc.	Dole Food Company, Inc. ²
General Policy Statement and Environmental Management Systems	<ul style="list-style-type: none"> ■ “Signatories are committed to the development of a safe, financially viable and environmentally sustainable business.” 	<ul style="list-style-type: none"> ■ Will incorporate environmental considerations into purchase decisions for materials and supplies ■ Requires each business unit to have an environmental management system in place to properly identify priorities ■ “Will comply with all relevant environmental laws, rules and regulations in every jurisdiction where we operate, and we will strive to exceed these by following international accepted standards where they exist” 	<ul style="list-style-type: none"> ■ Uses “best management practices” that Dole’s U.S. agriculture operations are required to use ■ Production operations’ environmental management programs conform with developing international standards ■ “Dole strives to take the preventative approach, to identify and address environmental issues and risks before they become concerns for our customers, our industry or our company.” ■ “It is Dole’s policy to comply with all applicable laws and regulations at all times wherever we operate, to take all practicable steps to promote health, safety and environmental protection and to continually progress toward attainment of the company’s goals.”
Materials		<ul style="list-style-type: none"> ■ Seeks to maximize efficient use of natural resources 	

Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor ³	Flower Label Program (FLP) ⁴	Fresh Del Monte Produce, Inc. ⁵	International Code of Conduct for Production of Cut-Flowers ⁶
<p>“Generic” Standard:</p> <ul style="list-style-type: none"> ■ “Producers are expected to protect the natural environment and to make environmental protection a part of farm management” ■ FLO requires that “producer organizations and companies always abide by national legislation. Furthermore national legislation prevails if it sets higher standards on a particular issue than FLO 	<ul style="list-style-type: none"> ■ Must conform to requirements of all local laws. ■ Company must develop a program for conserving the environment and sustainable use of natural resources and to prevent pollution of soil, water and air wherever possible ■ Specially appointed environmental protection officer must evaluate suggestions for improvements and monitor compliance with regulations ■ Workers must be informed on the envisaged measures and instructions ■ Establishment of manuals, and information material for workers 	<ul style="list-style-type: none"> ■ Monitors environmental performance and integrates environmental considerations into business decisions and planning activities ■ Seeks to “meet or exceed the requirements of relevant laws, regulations and codes of practice regarding responsible environmental stewardship” ■ Regarding waste, complies with state and federal regulations and cooperates with international authorities to implement environmental management programs in developing nations without appropriate local laws 	<ul style="list-style-type: none"> ■ “Companies should make every effort to protect the environment and the residential areas, avoid pollution and implement sustainable use of natural resources”

	McDonald's Corporation ⁷	Nestlé S.A. ⁸	Procter & Gamble Company (The) ⁹
General Policy Statement and Environmental Management Systems <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Goal for 2002 to develop Environmental Management System that will work in each country in which McDonald's operates ■ Strives to achieve Global Reporting Initiative (GRI) Guidelines. ■ Company's approach is in transition from a traditional environmental responsibility approach, embodied by "reduce, reuse, recycle" to a broader sustainable framework. 	<ul style="list-style-type: none"> ■ Complies with applicable environmental legislation and where none exist, Nestlé's own internal rules are applied ■ Nestlé Environmental Management System (NEMS) developed to efficiently manage the environmental aspects of its activities ■ NEMS objectives include: <ul style="list-style-type: none"> ● ensuring compliance with Nestlé's environmental policy, applicable legislation, and Nestlé's operational standards ● ensuring continuous improvement of company's environmental performance ● achieving compatibility with international voluntary standards such as ISO 14001 and European Union Eco-Management and Audit Scheme ● building mutual trust with consumers, governmental authorities and business partners ■ Supports sustainable agricultural practices ■ Supports and advocates UN Global Compact 	<ul style="list-style-type: none"> ■ Strives to improve the environmental quality of its products, packages and operations around the world ■ Ensures its products, packaging and operations are safe for employees, consumers and the environment ■ Provides its consumers, customers, employees, communities, public interest groups and others with relevant and appropriate factual information about the environmental quality of its products, packaging and operations ■ Ensures its employees understand and are accountable for incorporating environmental quality into their business ■ Has operating standards, programs and resources in place to implement its Environmental Quality Policy ■ Ensures Vendors meet all current, applicable environmental rules, regulations and laws in their countries ■ Supports Global Sullivan Principles
Materials <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Minimize use of environmentally critical substances ■ Respect natural resources by emphasizing efficient use of raw materials 	<ul style="list-style-type: none"> ■ Reduce or prevent the environmental impact of products and packaging in design, manufacture, distribution, use and disposal whenever possible. ■ Support the sustainable use of resources and actively encourage reuse, recycling and composting ■ Develop and use state-of-the-art science and product life cycle assessment, from raw materials through disposal, to assess environmental quality

Rainforest Alliance, Better Banana Project ¹⁰	Rainforest Alliance, Generic Coffee Standards ¹¹	Starbucks Coffee Company ¹²	Tate & Lyle p.l.c. ¹³
<ul style="list-style-type: none"> ■ Agriculture should be planned, monitored and evaluated on its technical, social, environmental and economic impacts ■ Producer must present a plan of objectives, goals, responsibilities, and a calendar of activities by which the social and environmental conditions will be improved in the short to long term ■ Producer must implement a system to monitor environmental and social impacts ■ Farm must be able to demonstrate its compliance with the program standards and continual improvement of its social and environmental character 	<ul style="list-style-type: none"> ■ Agriculture should be planned, monitored and evaluated on its technical, social, environmental and economic impacts ■ Certified coffee must be kept segregated from uncertified coffee throughout the chain of custody 	<ul style="list-style-type: none"> ■ Environmental mission in place since 1992 ■ Environmental Affairs team seeks to develop environmentally responsible policies and procedures ■ Using focus areas to measure and track environmental footprint through The Natural Step's sustainability framework ■ An Environmental Affairs team seeks to develop environmentally responsible policies and procedures ■ "Preserve and enhance the physical environment" ■ "Demonstrate leadership for environmental practices in countries in which it does business" ■ Introduced coffee sourcing guidelines that address environmental, economic and social areas ■ Supplier handbook outlines environmental purchasing guidelines 	<ul style="list-style-type: none"> ■ "All operations are conducted in recognition of the Group's responsibility towards the natural environment within which we live and work, and the Group complies with all relevant local laws, regulations and consents." ■ "Each operating unit is required to assess its particular environmental impacts and develop an improvement program based on identified areas of priority" ■ Each unit has an environmental management system ■ "Measurement of key impacts such as energy and water usage and solid waste emissions underpin our approach to reducing overall impact"
		<ul style="list-style-type: none"> ■ Purchasing paper with higher levels of post-consumer recycled content and unbleached fiber ■ Roasting plants recycle burlap bags used to transport green coffee 	

	International Standards— General Agribusiness ¹⁴	International Standards— Sugar Manufacturing ¹⁵
General Policy Statement and Environmental Management Systems <i>(Continued)</i>	<ul style="list-style-type: none"> ■ “EMSs such as ISO 14000 are seen as mechanisms for achieving improvements in environmental performance and for supporting the trade prospects of “clean” firms. The potential advantages of EMSs are clear, but the adoption of ISO 14000 is very recent, and practical issues are emerging, among them the need for an emphasis on performance improvement and for simplification of certification; the potential for regulatory streamlining; and the trade consequences.” ■ ISO (International Standard Organization) 14001 specifies the actual requirements for an Environmental Management System that can be audited and certified; a company may seek certification of its EMS by an external third party organization ■ UN Global Compact provides: “Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally-friendly technologies” 	
Materials <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Whenever possible, use nonhazardous instead of hazardous materials 	

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Energy			
Water	<ul style="list-style-type: none"> ■ Companies must monitor outflow of agrochemicals, biannually ■ Filters must be used to prevent solids from entering water courses and companies must monitor biological oxygen demand 	<ul style="list-style-type: none"> ■ Exploring ways to reduce the amount of water used during the washing process in packing stations ■ Testing the replacement of chlorine with hydrogen peroxide to prevent bacterial contamination and remove iron and manganese 	<ul style="list-style-type: none"> ■ Developing wastewater treatment options for packing operations ■ Provides training for communities on water conservation

	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.
Energy <i>(Continued)</i>			
Water <i>(Continued)</i>	<p>"Generic" Standard:</p> <ul style="list-style-type: none"> ■ Water resources should be adequately protected from pollution by chemicals, with special attention to conservation of drinking water sources <p>Product-Specific Standard for Bananas:</p> <ul style="list-style-type: none"> ■ After one year of certification, no application of pesticides, synthetic fertilizers and uncomposted manure within 2 meters of drainage channels ■ Within two years of certification, packing plant waste water treated in filter system ■ After three months, compliance with preparation and cleaning of pesticides and equipment to limit pollution in wastewater ■ Must not change the natural course of a surface water body including wetland ■ Within one year of certification, establish a 20 meter buffer zone between the growing area and rivers, swamps, and lagoons ■ 100 meter buffer zone along potable water sources 	<ul style="list-style-type: none"> ■ Record and document consumption of water ■ Special measures must be taken to protect drinking water sources, ground water, surface water, rivers, dikes, and lakes ■ Water management system for supply of irrigation water must minimize water consumption and conserve ground and surface waters ■ Rain water must be collected 	

International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.	Procter & Gamble Company (The)
	<ul style="list-style-type: none"> ■ Built energy-efficient restaurants that have reduced energy use ■ Recognizes that energy consumption practices within a restaurant can reduce energy consumption by up to 10% ■ Exploring ways to improve distribution efficiencies 	<ul style="list-style-type: none"> ■ “Committed to adapting its products and processes so that energy resources are preserved” ■ Where possible, use renewable fuels instead of, or in conjunction with, more traditional non-renewable fuels or less polluting fuels, e.g.: <ul style="list-style-type: none"> ● spent coffee grounds ● co-generation plants ● “Optimizes shipments in order to limit effects on the environment and to reduce its use of energy resources” 	<ul style="list-style-type: none"> ■ Reduce or prevent the environmental impact of products and packaging in design, manufacture, distribution, use and disposal whenever possible ■ Continually assess environmental technology and programs and monitor progress toward environmental goals.
	<ul style="list-style-type: none"> ■ Organized Global Water Team that works to understand water treatment and use and ways for restaurants to conserve 	<ul style="list-style-type: none"> ■ “Nestlé supports the sustainable use of water and takes the necessary measures to ensure the responsible management of this vital resource” ■ “Without compromise to the safety and quality of its products, fresh water use is reduced as much as possible and wherever feasible, water is reused and recycled” ■ Used water is treated and returned to the environment according to local legislation 	<ul style="list-style-type: none"> ■ Reduce or prevent the environmental impact of products and packaging in design, manufacture, distribution, use and disposal whenever possible ■ Develop and use state-of-the-art science and product life cycle assessment, from raw materials through disposal, to assess environmental quality

	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company
Energy <i>(Continued)</i>			<ul style="list-style-type: none"> ■ Green Store Task Force conducted a gap analysis using the US Green Building Council Leadership in Energy and Environmental Design (LEED) ■ Tracking its energy use by its North American retail stores and “investigating opportunities to improve efficiency” ■ Established a Utility Task Force in 1999 to identify conservation measures
Water <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Farms should promote conservation and rehabilitation of water resources, e.g.: <ul style="list-style-type: none"> ● Establish buffer zones along water bodies to control sedimentation and contamination ● Prohibit altering the natural hydrology of water ways ● Reuse water wherever possible ● Eliminate sources of pollution and contamination or at least reduce to levels accepted by national law and the Better Banana Project ● Filter waters generated in any on-farm process before returning water to nature ● Monitor physical, chemical and biological characteristics of drinking and residual waters 	<ul style="list-style-type: none"> ■ Establish buffer zones along water bodies to control sedimentation and contamination ■ Prohibit altering the natural hydrology of water ways ■ Reuse water wherever possible ■ Eliminate or reduce all sources of pollution and contamination of bodies of water to maintain acceptable levels in accordance with national laws ■ Filter waters generated in any on-farm process before returning water to nature ■ Monitor physical, chemical and biological characteristics of drinking and residual waters ■ Farmers exploiting subterranean waters must have measures to reduce risk of over-extraction or contamination 	<ul style="list-style-type: none"> ■ Tracking its water use by its North American retail stores and expects systematic changes to mechanical and equipment design specifications will improve efficiency

Tate & Lyle p.l.c.	International Standards— General Agribusiness	International Standards— Sugar Manufacturing
<ul style="list-style-type: none"> ■ Recognizes that it has a significant impact on energy use ■ In 2000, set target of reducing Group energy consumption per unit of production by 3% annually 	<ul style="list-style-type: none"> ■ Where feasible, choose energy-efficient and environmentally sound processes 	<ul style="list-style-type: none"> ■ Proposal to collect waste for use in other industries — e.g., cogeneration systems for large sugar mills generate electricity for sale
<ul style="list-style-type: none"> ■ Recognizes that it has a significant impact on water consumption ■ In 2000, set target of reducing water use per unit of production, every year 	<ul style="list-style-type: none"> ■ Process wastewater, domestic sewage, and contaminated stormwater must meet certain maximum limits (e.g., 6-9 pH; 50 BOD; 250 COD, etc.) before being discharged to surface water ■ Liquid effluent may be discharged to a public or private central wastewater treatment system. Where this is the case, information from the local authority or private central wastewater treatment company is to be provided to confirm that the treatment system has the capacity and is managed to adequately treat the project's liquid effluents. The World Bank Group may require pretreatment prior to such discharge ■ Levels of pesticides, dioxins, furans, and other toxins, such as polynuclear aromatic hydrocarbons (PAHs), in effluent discharges should not exceed either 100 times the WHO guidelines for drinking water or 0.05 mg/l 	<ul style="list-style-type: none"> ■ Minimize storage time for juice and other intermediate products to reduce product losses and discharge of product into the wastewater stream ■ Recirculate cooling waters ■ Optimize the use of water

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Emissions			
Agrichemicals	<ul style="list-style-type: none"> ■ Companies must only use chemicals that: manufacturer approves for use on bananas, sanctioned as safe by the EU, UK, USA, and permitted by local authorities for use on banana plantations ■ Agrichemicals must be applied at the minimum rate needed to control disease and maintain production ■ Companies must protect rivers and buildings with a barrier or buffer area ■ Companies must conduct audits to ensure procedures adequately govern the proper use and appropriate levels of agrochemicals ■ Plastic bags with insecticide must be labeled and only used when necessary 	<ul style="list-style-type: none"> ■ Applies the least amount of pesticides necessary and only the least toxic agrochemicals that are approved by EPA and the EU for use on bananas ■ Plants groundcover to prevent the growth of weeds and eliminate the need for herbicides 	<ul style="list-style-type: none"> ■ Uses Integrated Pest Management (IPM), which uses cultural, biological, and when necessary chemical pest control measures ■ Reviews pest control practices for effectiveness, efficiency, and environmental impacts ■ Tests potable water in workers' residences and company's compounds ■ Sets goals of reduction in chemical usage ■ Uses natural techniques including: biological controls (predatory wasps), bioantagonists (microorganisms that infect specific pests), and ground cover ■ Exploring organic farming ■ Conducts audits, preharvest residue analysis, and residue monitoring of shipments before delivery to ensure compliance with residue regulations ■ Commissioned the development of a computer software system to help identify and prioritize potential health or environmental risks that may exist under tropical conditions. Helps Dole make better decisions about crop protection chemicals and safe usage.

Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.	International Code of Conduct for Production of Cut-Flowers
<p>“Generic” Standard:</p> <ul style="list-style-type: none"> ■ Implement a system of Integrated Crop Management <p>Product-Specific Standard for Bananas:</p> <ul style="list-style-type: none"> ● Agrichemicals, which constitute risks for humans and the environment, should be minimized and replaced by organic and/or biological methods ● No spraying in buffer zones, open water bodies, and residential areas ● Avoid plant resistance to agrochemicals ● Separate storage of pesticides at specified distances from houses, processing facilities, and public roads, rivers, springs, swamps, lagoons, potable water sources, virgin forests, protected areas and areas of high ecological value ● After two years of certification, eliminate use of pesticide-impregnated plastic bags, unless demonstrated that production is impossible without the bags 	<ul style="list-style-type: none"> ■ Must document all fertilizer and chemical applications ■ Chemical fertilizers should be applied only selectively based on careful observation of the crop together with soil and leaf analysis ■ Minimize losses and drainage of fertilizer through leaching into the soil ■ When possible, low toxic and biodegradable chemicals must be used. Formaldehyde and all WHO I prohibited. ■ Support of alternative pest-management on the farms (e.g., bacteria, earthworms etc.) 	<ul style="list-style-type: none"> ■ Balances use of agrochemicals with need to maintain production ■ Uses only agrochemicals approved by regulatory agencies in the pricing country, Costa Rica, the US, and Europe ■ Use of any chemical must comply with human health and environmental impact standards of the producing nation ■ Maintains pesticide control office to monitor use of agricultural chemicals ■ Dedicates resources to research programs to reduce reliance on agrochemicals and improve application technology 	<ul style="list-style-type: none"> ■ Companies shall record and reduce pesticide and fertilizer use

	McDonald's Corporation	Nestlé S.A.	Procter & Gamble Company (The)
Emissions <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Exploring alternative refrigerants because hydrocarbons contribute to climate change 	<ul style="list-style-type: none"> ■ Reduce air emissions (CO₂, SO_x, NO_x) as much as possible through energy reduction, fuel replacement initiatives, co-generation activities, and the phase-out of ozone-depleting substances ■ Developed process to reduce emissions of CO₂ and NO_x through more precise control at the end of the roasting to slow rate of emissions and avoid high temperature after-burning 	<ul style="list-style-type: none"> ■ Reduce or prevent the environmental impact of products and packaging in design, manufacture, distribution, use and disposal whenever possible
Agrichemicals <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Integrated pest management system using “environmentally compatible techniques for controlling pests at levels below those that cause economically unacceptable damage or loss” 	

Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company	Tate & Lyle p.l.c.
		<ul style="list-style-type: none"> ■ Focus on improving fuel efficiency for company's vehicles in response to global warming ■ Joined Climate Wise, an EPA program, to track and reduce greenhouse gas emission ■ Transportation options offered to partners, including a car-sharing program ■ State-of-the-art emissions control technology in roasting plants 	<ul style="list-style-type: none"> ■ Emissions are reported locally as required by local and national regulations and include: <ul style="list-style-type: none"> ● total CO2 emissions; ● total SO2 emissions; ● total Nox emissions; and ● total particulate
<ul style="list-style-type: none"> ■ Farms should limit the use of agrochemicals to the benefit of workers, local communities, soil quality, water resources and natural ecosystems, for example: <ul style="list-style-type: none"> ● Employ Integrated Pest Management ● Maintain a monitoring and evaluation system to control and limit use of agrochemicals ● Document continual reduction in toxicity and quantity of chemicals used ● Undertake steps to avoid chemical resistance in pest populations ● Only use chemicals registered for use on the particular crop and approved by the EPA and relevant national agencies ● Transport, store and apply chemicals according to the Best Management Practices specified ● Agrochemical storage must be located at prescribed distances from water sources, located in protected areas, and include storage areas for fuels and lubricants ● Only qualified persons with the necessary training may apply and transport agrochemicals 	<ul style="list-style-type: none"> ■ Employ Integrated Pest Management ■ Protect workplaces and houses with vegetative barrier ■ Maintain a monitoring and evaluation system to control and limit use of agrochemicals ■ Demonstrate a continual reduction in the toxicity and quantity of chemicals used ■ Rotate products to prevent tolerance ■ Pesticides must be registered for use on the crop and approved by US EPA and national agencies ■ Agrochemical storage must be located at prescribed distances from water sources, protected areas, and storage areas for fuels and lubricants 	<ul style="list-style-type: none"> ■ "Hazardous materials such as chemicals and pesticides should be used safely and responsibly, if at all" ■ Under coffee sourcing guidelines, Starbucks rewards farmers who minimize or eliminate agrochemical inputs 	

	International Standards— General Agribusiness	International Standards— Sugar Manufacturing
Emissions <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Pollution control systems may be required in order to meet specified emissions limits. These systems must be well maintained and operated and must not be fitted with overflow or bypass devices, unless required for emergencies ■ Most of the air emissions from commercial and general industrial facilities originate with the fuel used for heating purposes or for generating steam for process purposes. Particular emissions that may originate in the process are addressed case by case ■ Concentrations of contaminants emitted from the stacks of significant sources with an equivalent heat input of more than 10 million Btu/hr, including boilers, furnaces, incinerators, and electrical generating equipment, should not exceed specific suggested limits ■ Several chemicals classified as ozone-depleting substances are scheduled for phaseout under the Montreal Protocol, including CFCs, halons, HCFCs and HBFCs 	<ul style="list-style-type: none"> ■ Give preference to less polluting clarification processes such as those using bentonite instead of sulfite for the manufacture of white sugar ■ Particulate matter and sulfur oxide emissions should be less than 100 milligrams per normal cubic meter (in some cases up to 150); nitrogen oxide emissions should be less than 260 nanograms per joule ■ Following effluent levels should be achieved: maximum of 6-9 pH; 50 BOD; 250 COD; 50 TSS; 10 total nitrogen and 2 total phosphorous
Agrichemicals <i>(Continued)</i>	<ul style="list-style-type: none"> ■ All hazardous materials must be stored in clearly labeled containers or vessels, and storage and handling must be in accordance with local regulations 	<ul style="list-style-type: none"> ■ Optimize use of cleaning chemicals; procure cane washed in the field; prefer the use of dry cleaning methods

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Waste Management	<ul style="list-style-type: none"> ■ Companies must dispose of all plastic materials in a manner that does not contaminate the environment ■ Waste materials should be recycled where feasible 	<ul style="list-style-type: none"> ■ Seeks to reduce, reuse and recycle 	<ul style="list-style-type: none"> ■ Provides training for communities on recycling and composting
Ecosystem/Biodiversity	<ul style="list-style-type: none"> ■ Virgin forests must not be exploited to establish new banana plantations 		<ul style="list-style-type: none"> ■ Preserves and protects rainforest resources and areas of critical biodiversity ■ Plants trees for reforestation and watershed protection projects ■ Financially supports conservation projects ■ Provides training for communities on reforestation

	Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.
Waste Management <i>(Continued)</i>	<p>Product-Specific Standard for Bananas:</p> <ul style="list-style-type: none"> ■ Within three months of certification,: <ul style="list-style-type: none"> ● the field, packing stations and riverbanks must be free of waste ● non-reusable and non-recyclable waste disposed of by burying or other adequate means ● establish sanitary dumping place for toxic waste ■ Other requirements include: <ul style="list-style-type: none"> ● Disposal of agrochemicals and pesticide containers done with minimal environmental impact ● Return unused agrochemicals to suppliers if possible ● Use organic waste as fertilizer when possible ● Within one year, reusable matters are reused or returned to supplier 	<ul style="list-style-type: none"> ■ Waste and pollution reduction must be given high priority ■ Compost organic waste ■ Waste, especially pesticides, fertilizer and chemical residues, must not be disposed of into the soil, drains and watercourses ■ Wetlands should be constructed to protect the soil/water resources ■ Pesticide and chemical containers must be triple rinsed and perforated, and returned to supplier if possible ■ Separate and recycle materials when possible 	<ul style="list-style-type: none"> ■ Conserves raw materials and non-renewable natural resources by eliminating or reducing waste <ul style="list-style-type: none"> ● recycling and reusing materials including: <ul style="list-style-type: none"> ○ plastic bags used to protect the bananas ○ fruit stalks by using them as organic fertilizer ○ rejected fruit by transporting them to special deposits for treatment ■ Complies with state and federal regulations and cooperates with international authorities to implement environmental management programs in developing nations without appropriate local laws
Ecosystem/Biodiversity <i>(Continued)</i>	<p>Product-Specific Standard for Bananas:</p> <ul style="list-style-type: none"> ■ Growing area not to expand into virgin forests, areas protected by national law, or other areas of high ecological value ■ 20 meter buffer zone within one year of certification between banana growing area and secondary forests ■ 100 meter buffer zone along virgin forests 	<ul style="list-style-type: none"> ■ To protect the surroundings and encourage wildlife, trees and bushes should be planted at farms' boundaries 	<ul style="list-style-type: none"> ■ Seeks to protect the biodiversity of sensitive areas within and near operations ■ Committed to not exploiting virgin forests when establishing new production areas ■ Developed reforestation projects along major riverbanks ■ Observes national regulations regarding forest preservation ■ Makes efforts to use wood that comes from managed or cultivated woodland for pallets to carry fruit

International Code of Conduct for Production of Cut-Flowers	McDonald's Corporation	Nestlé S.A.	Procter & Gamble Company (The)
	<ul style="list-style-type: none"> ■ Implemented waste management, energy efficiency and litter control ■ Uses recycled materials where possible ■ Efforts to reduce litter ■ Composts materials where infrastructure exists 	<ul style="list-style-type: none"> ■ Promotes integrated waste management including packaging source reduction, reuse, recycling and energy recovery ■ Educate employees to increase awareness of the benefits of recycling, both internally and within their local communities ■ Review and assess its packaging source reduction opportunities and new materials and processes that reduce impact on environment ■ Seeks packaging solutions that result in lowest possible weight and volume of packages ■ Avoid use of substances that can adversely impact the environment during packaging production and disposal 	<ul style="list-style-type: none"> ■ Reduce or prevent the environmental impact of products and packaging in their design, manufacture, distribution, use and disposal whenever possible ■ Support the sustainable use of resources and actively encourage reuse, recycling and composting
		<ul style="list-style-type: none"> ■ Initiated a project with the Royal Forestry Department in Thailand to reforest a National Park 	

	Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company
Waste Management <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Farms must have an integrated plan for management of all waste products. Plan must promote environmentally sound reduction, reuse, recycling and disposal of inputs ■ All non-biodegradable products should be recycled ■ Burning trash and open dumps are prohibited 	<ul style="list-style-type: none"> ■ Program must exist for reduction of residues, changing purchasing practices that generate waste products that contaminate the environment, or threaten health of workers ■ Implement strategies for reusing wastes ■ Organic wastes must be used to enrich soil where possible ■ Implement recycling system 	<ul style="list-style-type: none"> ■ Waste reduction tactic includes store recycling and use of commuter mugs in place of paper ■ Annually offers coffee grounds as compost, thus reducing solid waste stream ■ Conducted a waste study to better understand composition and scale of recycling opportunities
Ecosystem/Biodiversity <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Agriculture and the expansion of farms should promote conservation, recovery of ecosystems, and protection of biodiversity, for example: <ul style="list-style-type: none"> ● Protect, conserve, and recuperate where possible natural habitats on farms including restoring and protecting vegetation along existing water bodies and creating biological corridors of native vegetation ● Prohibit degradation and destruction of ecosystems ● Prevent establishment of new production areas in areas with primary forests or advanced stages of secondary forests ● Reforest areas not suitable for cultivation with native species ● Prohibit use of illegally obtained woods to make pallets or for construction, and establish plantations with firewood in countries where this is used as a fuel source ● Create buffer zones around protected areas and other areas as specified ■ Special steps should be taken for the protection and recovery of biodiversity 	<ul style="list-style-type: none"> ■ Conserve ecosystems on or near the farm ■ New and expanding farms must not degrade, damage or destroy ecosystems ■ Deforestation prohibited ■ Reforest areas with native species that are not suitable for cultivation ■ Prevent and control fires ■ Protect and enrich critical habitats through biological corridors and other management measures ■ Production units cannot be located where they would generate negative effects on national parks, forest reserves, wildlife refuges, buffer zones, and other conservation areas 	<ul style="list-style-type: none"> ■ Invests in projects with Conservation International: Shade Grown Mexico coffee; Conservation Colombia; Conservation Peru

Tate & Lyle p.l.c.	International Standards— General Agribusiness	International Standards— Sugar Manufacturing
<ul style="list-style-type: none"> ■ Recognizes that it has a significant impact on non-hazardous solid waste production ■ In 2000, set target of reducing annually the amount of solid waste per unit of production 	<ul style="list-style-type: none"> ■ Project sponsors must recycle or reclaim solid wastes generated in the course of operating the facility where possible, and if not practical, wastes must be disposed of in an environmentally acceptable manner and in compliance with local laws and regulations ■ Process wastewater, domestic sewage, and contaminated stormwater must meet certain maximum limits (e.g., 6-9 pH; 50 BOD; 250 COD, etc.) before being discharged to surface water ■ All hazardous wastes, process residues, solvents, oils and sludges must be properly disposed of ■ Leachates that contain hazardous pollutants must not exceed certain effluent levels 	<ul style="list-style-type: none"> ■ Minimize storage time for juice and other intermediate products to reduce product losses and discharge of product into the wastewater stream ■ Collect waste product for use in other industries — e.g., bagasse for use in paper mills and as fuel; beet chips can be used as animal feed ■ Design and operate the production system to achieve recommended wastewater loads ■ Discourage spraying of molasses on the ground for disposal
	<ul style="list-style-type: none"> ■ No specific policy in IFC/World Bank Guidelines ■ Virtually all legal rules and regulations for wildlife conservation are at the domestic rather than the international level 	

	Banana Group (The), UK Banana Industry Code of Best Practice	Chiquita Brands International, Inc.	Dole Food Company, Inc.
Soil/Erosion Control	<ul style="list-style-type: none"> ■ Production must be designed to maintain soil fertility, avoid soil erosion, and prevent soil and water contamination 	<ul style="list-style-type: none"> ■ Plants groundcover to protect against soil erosion 	<ul style="list-style-type: none"> ■ Provides training for communities on erosion prevention
Monitoring and Compliance Framework	<ul style="list-style-type: none"> ■ Committed to independent, impartial verification ■ Companies must conduct audits to ensure procedures adequately govern the proper use and appropriate levels of agrochemicals 	<ul style="list-style-type: none"> ■ In 2000, Chiquita adopted Social Accountability 8000 as its labor standard and its Costa Rican farms were recently certified by the SA8000 standard. Company conducts internal assessments annually to measure compliance with SA8000 (includes results in its annual Corporate Responsibility Report) ■ In 2000, Chiquita achieved Better Banana Certification for all of its banana farms in Latin America. These farms were re-certified in 2001. (2001 Corporate Responsibility Report) ■ Rainforest Alliance issues certifications on the basis of annual independent farm audits (Chiquita includes the audits in its annual Corporate Responsibility Report) ■ Works with the Grupo del Monitorio de El Salvador 	<ul style="list-style-type: none"> ■ Conducts internal audits ■ Obtains certification for its farms under ISO 14001 ■ Conducts audits, preharvest residue analysis, and residue monitoring of shipments before delivery to ensure compliance with residue regulations

Fairtrade Labelling Organisation International (FLO), Fair Trade Standards for Hired Labor	Flower Label Program (FLP)	Fresh Del Monte Produce, Inc.	International Code of Conduct for Production of Cut-Flowers
<p>“Generic” Standard:</p> <ul style="list-style-type: none"> ■ “Agricultural practices must conserve and improve soil structure, life and fertility in order to sustain long term productivity and to reduce the negative environmental impact by silting of rivers and other water bodies” ■ Within three months <ul style="list-style-type: none"> ● plant cover crops between banana trees when growing on slopes between 30° and 60° ● no banana growing on slopes more than 60° ■ Within one year: <ul style="list-style-type: none"> ● maintain proper drains and contours in terms of depth, inclination, and mulching or strips of vegetation along each contour ■ For bananas growing on slopes between 30° and 60°, within one year: <ul style="list-style-type: none"> ● establish proper check drains along contours ● establish barriers of grasses and trees with root systems to stabilize barrier sand counteract erosion ● any replanting bananas must be along contours ● establish a good canopy to protect ground from rain 	<ul style="list-style-type: none"> ■ Organic fertilizer and composted organic waste should be used for improvement and care of soil ■ Wetlands should be constructed to protect the soil/water resources 		
<ul style="list-style-type: none"> ■ Certification Unit co-ordinates all tasks and processes all information related to inspection of producers, trade auditing and certification ■ Operates independently from any other Fairtrade interests, it follows the ISO Standards for Certification Bodies (ISO 65) 	<ul style="list-style-type: none"> ■ Independent auditors inspect farms, and inspected farms become FLP members provided they comply with FLP standards ■ One annual re-inspection ■ Requires specific documents and records be kept and continuously updated so that compliance with each provision can be demonstrated (e.g. weekly water consumption; disposal of pesticide, chemical and non chemical waste; recycled material, etc.) ■ Unannounced spot checks organized by FLP; human rights groups and trade unions entitled to carry out spot checks ■ Use of local coordinators 	<ul style="list-style-type: none"> ■ Since 1997, implementing ISO 14001 environmental management systems and ISO 9002 quality management standards <ul style="list-style-type: none"> ● Has now achieved ISO 14001 and ISO 9002 certification at many of its operations 	<ul style="list-style-type: none"> ■ Companies accept that the implementation of the code is subject to independent verification

	McDonald's Corporation	Nestlé S.A.	Procter & Gamble Company (The)
Soil/Erosion Control <i>(Continued)</i>		<ul style="list-style-type: none"> ■ Promotes contour planting as a good solution for reducing erosion when planting in hilly locations 	
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Conducts monitoring through external auditors who do on-site inspection, record verification, and employee interviews ■ Uses stakeholder dialogues, training and education, self-assessment procedures, and benchmarking to raise and improve awareness within McDonald's supplier base ■ Conducts unannounced audits when warranted ■ Uses audit results to support development of corrective action plans ■ Environmental Affairs Officer has responsibility to ensure adherence to environmental principles and reports to board of directors regarding progress toward specific environmental initiatives ■ Strives to achieve the Global Reporting Initiative (GRI) goals 	<ul style="list-style-type: none"> ■ Compliance with its Corporate Business Principles monitored by internal auditors on the basis of auditing instructions that are certified by KPMG and published for all employees to consult ■ Regularly reviews its Corporate Business Principles ■ "Key suppliers with which Nestlé has contractual relationships are audited in order to ensure that they comply with Nestlé's Corporate Business Principles" ■ Many of the company's factories certified by ISO 14001 or Eco-Management and audit scheme of the EU 	<ul style="list-style-type: none"> ■ Meet or exceed the requirements of all environmental laws and regulations ■ Use environmentally sound practices, even in the absence of governmental standards. ■ Cooperate with governments in analyzing environmental issues and developing cost-effective, scientifically-based solutions and standards

Rainforest Alliance, Better Banana Project	Rainforest Alliance, Generic Coffee Standards	Starbucks Coffee Company	Tate & Lyle p.l.c.
<ul style="list-style-type: none"> ■ Agriculture should promote conservation and recuperation of soils to assure productivity for the long and short term ■ Reduce negative effects of sedimentation of waterways ■ Fertilizers must be applied in a manner to maximize their incorporation into the soil and reduce loss from run-off 	<ul style="list-style-type: none"> ■ Agriculture must be located on lands suitable for the proposed crop ■ Implement a soil conservation plan to minimize erosion ■ Farm management practices must promote the conservation and recuperation of the soil's fertility, quantity of organic material, biological activity, and structure 	<ul style="list-style-type: none"> ■ Under coffee sourcing guidelines, Starbucks rewards farmers whose coffee growing and processing systems contribute to conservation of soil, water and biological diversity 	<ul style="list-style-type: none"> ■ Certified by the Soil Association to UKROFS for the sale of organic sugars
<ul style="list-style-type: none"> ■ Certification committee independent of the auditing committee reviews and grants (or denies) a farm's certification award, thus ensuring no conflict of interest between the group surveying the farm and the group grading the farm's production practices ■ Trained specialists and partner groups inspect farms and certify them once farm has sufficiently improved to meet the standards ■ Re-audit farms annually, and certified farms must be committed to constant improvement 	<ul style="list-style-type: none"> ■ Certification committee independent of the auditing committee reviews and grants (or denies) a farm's certification award, thus ensuring no conflict of interest between the group surveying the farm and the group grading the farm's production practices ■ Sustainable Agriculture Network (SAN) staff prepare report specifying which changes must be made to achieve certification ■ A committee of representatives of the SAN awards certification once an evaluation demonstrates the farm has achieved compliance ■ SAN conducts annual evaluations and reserves the right to conduct random audits of farms 	<ul style="list-style-type: none"> ■ Environmental mission measures and monitors progress for each project ■ Prepares a Corporate Social Responsibility Annual Report ■ 2002 Corporate Social Responsibility Annual Report verified by independent third party ■ Applications for preferred supplier program must be verified by an independent third party and are subject to audit 	<ul style="list-style-type: none"> ■ The Board reviews corporate social responsibility annually ■ "Each Tate & Lyle business is asked to confirm twice a year that the Group's Code of Conduct is being communicated to suppliers and must report on any contravention" ■ "Committed to spreading best practice" in supply chain standards and to improving standards amongst suppliers ■ Americas and European purchasing organizations attach the Code of Conduct to Purchase Orders and have put suppliers on notice to notify the company immediately of any issues they may have with it. ■ Company representatives have held meetings with NGOs to establish dialogue on a variety of social and developmental issues

	International Standards— General Agribusiness	International Standards— Sugar Manufacturing
Soil/Erosion Control <i>(Continued)</i>	<ul style="list-style-type: none"> ■ No specific policy in IFC/World Bank Guidelines ■ Virtually all legal rules and regulations for soil conservation are at the domestic rather than the international level 	
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Liquid effluents should be sampled and measured weekly for common parameters such as BOD, suspended solids, pH, oils and grease, and flow. World Bank will specify sampling frequencies for project-specific pollutants that are present in the effluent ■ Project sponsor is required to maintain records of air emissions, effluents, and hazardous wastes sent off site, as well as significant environmental events such as spills, fires, and other emergencies that may have an impact on the environment. The information should be reviewed and evaluated to improve the effectiveness of the environmental protection plan ■ ISO 14001 is the only International Standard Organization standard against which it is currently possible to be certified by an external certification authority, but it does not itself state specific environmental performance criteria ■ CERES Principles provide for participating in regular audits and reports, as well as protection of the biosphere, sustainable use of natural resources, reduction and disposal of wastes, energy conservation, risk reduction, safe products and services, environmental restoration, informing the public, and management commitment 	<ul style="list-style-type: none"> ■ Reduce product losses to less than 10% by better production control; perform sugar auditing ■ Continuous sampling and measurement of key production parameters allow production losses to be identified and reduced, thus reducing waste load

Endnotes

1. Signatories include: Bristol Fruit Sales, Del Monte, Fyffes, Geest Bananas, J.P. Fruit Distributors Ltd., Keelings, M.W. Mack, S.H. Pratt.
2. In addition to bananas, Dole also owns a significant amount of flower farms in Colombia. Dole does not have a published code of conduct on its website, but does have policy statements from which this information is obtained.
3. Fairtrade Labelling Organisation ("FLO") sets forth standards for small farmers' organizations as well as hired labor setups (like plantations), and small farm organizations and plantations can be certified by FLO if they comply with these standards. FLO also has product specific standards, which are included within this category as specified.
4. Created in 1998 by flower industry associations in Germany. Over 50 flower farms certified in Kenya, Ecuador, Zimbabwe, Tanzania, and Colombia. (1999).
5. Participates with the Banana Environmental Commission, a joint government industry forum. Del Monte is a signatory to the UK Banana Industry Code of Best Practice (see below), and is currently rewriting its Code of Conduct (expected later in 2003). The information in this chart was distilled from Del Monte's website.
6. Proposed by International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Association (Switzerland), Flower Campaign (Germany), Trade Union for Construction, Agriculture and Environment (Germany), Trade Union Confederation (Netherlands), Organisatie Latigns Amerika Activiteiten (Netherlands), INZET (Netherlands), Fairtrade Center (Sweden), Flower Coordination (Switzerland), and Christian Aid (UK). The Code is primarily based on ILO Conventions. (August 1998).
7. (Social Responsibility Report, April 2002).
8. Brands include Hills Brothers, Taster's Choice, and Nescafe. Material taken from 1999 Nestlé Policy on the Environment, Environmental Progress Report, 2000.
9. Brands include Folgers. Procter & Gamble's Code of Conduct is not coffee-specific, but applies to its entire company and products. (2002 Sustainability Report using Global Reporting Initiative's June 2000 Sustainability Reporting Guidelines).
10. Developed by the Rainforest Alliance and the Sustainable Agriculture Network (SAN) (formerly the Conservation Agriculture Network). SAN certifies the use of the best management practices that protect water quality, worker health and safety, and wildlife habitat.
11. Developed by the Rainforest Alliance and the Sustainable Agriculture Network (formerly the Conservation Agriculture Network). Salvadoran farms certified by this program include: Irlanda, La Providencia, Cooperativa Las Lajas, El Carmen, Santa Margarita, Fincas Horizontes Lejanos, Nuevos Horizonte, Cooperativa La Union, Fincas Las Delicias and San Luis, Francisco S.A. (January 2002).
12. This analysis is based on Starbucks' 2002 Corporate Social Responsibility Annual Report and "Framework for a code of conduct" developed in 1995. Starbucks sells Fairtrade(tm) Certified coffee, which has been certified by a licensing organization under the Fairtrade Labelling Organizations; coffee is in accordance with Fairtrade standards.
13. Subscribes to the principles of International Chamber of Commerce's Business Charter for Sustainable Development. Member of Comité Européen Des Fabricants De Sucre (CEFS). Tate & Lyle acts as a bridge into the European market for cane sugar, predominantly from African, Caribbean and Pacific countries. The EU imports 1.7 million tons of cane sugar annually from Least Developed and Developing Countries and roughly two-thirds of this total (which amounts to just under 10% of total EU sugar consumption) is processed by Tate & Lyle.
14. Unless otherwise noted, standards are from World Bank and IFC Guidelines in the "Pollution Prevention and Abatement Handbook 1998."
15. World Bank and IFC Guidelines specific to the sugar industry, from the "Pollution Prevention and Abatement Handbook 1998."

Tourism Sector Labor, Human Rights and Environmental Standards

Companies/Organizations:

British Airways p.l.c.
 Coalition for Environmentally Responsible Economies, Inc.—CERES Principles
 Commonwealth of Australia—National Ecotourism Strategy
 Foundation for Environmental Education—Blue Flag Campaign
 Government of Brazil—Guidelines for an Ecotourism Policy
 Government of Costa Rica—Certification for Sustainable Development
 GREEN GLOBE 21
 Hilton Group p.l.c. (Brands include Hilton, Scandic, Livingwell, Conrad, and Ladbroke's)
 InterContinental Hotels Group p.l.c. (Brands include InterContinental, Crowne Plaza, Holiday Inn, and Britvic Soft Drinks)
 International Ecotourism Standard
 Lindblad Expeditions, Inc.
 Royal Caribbean Cruises Ltd.
 World Tourism Organization—Global Code of Ethics for Tourism

Issues Examined:

Labor and Human Rights Issues	180–183
Health and Safety Issues	184–187
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Specific Programs and Initiatives	192–195
Monitoring and Compliance Framework	196–199

	British Airways p.l.c.	Coalition for Environmentally Responsible Economies, Inc. (CERES), Principles ¹	Commonwealth of Australia, National Ecotourism Strategy ²
Labor and Human Rights Issues	<ul style="list-style-type: none"> ■ "Treat our employees fairly, respecting their individual and collective rights" ■ "Promote equality of opportunity and encourage diversity" ■ "Maintain clear disciplinary and grievance procedures with access to advice on fair and consistent application" ■ "Support the Rights of the Child, and won't employ anyone under the age of 16" ■ "Express our support for the Universal Declaration of Human Rights within our domain of influence and consistent with the legitimate role of business" ■ "Will abide by the law and ensure our practices comply with relevant legislation and regulations" ■ "Aim to uphold and support human rights wherever we operate, respecting local laws" ■ "Will monitor, review and measure our performance against this code" ■ "Respect local cultural and religious needs and consider them in determining our local conditions of employment and product offerings" ■ Collective Agreements ■ Disciplinary and Grievance Procedures ■ "Dignity at Work — Policies on Equal Opportunities and Diversity, Harassment and Bullying," but "aim, under equal opportunity practice, to employ and promote people regardless of gender, ethnicity, national origin, disability, religious or cultural background" 	<ul style="list-style-type: none"> ■ "Will not take any action against employees for reporting dangerous incidents or conditions to management or to appropriate authorities" 	<ul style="list-style-type: none"> ■ Public consultation with local government agencies, natural resource managers, tour operators, tourism marketers, planners, conservation and community groups, developers and indigenous Australians

Foundation for Environmental Education (FEE), Blue Flag Campaign ³	Government of Brazil, Guidelines for an Ecotourism Policy ⁴	Government of Costa Rica, Certification for Sustainable Development (CST) ⁵	GREEN GLOBE 21 ⁶
<ul style="list-style-type: none"> ■ Public participation and local involvement are key factors. ■ Free access for everyone to all Blue Flag beaches 	<ul style="list-style-type: none"> ■ Develop a participatory planning program that involves stakeholders from throughout the country or region, including rural and indigenous communities 	<ul style="list-style-type: none"> ■ Direct Economic Benefits of CST: “In order that tourism may benefit the direct local economy, one must identify the “local community” to be benefited; encourage the hiring of nationals and locals; establish a clear method of personal advancement within the hotel’s personnel; establish a permanent training program; refrain from hiring illegal persons to work at the hotel; do not maintain labor practices with undesirable results for the local community, such as hiring youth who will then not attend school.” ■ Training: “Inform, empower, incentivize, and remind employees about the environmental plans and goals; have meetings with employees to discuss implementation; invite suggestions for improvement of the plans” ■ Contribution to Cultural Development: “Mention local cultural facts in promotional materials; create a space such as a wall for the posting of materials promoting local cultural activities; if possible, allow local groups to hold meetings at the hotel; develop opportunities for guests to experience cultural activities; eliminate as much as possible the use of the hotel for undesirable activities such as prostitution and drug use” 	

	Hilton Group p.l.c. ⁷	InterContinental Hotels Group p.l.c. ⁸	International Ecotourism Standard (IES) ⁹
Labor and Human Rights Issues <i>(Continued)</i>	<ul style="list-style-type: none"> ■ "Aim to comply with all applicable laws and regulations in respect of wages and hours" ■ "We rely on our employees to provide the high quality of service our guests and customers expect. In return we work hard to look after our people. Our aim is to maximise and develop the skills of our staff, provide opportunities for personal development and achieve high rates of employee satisfaction." ■ "Uphold the principle of equal opportunities and strive to meet high ethical standards. Our divisions abide by the provisions of the Universal Declaration of Human Rights." ■ Ladbroke's, Hilton International and Living Well are all disabled-friendly operations. ■ "Internal codes of practice require business professionalism, honesty and integrity in all that we do." ■ Hilton University was launched in 2002. The University is a virtual learning centre supporting the development of our employees and currently consists of 81 courses on a range of topics. ■ Ladbroke's has been Investors in People accredited since 1998 and is continuously monitoring and improving its activities. For the second year running, Ladbroke's has achieved Good Corporation accreditation. 	<ul style="list-style-type: none"> ■ "Unfair discrimination will not be tolerated and any accusations of such behavior will be investigated speedily, sensitively and in line with local employment legislation requirements" ■ "Comply with the labor laws of all countries" in which it operates, and the Group Company Secretary is responsible for human rights issues across the group ■ "Respect the preservation of cultural diversity wherever we conduct our business....Wherever we operate we seek to maintain an apolitical stance and as an ethical global business organization we do not support any political party in any country." ■ "Global mission to offer the highest standards of service to all travelers and customers from all over the world, regardless of their country of origin, political or religious beliefs, race, sex, color or creed" ■ "Actively encourage initiatives at the local community level as part of our overall CSR policy" ■ "Provide exceptional standards of hospitality and facilitate the meeting of all cultures, and the free intellectual exchange of ideas and cultural expression" 	<ul style="list-style-type: none"> ■ Standard seeks to provide ongoing contributions to the local community through employment of local guides and staff and purchase of sustainable local products. ■ Cash or in-kind investments are made to local community infrastructure and activities. ■ Local residents are provided with continued access to the area and recognition of cultural values and traditions which take place in the region.

Lindblad Expeditions, Inc.	Royal Caribbean Cruises Ltd.	World Tourism Organization (WTO), Global Code of Ethics for Tourism ¹⁰
<ul style="list-style-type: none"> ■ “Committed to close involvement with host governments, and with those who dedicate themselves to conservation and working with indigenous peoples” ■ “Our goal is to build long-term relationships that will help sustain the places we visit.” 	<ul style="list-style-type: none"> ■ “To help our employees do the best job possible, we have developed policies, standards and practices to foster a positive and rewarding work environment for our employees.” 	<ul style="list-style-type: none"> ■ The universal right to tourism must be regarded as the corollary of the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay, guaranteed by Article 24 of the Universal Declaration of Human Rights and Article 7.d of the International Covenant on Economic, Social and Cultural Rights. ■ The understanding and promotion of the ethical values common to humanity, with an attitude of tolerance and respect for the diversity of religious, philosophical and moral beliefs, are both the foundation and the consequence of responsible tourism; stakeholders in tourism development and tourists themselves should observe the social and cultural traditions and practices of all peoples, including those of minorities and indigenous peoples and to recognize their worth. ■ Tourism activities should respect the equality of men and women; they should promote human rights and, more particularly, the individual rights of the most vulnerable groups, notably children, the elderly, the handicapped, ethnic minorities and indigenous peoples. ■ The exploitation of human beings in any form, particularly sexual, especially when applied to children, conflicts with the fundamental aims of tourism and is the negation of tourism; as such, in accordance with international law, it should be energetically combated. ■ Tourists and visitors should have access to all available forms of communication, internal or external; they should benefit from prompt and easy access to local administrative, legal and health services; they should be free to contact the consular representatives of their countries of origin in compliance with the diplomatic conventions in force. ■ Tourists and visitors should benefit from the same rights as the citizens of the country visited concerning the confidentiality of the personal data and information concerning them, especially when these are stored electronically.

	British Airways p.l.c.	Coalition for Environmentally Responsible Economies, Inc. (CERES), Principles	Commonwealth of Australia, National Ecotourism Strategy
Health and Safety Issues	<ul style="list-style-type: none"> ■ "Safety is of absolute importance to all of us. We will never compromise safety for commercial reasons and will maintain policies and procedures at leading edge standards." ■ "We will plan for contingencies and if things go wrong we will address them with urgency and consideration." ■ "Will respond promptly to complaints, taking action to improve" ■ "Will abide by the law and ensure our practices comply with relevant legislation and regulations" ■ Produced a Health, Safety, Environment Manual ■ Targets for reporting and reductions in lost-time injuries by 2004 and 2010 ■ "Food safety and environmental health: <ul style="list-style-type: none"> ● "Our environmental health specialists ensure the safety of food and water served on board our aircraft, and ensure that sewage is handled and disposed of safely." 	<ul style="list-style-type: none"> ■ Risk Reduction: "Will strive to minimize the environmental, health and safety risk to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies" ■ Safe Products and Services: "Will reduce and where possible eliminate the use, manufacture or sale of products and services that cause environmental damage or health or safety hazards" ■ Informing the Public: "Will inform in a timely manner everyone who may be affected by conditions caused by our company that might endanger health, safety or the environment" 	

Foundation for Environmental Education (FEE), Blue Flag Campaign	Government of Brazil, Guidelines for an Ecotourism Policy	Government of Costa Rica, Certification for Sustainable Development (CST)	GREEN GLOBE 21
<ul style="list-style-type: none"> ■ Beach guards must be on duty during the bathing season and there must be adequate safety provisions, including lifesaving equipment and directions for their use and immediate access to a telephone. The lifesaving equipment must be of a type that is approved by national lifesaving/guarding bodies. ■ Beach guards must be trained and accredited according to national requirements established by authorities or professional associations. ■ First aid must be available on the beach and its location easily identified. ■ National laws concerning dogs, horses, and other domestic animals must be strictly enforced on the beach. ■ A shielded source of drinking water must be provided. ■ At least one of the municipality's beaches must be equipped with access ramps to the beach and toilet facilities for people with disabilities, except where the topography does not allow for it. ■ All buildings and equipment of the beach must be properly maintained. 		<ul style="list-style-type: none"> ■ Contribution to Public Health: "Establish a clear message in the hotel about the importance of public sanitation and health; participate fully in public health programs offered by the corresponding organizations; maintain a pest control program that does not endanger human health" ■ Infrastructure and Security: "Contribute to the execution of public works such as roadwork and development of aqueducts; offer the experience of the hotel's administration in organizing and promoting such projects; support programs which increase tourist safety; do not try to hide security problems from guests but be candid with them; prepare a plan of action for effects of possible natural disasters" 	

	Hilton Group p.l.c.	InterContinental Hotels Group p.l.c.	International Ecotourism Standard (IES)
Health and Safety Issues <i>(Continued)</i>	<ul style="list-style-type: none"> ■ “Committed to providing healthy and safe environment for its staff, guests, customers, and all visitors” ■ “Support a proactive culture of risk management to ensure accidents and incidents remain as low as is reasonably practicable” ■ Commitments to: “understand the health and safety issues associated with all our operations; incorporate health and safety management into everyday business practice; comply with the relevant legislation and codes of practice in the countries in which we operate; measure and review performance and set improvement targets; work our employees, suppliers, contractors and partners to maximize health and safety; and communicate with our stakeholders on our health and safety performance” ■ Ladbrokes assisted the UK Health and Safety Executive in the launch of an industry guideline document ‘Upper limb disorders in the workplace’, with the Ladbrokes policy and procedures being included in the document as an example of best practice. 		<ul style="list-style-type: none"> ■ International Ecotourism Standard Certification encourages compliance with relevant Health and Safety Regulations.

Lindblad Expeditions, Inc.	Royal Caribbean Cruises Ltd.	World Tourism Organization (WTO), Global Code of Ethics for Tourism
	<ul style="list-style-type: none"> ■ “The health and welfare of our employees, our communities and our environment are critical to our success.” 	<ul style="list-style-type: none"> ■ It is the task of the public authorities to provide protection for tourists and visitors and their belongings; they must pay particular attention to the safety of foreign tourists owing to the particular vulnerability they may have; they should facilitate the introduction of specific means of information, prevention, security, insurance and assistance consistent with their needs; any attacks, assaults, kidnappings or threats against tourists or workers in the tourism industry, as well as the willful destruction of tourism facilities or of elements of cultural or natural heritage should be severely condemned and punished in accordance with their respective national laws. ■ Tourists must be aware of the health and security risks inherent in any travel outside their usual environment and behave in such a way as to minimize those risks. ■ Tourism professionals, insofar as it depends on them, should show concern, in cooperation with the public authorities, for the security and safety, accident prevention, health protection and food safety of those who seek their services.

	British Airways p.l.c.	Coalition for Environmentally Responsible Economies, Inc. (CERES), Principles	Commonwealth of Australia, National Ecotourism Strategy
Environmental Issues	<ul style="list-style-type: none"> ■ Publish an annual Social and Environmental Report; most recent report covered 2001, and then the company commissioned “csr network” to provide independent assurance on the report ■ Commitment to introduce an integrated social and environmental management system within 18 months ■ “Will consider and respect the environment, seeking to protect it in the course of our activities” ■ “Seek opportunities for positive impact on society and the environment, promoting sustainable development” ■ “Will strive to improve its environmental and social performance by: <ul style="list-style-type: none"> ● integrating environmental and social factors in our management systems and programs and in our commercial decisions ● using natural resources efficiently, minimizing waste and harmful releases to the environment ● raising awareness of environmental and social issues with staff, partners and suppliers, who we will seek to influence to adopt similar policies ● setting clearly defined objectives and targets addressing our environmental and social issues ● working constructively with organizations concerned for communities, society and the environment ● monitoring, auditing and reviewing our performance” 	<ul style="list-style-type: none"> ■ Protection of the Biosphere: “Reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water or the earth or its inhabitants” ■ Sustainable Use of Natural Resources: “Conserve non-renewable natural resources through efficient use and careful planning” ■ Reduction and Disposal of Wastes: “Will reduce and where possible eliminate waste through source reduction and recycling. All waste will be handled and disposed of through safe and responsible methods.” ■ Energy Conservation: “Will conserve energy and improve the energy efficiency of internal operations and of the goods and services sold. Will make every effort to use environmentally safe and sustainable energy sources.” ■ Environmental Restoration: “Will promptly and responsibly correct conditions we have caused that endanger health, safety or the environment. To the extent feasible, we will redress injuries we have caused to persons or damage we have caused to the environment and will restore the environment.” 	<ul style="list-style-type: none"> ■ Development of national strategy includes: <ul style="list-style-type: none"> ● facilitate ecologically sustainable practices ● integrate regional planning ● improve natural resource management (including seeking financial benefits from entrance and permit fees) ● improve cooperation between ecotourism and natural resource management (including specifying modes of transport, points of entry, licensing and permits) ● provide proper regulations (including studying environmental impacts of tourism developments in natural areas) ● determine infrastructure needs (including increasing capability to withstand environmental impacts) ● monitor visitor impacts (including establishing baseline criteria on sites) ● deliver ethical ecotourism products

Foundation for Environmental Education (FEE), Blue Flag Campaign	Government of Brazil, Guidelines for an Ecotourism Policy	Government of Costa Rica, Certification for Sustainable Development (CST)	GREEN GLOBE 21
<ul style="list-style-type: none"> ■ Requires compliance with requirements and standards such as those of the EU Bathing Water Directive ■ No industrial or sewage related discharges may affect the beach area. ■ Local and/or regional emergency plans must be in place to cope with pollution accidents. ■ No algal or other vegetation may accumulate and be left to decay on the beach. ■ Community must be in compliance with requirements for sewage treatment and effluent quality such as are contained in the EU Urban Waste Water Directive. ■ Prompt public warning if the beach is expected to or has become grossly polluted or otherwise unsafe ■ Information on natural sensitive areas in the coastal zone, including its flora and fauna must be publicly displayed and included in tourist information. ■ The local community must have a land-use and development plan for its coastal zone that is in compliance with planning regulations and coastal zone protection regulations. ■ Litter bins in adequate numbers must be provided, properly secured and regularly maintained and emptied; waste collected at the beach must be disposed of in a licensed facility. ■ A daily beach cleaning must take place during the bathing season when necessary. 	<ul style="list-style-type: none"> ■ Establish objectives for a program based on stakeholder input, such as increased rural economic development, increased budgets for management of protected areas, and better management of visitors in fragile areas ■ Review transportation corridors, trail systems, small-scale non-commercial river transportation systems, small aircraft access and other infrastructure necessary to develop ecotourism. Develop a transportation plan that facilitates good ecotourism itineraries; stresses low environmental impact, low energy use, visitor safety and scenic qualities, and provides quality visitor information ■ Establish biological and social carrying capacity benchmarks through research that establishes long-term monitoring of tourism impacts ■ Develop finance mechanisms for the development of small ecolodges, which provide incentives to conserve land and train local people ■ Develop land-use planning capacity in local municipalities through exposure to the benefits of zoning and regulatory techniques.; limit dense development in buffer zones of protected lands and other important ecotourism attractions 	<ul style="list-style-type: none"> ■ Policies and Programs: "Develop or participate actively in national or regional programs for environmental protection" ■ Emissions and Wastes: "Have a water quality certificate from the Health Ministry; monitor waste waters for composition; install, if necessary, treatment systems which allow the achievement of set standards" ■ Gardens: "Utilize native species; have signs naming and describing important species; avoid the use of exotic ornamental plants, or take care to avoid their propagation in the environment; use natural gardening methods such as organic insecticides and fertilizers" ■ Protection of Flora and Fauna: "Comply with the regulations established in Costa Rican law regarding Protection of Wildlife" ■ Water Conservation: "Monitor and track actual consumption; create and disseminate a water-saving plan to all hotel employees; campaign for and have incentives for water conservation among employees and guests; check for and repair leaks regularly; use water-saving devices such as low-flow shower heads and reduced water-use toilets" ■ Management of Solid Wastes: "Monitor and track actual waste levels; create and disseminate plan among employees to reduce waste; reduce, reuse and recycle; implement a reduction program in each area of the hotel and make someone responsible for it; dispose of wastes properly; have a central waste storage area which minimizes odors" ■ Customer Room Conditioning: "Guest rooms should be equipped so as to facilitate choice. For example, provide waste separation receptacles; advertise a towel-re-use option; provide smoking and non-smoking rooms; make it possible for the guest to turn off the air conditioning if they so wish." 	<ul style="list-style-type: none"> ■ "Committed to improved environmental outcomes for the travel and tourism industry" and "has targeted the big environmental issues facing our planet" including: "reducing greenhouse gas, improving energy efficiency, protecting air quality, controlling noise, managing waste water, bettering community relations, respecting cultural heritage, enhancing social performance, conserving biodiversity, and encouraging good land management."¹¹ ■ "[T]he only global system designed to support companies, communities and consumers seeking sustainable tourism." ■ "[S]ignifies better environmental performance, improved community interactions, savings through using fewer resources, and greater yields from increased consumer demand. It provides recognition and promotional support to a global consumer market." ■ Requires a commitment to "year on year" improvement in relevant key performance areas. ■ Requires compliance with relevant environmental legislation and regulations. ■ Requires a two-way communication with key stakeholders including staff, customers, and key suppliers. ■ "GREEN GLOBE 21 means state of the art Environment Management and Support Systems, clear standards based on ISO and Agenda 21, independent certification, and quality alliances for global coverage and local implementation." ■ "The goals of GREEN GLOBE 21 are (1) to achieve environmental and social improvements at the global, national, and local scales; (2) to target the achievement of significant savings through an integrated approach to reducing energy and water consumption, decreasing waste generation and overall resource usage; (3) provide a tool that enables travel and tourism businesses and communities to measure their annual performance and improvements.

	Hilton Group p.l.c.	InterContinental Hotels Group p.l.c.	International Ecotourism Standard (IES)
Environmental Issues <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Developed a group-wide Environmental Policy in 2001, which is implemented independently within each division ■ “Not only do we wish to comply with the relevant environmental legislation, laws and codes of practice in the countries in which we operate, we are also measuring our performance and working towards setting improvement targets for all our business units.” ■ “Committed to protecting the environment through continual improvement of our environmental performance and prevention of pollution. All our businesses have taken into account the effects their activities have on the environment.” ■ We will: “understand the environmental issues associated with all our operations; incorporate environmental management into everyday business practice; comply with the relevant environmental legislation and codes of practice in the countries in which we operate; measure performance and set improvement targets; work with our employees, suppliers, contractors and partners to minimize our impacts; encourage environmentally-friendly, and where possible, local sources of products and services; encourage engagement of our businesses with local communities; and communicate regularly with our stakeholders on environmental issues and publicly report on our progress.” ■ “Energy consumption, and the associated CO₂ emissions, is our biggest environmental issue and we have energy-efficiency programs in place to help reduce our global impact.” ■ “Using water efficiently is a key aspect of our programs. Where possible, Hilton installs water saving fixtures in its new and refurbished hotel rooms.” ■ “Strive to minimize the waste we produce, and where that is not possible, we aim to reuse or recycle. Our divisions manage their own waste contracts and with the aim to reduce the quantities going to landfill or incineration, are continually looking for innovative ways of reusing and recycling.” ■ “Environmental concerns are taken into account during the selection of products and materials for use in our premises.” 	<ul style="list-style-type: none"> ■ “For environmental activities, the main focus is to improve on the quality and quantity of energy management reporting across all operations. This is a prerequisite to improving energy management performance....Where not already in place, we aim to establish robust energy management reporting streams; where already in place, we aim to improve on the quality of reported data.” ■ “Seeks to embed good environmental practice into our business strategies and operations, and accommodate the needs of our local, national and international stakeholders” ■ “Another key focus will be on developing external reporting and closer engagement with our stakeholders, with a view to ensuring that the regular information which we provide on CSR is meeting their requirements” ■ “As a basic requirement, environmental legislation in each country of operation will be observed” ■ “Give due regard to the respective stakeholder communities in the local implementation of Group Environmental Policy” ■ “Through effective senior management participation, will ensure sufficient resources and information are made available to properly discharge environmental duties” ■ “Aim for continual improvement in environmental matters through a formal management structure and review process” 	<ul style="list-style-type: none"> ■ Principle of International Ecotourism Standard: “Ecologically sustainable tourism with a primary focus on experiencing natural areas that foster environmental and cultural understanding, appreciation and conservation” ■ Core set of principles are that ecotourism product should: <ul style="list-style-type: none"> ● focus on giving visitors the opportunity to personally and directly experience nature (Natural Area Focus); ● provide opportunities to experience nature in ways that lead to greater understanding, appreciation and enjoyment (Interpretation); ● represent best practice for environmentally sustainable tourism (Environmental Sustainability Practice); ● contribute directly to the conservation of natural areas (Contribution to Conservation); ● provide ongoing contributions to the local community (Benefiting Local Communities); ● be sensitive to, interpret and involve the culture/s existing in the area (Cultural Respect); ● consistently meet consumer expectations (Customer Satisfaction); and ● be marketed and promoted honestly and accurately so that realistic expectations are formed (Responsible Marketing).

Lindblad Expeditions, Inc.	Royal Caribbean Cruises Ltd.	World Tourism Organization (WTO), Global Code of Ethics for Tourism
<ul style="list-style-type: none"> ■ “Committed to compliance with all international, federal, state, and local environmental laws and regulations applicable to the areas in which we operate. In places without existing legislation, we will set our own corporate standards to meet our overall objective of continual improvement of our environmental performance.” ■ “A commitment to environmental responsibility and efficiency must be the accepted minimum standard for the travel industry.” ■ “The continual improvement of our environmental performance in all of our operations is a high priority for everyone in the company, and will be demonstrated by the implementation and maintenance of our corporate Environmental Management System (“EMS”) and adhering to our environmental policy.” ■ “Our intention is to minimize the environmental impacts of the significant aspects of our activities as identified in our initial environmental review, and to continually seek creative ways to engage our guests, suppliers, and industry colleagues in furthering their role in conservation support.” ■ “On our ships, we endeavor to reduce emissions, solid waste, and effluent by the most economically viable application of the best available technology, and by adopting the principles of pollution prevention. In our offices and field activities, we endeavor to minimize our waste, reduce our consumption, and minimize our impacts on the places we visit. To do this, we have set environmental objectives and targets with the goal of continually improving our environmental performance.” ■ “Every employee is expected to perform their work in a manner compatible with our EMS and the company’s policies and objectives.” ■ “We will continually relate the environmental effects of our operations to our business objectives, and all new and proposed operations and activities will be evaluated prior to approval to assess their likely environmental impacts.” 	<ul style="list-style-type: none"> ■ “Values the environment and is committed to protecting and preserving environmental resources, preventing pollution and continually improving environmental management” ■ Identifies “Significant Environmental Aspects” and sets “objectives and targets for the reduction in the use of natural resources and reduction of nitrous oxide emissions” ■ “Three basic tenets of its Environmental Management System are: (1) reduce the creation or generation of waste; (2) recycle or reuse materials; and (3) properly dispose of remaining wastes.” ■ “Company aggressively pursues new technologies in order to reach the highest environmental standards” (e.g., smokeless gas turbines). ■ “A culture of environmental stewardship permeates the fleet...Every effort is made to ensure that we are good stewards of our ocean environment and of all the ports we visit.” ■ “Continues to explore prototype systems through research and development” (e.g., a bilge-water cleaning system installed fleetwide in 1998, installation of two developmentally advanced waste water treatment systems in 2001-2002, “Lazarus and Hydroxyl”) ■ RCCL mandates a strict chemical management program, minimizes hazardous chemicals onboard, and maximizes waste reduction. 	<ul style="list-style-type: none"> ■ All the stakeholders in tourism development should safeguard the natural environment with a view to achieving sound, continuous and sustainable economic growth geared to satisfying equitably the needs and aspirations of present and future generations. ■ All forms of tourism development that are conducive to saving rare and precious resources, in particular water and energy, as well as avoiding so far as possible waste production, should be given priority and encouraged by national, regional and local public authorities. ■ Tourism infrastructure should be designed and tourism activities programmed in such a way as to protect the natural heritage composed of ecosystems and biodiversity and to preserve endangered species of wildlife; the stakeholders in tourism development, and especially professionals, should agree to the imposition of limitations or constraints on their activities when these are exercised in particularly sensitive areas: desert, polar or high mountain regions, coastal areas, tropical forests or wetlands, propitious to the creation of nature reserves or protected areas. ■ Nature tourism and ecotourism are recognized as being particularly conducive to enriching and enhancing the standing of tourism, provided they respect the natural heritage and local populations and are in keeping with the carrying capacity of the sites.

	British Airways p.l.c.	Coalition for Environmentally Responsible Economies, Inc. (CERES), Principles	Commonwealth of Australia, National Ecotourism Strategy
Specific Programs and Initiatives	<ul style="list-style-type: none"> ■ Social Audits: Conducted first one in Nigeria against the code of conduct in 2000, and “have scheduled 2 further audits — 1 in Colombia and 1 other (This process is in development stage)” ■ Initiatives in noise reduction and in global and local air quality, including promoting “continuous descent approach,” departure noise, and noise compensation ■ Joined UK Emissions Trading Scheme, 1 of only 34 organizations who successfully applied. “Climate change is a major concern to BA. We’re continuing to pursue efficiency improvements to reduce our overall impact. Relative to last year, both our aircraft CO2 and NO emissions have been reduced (9.8% and 14.2%). ■ Fuel efficiency initiatives ■ Waste indicator — creating the first attempt at illustrating waste per passenger for global operations ■ “The re-use and recycling of certain items is actively encouraged. Over 3,200 tons of materials were recycled in 2001-02....There has been an increase in recycling at Heathrow of 67%.” ■ Biodiversity and conservation initiatives 	<ul style="list-style-type: none"> ■ Management Commitment: “Will implement these Principles and sustain a process that ensures that the Board of Directors and CEO are fully informed about pertinent environmental issues and are fully responsible for environmental policy. In selecting a Board of Directors, will consider demonstrated environmental commitment as a factor.” 	<ul style="list-style-type: none"> ■ “First natural ecotourism plan in the world”

Foundation for Environmental Education (FEE), Blue Flag Campaign	Government of Brazil, Guidelines for an Ecotourism Policy	Government of Costa Rica, Certification for Sustainable Development (CST)	GREEN GLOBE 21
<ul style="list-style-type: none"> ■ A beach can be eligible for the Blue Flag Campaign if it is a national officially designed bathing area with at least one sampling point for water quality analyses, and the beach must be accessible for unannounced inspection by FEE. ■ Water Quality must be in compliance with requirements and standards such as those of the EU Bathing Water Directive (e.g., 500/100 ml guideline values for total colibacteria). 	<ul style="list-style-type: none"> ■ Government established the Interministerial Ecotourism Task Force in the early 1990s, which released these guidelines, that were officially endorsed and released by President Cardoso in 1995 ■ Ministry of Environment took lead in implementing the guidelines ■ Nine Amazon states were used to test the guidelines due to the high biodiversity value and growing tourist demand to see the Amazon rain forests ■ A technical cooperation program was developed for the Amazon region and signed in 2000 by President Cardoso; the IDB loaned \$13.8 million to establish a framework to implement the necessary investments in the 9 Brazilian Amazonian states to responsibly prepare themselves to manage selected ecotourism areas (Proecotur) ■ Established an Inter-Ministerial Working Group that combines expertise of Ministries of Tourism, Environment and the agencies charged with rural development, natural resources or park authority 	<ul style="list-style-type: none"> ■ Indirect Economic Benefits: “In order to indirectly benefit the community, suggested practices are to: encourage clientele to visit other local businesses such as shops and restaurants; promote the development of tours which highlight local attractions; use locally grown products when possible; promote the sale of locally produced artifacts; use local arts to adorn guest rooms; promote the idea of sustainable production in the local community.” 	<ul style="list-style-type: none"> ■ GREEN GLOBE 21 is “the global Benchmarking, Certification and Improvement system for sustainable travel and tourism.” The 3 stages of the GREEN GLOBE 21 program are: <ul style="list-style-type: none"> ● Affiliates: GREEN GLOBE 21 Affiliates receive information on the GREEN GLOBE Process, improving sustainability, reducing costs and enhancing green market appeal. They have access to research findings, product guidelines and recommended reading and tips. They have use of the GREEN GLOBE Affiliate stamp and are listed on the GREEN GLOBE website. ● Benchmarking: Benchmarking companies and communities are on the second step of the pathway towards sustainable travel and tourism. They are provided with tools to undergo the Benchmarking process. When they successfully pass Benchmarking, they receive a Benchmarking Assessment Report, a Benchmarked Certificate, and the Benchmarked Logo (without tick) and are assisted in their progress towards certification. They also receive greater market profile from the GREEN GLOBE 21 website. ● Certifying: Certified participants have their performance independently assessed. On-site assessments take place regularly to ensure that performance levels are maintained or improved. Successfully certified organizations receive a confidential annual Assessors’ Report, a Certified Certificate and promotional material, use of the GREEN GLOBE 21 Logo with tick and “premier promotion by GREEN GLOBE 21 through a Case Study, Travel Planner and Participant’s List on the website.”

	Hilton Group p.l.c.	InterContinental Hotels Group p.l.c.	International Ecotourism Standard (IES)
<p>Specific Programs and Initiatives (Continued)</p>	<ul style="list-style-type: none"> ■ In Europe, through measures including installing energy efficient equipment and changes in operational procedures, Hilton International has reduced the overall energy consumption of its hotels by 16% over the last 4 years, and sought to reduce further by 3% in 2002. ■ Hilton UK and Ireland have been carrying out detailed energy audits of its hotels and specific improvements are underway. ■ In the Nordic region, the “Scandic in Society” program was launched in 2001 “to establish a dialogue on the issues surrounding social responsibility. Through the program, employees will develop practical schemes to involve staff directly in supporting their communities.” ■ Scandic has reduced energy usage in its Nordic hotels by 24% from that in 1996. ■ In the European region, water consumption has been successfully reduced by 15% over the last 4 years. ■ Ladbrokes has a successful program for paper and disused computer equipment, and is looking to extend this to vending cups next year. ■ “Since 1995, by various methods, including a reduction in supplied packaging, Scandic has reduced the amount of waste being sent for disposal by 40%. This provides substantial savings to the business.” ■ Nordic region has introduced an eco-room concept, where over 97% of the materials used are recyclable. ■ “Ladbrokes is looking into its procurement policies and is requesting all its suppliers to consider GoodCorporation accreditation. Through this, it hopes to cascade socially and environmentally friendly policies throughout the supply chain.” 	<ul style="list-style-type: none"> ■ “Conserving for Tomorrow,” a program operational in 1,100 participating hotels, saves 7 million gallons of water and 46,920 gallons of detergent every month, by washing sheets and towels every three days instead of daily. ■ A hotel in Mexico achieved 20% savings in energy costs by placing presence sensors in guestrooms to control air-conditioning and lighting. ■ Hotel Inter-Continental Leipzig has reduced its overall annual energy costs from DM3 million in 1993 to DM2 million in 2000, through a combination of 40 energy-saving projects, including reminding guests to switch off lights and taps when not in use, and inviting them to change their linens every other day. ■ Grand Inter-Continental Seoul has implemented a successful “wet waste management” project, which resulted in an 83% improvement in the levels of waste suitable for use as farm feed within the first 10 weeks. ■ Bali Inter-Continental Resort buys turtle eggs directly from the local market (so they will not be sold as a delicacy), hatches them, and provides the baby turtles with a safe sanctuary until they are strong enough to be released back into the ocean. ■ Britvic is targeting a 1% reduction in kWh/m3 of product. 	<ul style="list-style-type: none"> ■ Best Practice Innovation: “The International Ecotourism Standard” encourages innovation in all performance areas that support the principles of ecotourism. Where a product significantly exceeds criteria for one or more aspects, credit towards Advanced Ecotourism Certification may be awarded at the time of Assessment. The key test is that the aspect is truly best practice and/or is original innovation toward the principles of ecotourism.” ■ Suggested best practices include: <ul style="list-style-type: none"> ● formal assessment of environmental impacts and action taken to minimize them ● meeting 3 of following requirements with regard to construction of new buildings (excavation has been minimized; building materials have been sourced locally; recycled building materials have been used as a dominant source of material; building materials are from environmentally sustainable renewable resources; timber treated with arsenic or copper is not used; soil and gravel used in construction is free from weeds and plant diseases) ● sites of degraded lands have been rehabilitated, and a program of re-landscaping with native, locally occurring species is implemented ● meeting at least 3 of the following measures with regard to visual impacts (including: building forms are compatible with the physical and structural landscape; height of buildings and structures is below the tree line; roads and tracks are screened by topographical features; car parks are not visually obtrusive; the color and reflectivity of surfaces are compatible with the physical and cultural landscape; native vegetation is retained or included in landscaping to screen facilities; structures and buildings are painted in colors that do not sharply contrast or conflict with the landscape) ● meeting at least 6 of the following measures with regard to conserving water (including small sinks in guest rooms; low-flow shower-heads; use of treated effluent; use of rainwater; dual or low-flush toilets; provision of showers rather than baths; automatic turn-off taps; water-efficient gardens and dishwashers; reuse of gray water) ● with regard to noise, when natural quiet prevails for the majority of each customer’s time in natural areas ● smoking prohibited in natural areas ● other specific recommendations for such areas as Waste Minimization, Energy Efficiency, Minimal Disturbance to Wildlife; Minimal Impact Codes of Practice

Lindblad Expeditions, Inc.	Royal Caribbean Cruises Ltd.	World Tourism Organization (WTO), Global Code of Ethics for Tourism
<ul style="list-style-type: none"> ■ Established the Galapagos Conservation Fund to channel donations from guests to priority conservation projects in Galapagos ■ Organized a community-oriented guide training program in Baja California, which has been providing local fishermen with intensive training in English and ecological principles, so they can serve as environmental leaders and guides ■ Contributed to RARE's efforts in Caribbean to preserve tropical environments, including preserving unique indigenous forests and parrot species 	<ul style="list-style-type: none"> ■ Six ships launched between 2000 and 2002 are equipped with cruise industry's first smokeless, gas turbine engines. "Gas-turbine technology minimizes a ship's environmental impact by drastically reducing exhaust emissions; emissions of nitrous oxides are lowered by 85% and sulfur oxides by more than 90%." ■ "Each ship has an Environmental Officer assigned to oversee environmental operations.... Environmental Officers, the stewards of our ocean protection programs, work with crew members and dozens of companies to recycle and reuse products and ensure proper disposal." ■ In 2001, the fleet conducted research in the management of solid and liquid waste and eliminated hazardous waste from photo operations. ■ "While U.S. and international law permit untreated gray water to be discharged virtually anywhere at sea and treated black water to be discharged four nautical miles from shore, the company's standard is to make all discharges at least 12 nautical miles from shore." <p>Chief accomplishments of 2001 include: increasing fuel efficiency through system upgrades resulting in savings of 17,500 tons in 2001 and in the first 6 months of 2003, 13,000 tons of diesel fuel; reducing exhaust emissions by optimizing engine performance; replacing Sterno with the odorless Ecofuel; re-piping photo labs to create a "closed loop" operation of silver recovery units.</p>	

	British Airways p.l.c.	Coalition for Environmentally Responsible Economies, Inc. (CERES), Principles	Commonwealth of Australia, National Ecotourism Strategy
Monitoring and Compliance Framework	<ul style="list-style-type: none"> ■ Included in Dow Jones Sustainability Index and UK FTSE4 Good Index ■ Use management systems such as ISO 14001 ■ Use guidelines including Global Reporting Initiative and Association of British Insurers ■ "Encourage specific parts of our business to obtain certification; e.g., key facilities service providers have achieved ISO 14001" 	<ul style="list-style-type: none"> ■ Audits and Reports: "Will conduct an annual self-evaluation of progress in implementing these Principles. Will support the timely creation of generally accepted environmental audit procedures. Will annually complete the CERES Report, which will be made available to the public." 	<ul style="list-style-type: none"> ■ Goal to accredit ecotourism products

Foundation for Environmental Education (FEE), Blue Flag Campaign	Government of Brazil, Guidelines for an Ecotourism Policy	Government of Costa Rica, Certification for Sustainable Development (CST)	GREEN GLOBE 21
<ul style="list-style-type: none"> ■ If a beach does not comply with the requirements as stated in the European beach criteria and guidance notes, the beach cannot fly the Blue Flag Campaign flag. ■ FEE reserves the right to refuse or withdraw the Blue Flag Campaign where the beach operator or local authorities are responsible for current violations of national environmental regulations, or otherwise act is discord with the objectives and spirit of the Blue Flag Campaign. 	<ul style="list-style-type: none"> ■ Plans to develop an information base and best practice information through university research programs on issues of ethical delivery of ecotourism products, certification and visitor management plans 	<ul style="list-style-type: none"> ■ No verification or compliance mechanisms; voluntary program only 	<ul style="list-style-type: none"> ■ Any travel company can join GREEN GLOBE 21 for a fee. Those entering the certification path will be able to use the GREEN GLOBE 21 Affiliate symbol only. ■ The “GREEN GLOBE 21” brand has become symbolic with environmental awareness, and symbolizes the awareness of Agenda 21 principles with ISO-style certification. ■ The GREEN GLOBE 21 Benchmarked logo (without tick) signifies companies and communities that have successfully completed the Benchmarking process. ■ The GREEN GLOBE 21 Certified Logo (with tick) signifies companies and communities that have been independently assessed and passed certification.

	Hilton Group p.l.c.	InterContinental Hotels Group p.l.c.	International Ecotourism Standard (IES)
Monitoring and Compliance Framework <i>(Continued)</i>	<ul style="list-style-type: none"> ■ Participant in UK Business in the Environment's Index of Corporate Environmental Engagement (Scored 70% in 2002) ■ Member of FTSE4 Good ■ Member of the Dow Jones Sustainability Indexes (DJSI World and DJSI STOXX) ■ Sponsoring organization of the International Hotels Environment Initiative (IHEI) ■ In October 2002, Hilton Nordic region (Scandic Hotels) received the prestigious IH&RA Corporate Environmental Award. ■ Received two "Green Apple" awards for its energy program in Strasbourg and its environmental design at the Hilton in Lyon ■ In 2002, Hilton UK and Ireland won a Silver Award from ROSPA for accident prevention. They were the first UK hotel company to achieve this status. 	<ul style="list-style-type: none"> ■ Produced Environmental and Social Report 2003 ■ Piloting an Internet-based benchmarking tool designed specifically for hotels, and operated by the International Hotels Environmental Initiative; will use this to monitor energy management, fresh water consumption, waste management, waste water quality, purchasing programs, community relations and biodiversity improvements ■ Use environmental self-audits to measure energy and water conservation, waste management, water quality, product purchasing, indoor air quality, external air emissions, noise, stored fuel, pesticides and herbicides, and hazardous materials ■ Qualified, in July 2001, for inclusion in FTSE4 Good Index, designed by FTSE to provide a series of benchmark and tradable indices facilitating investment in companies with good records of CSR ■ Inaugural member of Dow Jones Sustainability Index 2001 ■ Britvic's Technical Center in Chelmsford is certified to ISO 9000/2001 Quality Standard, ISO 14001 Environmental Standard and OHSAS 18000 Health and Safety Standard. 	<ul style="list-style-type: none"> ■ Ecotourism projects that have been certified are entitled to use the IES Logo (comprised of the GREEN GLOBE 21 logo with tick and the NEAP Ecotourism Certification logo – a dual logo) to promote their environmental achievements. ■ Certification to the standard helps to: provide ecotourism businesses with a benchmark of best practice ecotourism principles; provide primary and secondary consumers with a means of recognizing genuine ecotourism product; protect local and global environmental quality; encourage contribution to local communities and conservation; and improve profitability by being less wasteful and more efficient. ■ For a product to achieve Ecotourism Certification, it must meet 100% of the basic performance standards. It is also necessary for product to complete the relevant quantification of benchmarking criteria, and meet the GREEN GLOBE 21 baseline standard.

Lindblad Expeditions, Inc.	Royal Caribbean Cruises Ltd.	World Tourism Organization (WTO), Global Code of Ethics for Tourism
<ul style="list-style-type: none"> ■ “We will conduct regular environmental reviews and audits to ensure compliance with our policies and procedures. We will actively improve our environmental performance and promote our conservation efforts.” ■ UN Environment Program’s “Global 500 Roll of Honor” (2001) (first tourism company so honored) ■ U.S. Coast Guard William Benkert Award for excellence in marine environmental protection (only tourism company so honored) 	<ul style="list-style-type: none"> ■ Earned and maintained voluntary ISO 14001 certification, issued by International Standards Organization, for the fleet’s Environmental Management System — first cruise line in the world to obtain this ■ Since 1998, have published reports detailing environmental policies and waste management procedures (Last published report was for 2001) ■ Celebrity Cruise Line received the 2002 William Barker Award Bronze Medal, presented by the U.S. Coast Guard for environmental excellence. ■ Every ship undergoes an independent audit for environmental compliance in addition to the audits required for ISO 14001 certification. ■ Ships also undergo audits of environmental systems and compliance by flag administrations (Norway and Bahamas), port side control authorities (USCG, Transport Canada, UKMCA, etc.), and Classification Societies (DNV and Lloyds Register). ■ Received RCCL’s “Environmental Ship of the Year” Award. Judging is by an independent audit firm with one award for each cruise line (2) whereby each ship receives \$25,000 to donate to an environmental project of its choice. 	<ul style="list-style-type: none"> ■ Implementation of Principles: <ul style="list-style-type: none"> ● the public and private stakeholders in tourism development should cooperate in the implementation of these principles and monitor their effective application ● the stakeholders in tourism development should recognize the role of international institutions, among which the World Tourism Organization ranks first, and non-governmental organizations with competence in the field of tourism promotion and development, the protection of human rights, the environment or health, with due respect for the general principles of international law ● the same stakeholders should demonstrate their intention to refer any disputes concerning the application or interpretation of the Global Code of Ethics for Tourism for conciliation to an impartial third body known as the World Committee on Tourism Ethics

Endnotes

1. CERES is a coalition of investors, environmentalist and public interest groups that promote corporate environmental responsibility in a number of ways, from encouraging companies to endorse the CERES Principles, to working with endorsing companies both on meeting their commitment and on environmental reporting through the Global Reporting Initiative, and mobilizing the network in innovative projects like the Sustainable Governance Project and the Green Hotel Initiative.
2. 1994. As referenced in United Nations Environmental Programme (UNEP) Report, "Ecotourism: Principles, Practices & Policies for Sustainability."
3. An international voluntary certification scheme for beaches and marinas operating since the 1980s, including areas in: Belgium, Bulgaria, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Netherlands, Norway, Portugal, Slovenia, Spain, South Africa, Sweden, Turkey, and the United Kingdom.
4. Endorsed and released by President Fernando Henrique Cardoso in March 1995. As referenced in UNEP Report, "Ecotourism: Principles, Practices & Policies for Sustainability."
5. Managed by the Costa Rica Tourist Institute, the CST is a voluntary rating and evaluation program which is currently only implemented in the lodging industry, but is designed to eventually apply to all tourist businesses. Companies fill out a questionnaire and are given a rating based upon their answers. The system is "designed to include a series of incentives that will increase in benefits for each company, in direct proportion to its increased rating." These criteria on which hotels are rated have been translated from the original Spanish by Foley Hoag LLP.
6. Established in 1994 by World Travel & Tourism Council (WTTC) as a voluntary environmental management certification program designed specifically for the travel and tourism industry to follow-up on the 1992 Rio Earth Summit. In 1999, GREEN GLOBE 21 became an independent organization that now offers a wide range of environmental support services to its members. It is now a collective body of almost 1000 companies in over 100 countries. Membership "involves serious commitment" and "is not an easy option for those merely wanting to acquire a green label."
7. Brands include Hilton, Scandic, Livingwell, Conrad, and Ladbrokes.
8. Brands include InterContinental Hotels, Crowne Plaza, Holiday Inn, and Britvic Soft Drinks.
9. Standard is based on the Australian Nature and Ecotourism Accreditation Program (NEAP), Agenda 21, and the Mohonk Agreement. [Agenda 21 is a "blueprint for sustainable development," approved by 178 governments at the 1992 Rio Earth Summit. Later, in 1996, the WTTC, WTO and the Earth Council together launched "Agenda 21 for the Travel and Tourism Industry: Towards Environmentally Sustainable Development."] Green Globe 21 has exclusive license for distribution and management of the International Ecotourism Standard outside of Australia; Ecotourism Australia has exclusive license for distribution and management of the International Ecotourism Standard within Australia.
10. Resolution unanimously approved by WTO General Assembly in 1999. (13th Session; Santiago, Chile). UN Commission on Sustainable Development endorsed concept of code, and required WTO to seek further input from private sector. These "reflect the key elements identified in the WTTC/World Tourism Organization (WTO)/Earth Council interpretation of Agenda 21 for Travel & Tourism — the most significant sectoral adaptation of the Rio document."



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