

## Twinnings Ovaltine Code of Conduct

Twinnings Ovaltine makes and sells the best quality products in its markets. This is the result of TwO using the highest quality materials and operating to the highest standards in all aspects of our business. This includes our valued suppliers of materials and services. We wish to work with suppliers that share our high standards, with regard to quality and service, but also very importantly our ethical values. TwO aims to improve the social conditions of those who work in our supply chain.

Our Code of Conduct sets out the core principles that suppliers and production sites should be prepared to meet to ensure products are made in good working conditions, and the people making them are treated decently and paid a fair wage. It is based upon the Ethical Trading Initiative Base Code, which is itself founded on the conventions of the International Labour Organisation and is an internationally recognised code of labour practice.

If the local or national law requires a higher standard than the one outlined in the Code of Conduct, the higher one will be applicable.

### **1. EMPLOYMENT IS FREELY CHOSEN**

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

### **2. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED**

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

### **3. WORKING CONDITIONS ARE SAFE AND HYGIENIC**

3.1 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.

3.2 Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

#### **4. CHILD LABOUR SHALL NOT BE USED**

4.1 There shall be no recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; “child “ and “child labour” being define in the appendices.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

**Child:** any person less than 15 years of age, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, the lower age will apply.

**Young Person or Young Worker:** any work over the age of a child as defined above and under the age of 18.

#### **5. LIVING WAGES ARE PAID**

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

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

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

#### **6. WORKING HOURS ARE NOT EXCESSIVE**

6.1 Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average.

6.3 Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

## **7. NO DISCRIMINATION IS PRACTISED**

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

## **8. REGULAR EMPLOYMENT IS PROVIDED**

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

8.3 Suppliers may only employ subcontractors with prior approval from Twinings Ovaltine.

## **9. NO HARSH OR INHUMANE TREATMENT IS ALLOWED**

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

## **10. NO BRIBERY OR CORRUPTION WILL BE TOLERATED**

10.1 The offering or receiving of bribes or other such facilitating payments to any person or entity for the purpose of obtaining or retaining business or influence political decisions shall be prohibited.

## **11. ENVIRONMENTAL REQUIREMENTS**

11.1 There should be a company environment representative.

11.2 The company should be aware of and able to demonstrate compliance with all current legislation that may affect their activities.

11.3 The company should conduct an environmental review and consider all aspects of their products & services.

## **12. LEGAL REQUIREMENTS**

12.1 Twinings Ovaltine is committed to full compliance with the laws and regulations in each procurement location where Twinings Ovaltine conducts business, and will not knowingly operate in violation of any such law or regulation.

12.2 Twinings Ovaltine will not knowingly use suppliers who violate applicable laws and regulations.

12.3 Adherence to the principle of free, prior and informed consent of local communities and indigenous peoples, when acquiring land.