



B&Q Operational Standards for Supply Chains

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socialresponsibility
Community | Diversity | **ETHICAL** | Environment

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Introduction

This Code of Conduct defines the labour and basic environmental standards that all vendors supplying B&Q plc must achieve in all factories and worksites wherever they are in the world including the UK. B&Q plc recognises the international standards set out in the International Labour Organisation (ILO) Conventions.¹ This Code is based on these standards and is designed to ensure that the rights of all workers (whether permanent, temporary, casual or seasonal, local or migrant) are respected and protected.

All vendors must be committed to:

- giving B&Q plc full visibility of the entire supply chain
- complying with Critical Failure Points (CFPs) at all factories and worksites
- an improvement process to achieve these standards in all their factories and worksites

We recognise that not all factories and worksites will be able to achieve all of the standards immediately. However, as a condition of supply, all factories must meet the nine Critical Failure Points (set out on the following pages).

Process

As part of our vendor assessment process (QUEST) each vendor will be required to provide details of all factories or worksites supplying B&Q plc and to have completed an assessment for each workplace. Where necessary action plans will be agreed between B&Q plc, the vendor and the factory or worksite and progress monitored. We will only attempt to implement improvements that both the workers and management agree are relevant. Co-operation with this process is a requirement of supplying B&Q plc.

This code of conduct reflects that of our parent company Kingfisher plc. Kingfisher Asia (KAL) is a sister Operating Company within Kingfisher plc and acts as a supplier to B&Q plc. KAL and all other Kingfisher Overseas Sourcing Offices (e.g. India and Poland) as suppliers to B&Q plc are expected to meet these same standards, although the tools and processes they use may differ.

Where B&Q plc receives a product from a factory or worksite via one of our overseas sourcing offices and also via an importer, it is likely that B&Q plc will

¹ The B&Q Operational Standards for Supply chains reflects the standards set out in ILO conventions, including the following: ILO core conventions 29 & 105 and recommendation 35 (forced & bonded labour); ILO code convention iii. and recommendation iii. discrimination in employment and occupation; ILO core convention 138 and recommendation 146 (minimum age); ILO convention 155 and recommendation 164 (occupational safety and health)

work on Operational Standards with that factory or worksite, through the Kingfisher Sourcing Office.

Critical Failure Points

Our approach is one of engagement with vendors and workers. For this to produce results, site managers must share a commitment to our aims and values. We will not buy from factories or worksites where management practices indicate an absence of commitment, i.e. where the following Critical Points are not adhered to:

1. The factory or worksite only employs workers who are over the local legal minimum age. Where this is less than 15, or where there is no legal minimum age, workers should not be less than 15 years old.
2. Factories or worksites do not use forced, bonded or involuntary labour.
3. Workers are not forced to lodge unreasonable deposits or their identity papers with their employers. In countries where deposits are prohibited by law, no deposits are allowed.
4. Workers are not subject to physical abuse, the threat of physical abuse, verbal abuse or any other forms of intimidation.
5. There must be an adequate number of safe, unblocked fire exits, escape routes and fire fighting equipment accessible to workers from each floor or area of the factory or worksite and accommodation (if provided).
6. The worksite is a safe and hygienic place to work.
7. Accommodation, if provided, is safe and hygienic and segregated from the factory or production area and from material storage areas.
8. The factory or worksite does not knowingly contravene local and national environmental legislation without being able to demonstrate a plan of action to improve.
9. Site management demonstrates a willingness to improve on any significant areas of concern identified and is committed to working towards meeting the standards of the Code of Conduct.

The B&Q Operational Standards for Supply Chains

The following standards are those we expect to find in all the factories and worksites in our supply chain. We will work in partnership with vendors and factories in a process of continuous improvement to ensure that these standards are met over time. Some standards are Critical Failure Points (CFPs) and as such must be met as a condition of supply.

Age of Workers

B&Q supports ILO Convention 138 with regard to the appropriate age of workers and therefore:

CFP 1. Factories and production sites must only employ workers who are over the local legal minimum age. Where this is less than 15, or where there is no legal minimum age, workers should not be less than 15 years old.²

- Young workers (below the age of 18) do not work: at night (i.e. between the hours of 10pm and 6am), on tasks that are potentially hazardous to their health and/or longer hours than permitted by local law.

Forced Labour

CFP 2 Factories or worksites do not use forced, bonded or involuntary labour.

CFP 3 Workers are not forced to lodge unreasonable deposits or their identity papers with their employers. In countries where deposits are prohibited by law, no deposits are allowed.

CFP 4 Workers are not subject to physical abuse, the threat of physical abuse, verbal abuse or any other forms of intimidation.

Terms of Employment

Hours of Work

- Standard working hours comply with the limit set by local law.^{3,4}
- Overtime hours comply with the limit and regulations set by local law.⁵
- All overtime is voluntary.
- Workers have at least one day off in every seven days as an average throughout the year.
- Workers take suitable and sufficient breaks during the working day.

Wages

- Wages and benefits comply with local law (or are in line with industry norms, where these are higher than the legal minimum wage).
- Overtime is paid at an additional rate
- Any deductions from wages are clearly communicated to workers and are reasonable in the context of the total wage.
- Wages are paid regularly (at least monthly) and on time.

² Sites should keep accurate records of the ages of all workers and should keep a list of young workers (Under 18)

³ Sites should keep accurate records showing wages earned and hours worked by each worker (both for standard working hours & overtime hours).

⁴ In no circumstance should standard working hours exceed 48 hours per week on average

⁵ In no circumstance should overtime hours exceed 12 hours per week

- All workers receive payslips that clearly show how wages are calculated and all deductions from wages.
- Any loan or credit schemes operated by factories or worksites for their workers should be transparent and clearly explained to workers and fully documented.

Discrimination

- There is no discrimination in hiring, promotion or employment conditions on any grounds.

Contract of employment

- All workers have signed a written contract that sets out the terms and conditions of their employment in a language that they understand and have been given a copy of it.
- Terms and conditions of employment must be clearly communicated in a language understood by workers.
- All disciplinary rules are written and communicated to workers in a language that they understand.

Representation

- Workers have the right and freedom of choice to belong, or not belong to a trade union of their choosing, without pressure or influence from the business
- Where this right is restricted by law, management facilitates the development of alternative means for workers representation as permitted by the legal framework
- There is a clear, recognised process of worker representation to ensure good flow of communication between workers and management and to allow workers views and opinions to be discussed with management.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace

Health and Safety

CFP 5 There must be an adequate number of safe, unblocked fire exits, escape routes and fire fighting equipment accessible to workers from each floor or area of the factory or production site and accommodation (if provided).

CFP 6 The factory or worksite is a safe and hygienic place to work.

- The factory or worksite takes adequate and appropriate steps to prevent avoidable health and safety hazards.
- The use of hazardous substances/activities is kept to a minimum. The risk of harm from hazardous substances/activities is minimised through the

- provision of safety equipment, signage, training and a safe factory infrastructure.
- Adequate provision is made for the fighting of fire and evacuation in all areas of the factory or worksite.
 - There is a specific, named manager with responsibility for health and safety.
 - Factories or worksites are able to demonstrate proactive management and improvement of health and safety issues.

Hygiene

- The factory or worksite provides a clean and hygienic place of work and rest consistent with local standards and the nature of the industry.
- Workers have access to clean and safe drinking water at all times.
- Workers have access to sufficient clean and hygienic toilets and washing facilities.
- Canteens, kitchens and any food preparation and storage facilities provided for workers are clean and hygienic.

Accommodation

CFP 7 Accommodation is safe and hygienic and segregated from the factory or production area and from material storage areas.

- Accommodation is clean and hygienic, comfortable and provides for individual privacy.
- Adequate provision is made for the fighting of fire and evacuation in accommodation areas. An evacuation plan exists and is displayed in the accommodation.
- Recreational facilities are provided within or accessible to the living area.

Supply Chain Management

- Factory or worksite managers understand the supply chain of their products and are willing to provide details of the supply chain to B&Q.
- Factory or worksite managers work with their key suppliers and subcontractors to help them work towards meeting these standards over an agreed period of time.
- Sub-contractors and home workers are only used where there is full visibility of the entire supply chain.

Environment

CFP 8 The factory or production site does not knowingly contravene local and national environmental legislation without being able to demonstrate a plan of action to improve.

- The factory or worksite understands its environmental impacts, complies with local and national environmental legislation, or is able to demonstrate a plan of action to improve.
- Factories or worksites have a meaningful environmental policy signed by the Chief Executive.
- Where necessary, factories or worksites should have an environmental action plan against which progress is measured.

Factory / Worksite Management

CFP 9 Site management demonstrates a willingness to improve on any significant areas of concern identified and is committed to working towards meeting the standards of the Code of Conduct

Note: We expect to see these standards in our entire supply chain, with the rare exception of where we respect the legislation of different nation states, should it differ, but this can only take place with specific permission. We do however always demand an adherence to fundamental human rights, and respect for the dignity and welfare of all the people working within our supply chains.