

PRELIMS SUPPLIER CODE OF CONDUCT

Introduction

Prelims is a collaboration of leading publishers who have been working together since 2003 to drive social and environmental responsibility in our product supply chain.

We now expect all our product suppliers to commit to working towards the Standards set out in this Code of Conduct.

Code Implementation

1 Publisher's Responsibility

1.1 We expect all publishers to assign management responsibility for implementation of our Code of Conduct

1.2 We expect all publishers to communicate our Code of Conduct internally and externally as well as provide relevant training to staff where necessary

1.3 We expect all the publishers to work together to ensure that shared suppliers will only have to undergo one social audit and one environmental audit against our Code of Conduct

1.4 We expect publishers to take a risk based approach to managing suppliers. This means we will only ask suppliers deemed to be a medium or high risk to undergo a full social audit and/or a full environmental audit

2 Direct Supplier's Responsibility

2.1 We define direct suppliers as being those that manage or own the sites where our products are being manufactured

2.2 We expect some direct suppliers to undergo an audit against our Code of Conduct and it is at the publisher's discretion to decide when an audit is appropriate

2.3 If a site has undergone an audit within the last year, they will not be required to undergo another of the same kind (social or environmental) as long as we are fully satisfied with the process

2.4 We expect direct suppliers to ensure all staff on-site are aware of our Code of Conduct and publically display a copy of it in the principle languages of the workforce

2.5 We expect direct suppliers to monitor standards within their own supply chain to the same standard as we expect of them and to commit to continuous improvement

3 Agent's Responsibility

3.1 We define agents as being all suppliers who act as a broker between prelims publishers and our direct product manufacturers

3.2 We expect agents to apply a risk assessment process to their suppliers and to share the results of this with us

3.3 We expect agents to conduct audits of suppliers who are deemed a medium to high risk and for the audits to be of the same standard as our Code. We expect agents to share the results of these with us

4 Open and Transparent relationships

4.1 We are committed to working closely with all our suppliers to support them in meeting the Standards set out in our Code of Conduct, and therefore strongly encourage an honest and open engagement on all the issues set out in this Code

Labour Standards

1 Child Labour

- Our suppliers will only employ those who (whichever is higher):
 - Meet the minimum legal age for employment or leaving age for compulsory education (whichever is higher out of these two)
- OR
 - Are 15 years of age or higher
- The only **exception** to this will be in developing countries listed under ILO Convention 138 where the minimum age may be 14 years
- If child labour is found, our suppliers will remove the child from work and put in place an appropriate **remediation** procedure to ensure the welfare of the child and their gradual transition to school. It is the employer's responsibility to provide on-going financial support for the child (at a level equivalent to their salary or the minimum wage, whichever is higher), and to fund any other needs such as accommodation and training during the transition period
- Our suppliers should **verify the ages** of new employees by checking original identity documents and cross checking them with the employee's photograph, and they should keep a register of employee ages
- Our suppliers will only allow **hazardous or overnight work** to be carried out by those over the age of 18. We define 'hazardous' work as being any task that will negatively impact on the health and safety of a young person or that will harm physical, mental or social development
- Our suppliers will provide **health checks** for workers under the age of 18, at least annually

(ILO Conventions 138, 182)

2 Discipline

- Our suppliers will not tolerate an intimidating workplace or threaten to, or engage in, any form of physical, psychological, sexual, or verbal abuse against employees
- Our suppliers will establish a fair **disciplinary procedure**

(UNDHR Articles 3 & 5)

3 Forced Labour

- Our suppliers will not use **forced, bonded** (also sometimes referred to as debt bondage), **indentured, compulsory** or involuntary **prison labour**
- Our suppliers will not withhold payments of wages to workers
- Our suppliers will not directly or indirectly engage in or support **human trafficking**, by recruiting, transferring, harbouring or receiving a worker using violence or threats of violence, force, non-violent coercion such as threats to expose the worker to authorities, or deception
- Our suppliers will not require employees to lodge financial **deposits** or **identity documents** in order to secure or retain employment

- Our suppliers will not prevent **free movement** of employees to and from the site or accommodation unless this will compromise their safety or the safety of other workers. Their movements will not be controlled by security guards e.g. being followed during breaks

(ILO Conventions 29, 105)

4 Discrimination

- Our suppliers will, without exception, treat employees, in all circumstances, on the ability to perform their jobs, and not on the basis of any personal characteristics or beliefs of any kind
- Our suppliers will treat all **potential recruits** fairly
- Our suppliers will not test potential recruits for **pregnancy** except where required by national laws or regulations because the nature of the work is unsuitable if pregnant

(ILO Conventions 100, 111, 183)

5 Wages

- Our suppliers will pay wages in line with **local minimum wage** laws or local industry benchmarks, whichever is higher
- Our suppliers will also strive to pay wages that **meet 'basic' needs**, where legal or industry standards do not do so
- Our suppliers will meet local legal requirements for **overtime** or local industry benchmarks, whichever is higher. Where local law does not stipulate a rate for overtime, our suppliers will pay a premium rate or local industry benchmarks, whichever are higher
- Our suppliers will provide all employees with **written terms of payment** as well as pay slips covering each pay period
- Our suppliers will provide all employees with mandated **benefits** as required by local law
- Our suppliers will only make **deductions** from wages if:
 - they are required to do so by national laws i.e. social security contributions;
 - OR
 - the employee has been told about the grounds on which the deduction is being made, and the extent of the deduction, in advance

AND

The employee has consented to the deduction in writing

AND

The deduction is in accordance with local laws

AND

The deduction is fair and reasonable meaning that it does not compromise the employee's ability to ensure a decent living income for themselves and their family or bring their total remuneration below the minimum wage level

(ILO Convention 95)

6 Hours

- Our suppliers will comply with local laws on **working hours**, or local industry benchmarks, or ensure a standard 48 hour working week, whichever affords workers greater protection
- Our suppliers will comply with local laws on overtime, or not allow more than 12 hours of **overtime** a week on a regular basis, whichever affords workers greater protection
- Our suppliers will provide at least one **day off** after every 6 consecutive days of work unless local laws stipulate otherwise, in which case suppliers must meet the higher requirement

(ILO Convention 1, 14 and UNDHR, Art 24)

7 Freedom of Association/Collective Bargaining

- Our suppliers will not interfere in the right to form or join a **trade union** and will create an open environment for trade union activities and will not discriminate against trade union members
- Where local law does not allow for free association or collective bargaining, our suppliers will not hinder **parallel means** of association and bargaining

(ILO Conventions 87, 98)

HEALTH AND SAFETY

- Our suppliers will appoint a **senior manager** to oversee the implementation of health and safety requirements at each facility
- Our suppliers will maintain a **clean, safe and healthy work place** that comply with all local legislation and includes access to toilet and drinking water facilities. Our suppliers will extend the same standards to both on and offsite **accommodation** provided for their workforce
- Our suppliers will put reasonable **measures** in place **to prevent fire, accidents**, injuries, and causes of hazards in a working environment
- Our suppliers will provide relevant **information, instruction, and training** for all employees, to ensure health and safety onsite and to raise awareness of potential risks
- Our suppliers will provide, where necessary, **protective clothing and equipment** to prevent accidents and exposure of employees to hazards
- Our suppliers will provide measures to deal with emergencies and accidents, including first-aid arrangements
- Our suppliers will communicate **emergency and evacuation procedures** to workers in a language that the workers understand
- Our suppliers will designate a safe **assembly point** for emergency situations
- Our suppliers will run regular **evacuation drills**

(ILO Convention 155)

ENVIRONMENT

1 Management Systems

- Our suppliers will have a **written plan** for managing environmental impacts, including **targets**
- Our suppliers will **measure and track** their environmental impacts
- Our suppliers will create **organisational responsibility** for environmental management.
- Our suppliers will take **practical steps** to reduce their environmental impacts
- Our suppliers will obtain all **permits and waste receipts** required by local and national law and keep them on file to demonstrate legal compliance
- Our suppliers will ensure that **trained personnel** are in place to manage environmental impacts

2 Energy

We are committed to reducing energy consumption throughout our supply chain so that we can minimise our contribution to rising greenhouse gas emissions.

- Our suppliers will continuously **measure, record and track consumption** of electricity, gas, and fuel onsite, including for transportation, from all sources, and from any on-site power generation
- Our suppliers will **set targets to reduce consumption** of energy and start a programme to achieve the reduction
- Our suppliers will **carry out projects** to reduce energy consumption onsite

3 Water

We are committed to reducing water consumption throughout our supply chain so that we can minimise our contribution to water scarcity.

- Our suppliers will continuously **measure, record and track consumption** of water onsite, for both domestic and industrial processes, and from all sources – municipal mains, groundwater (boreholes and wells), and surface water (rivers, lakes)
- Our suppliers will **set targets to reduce consumption** of water and start a programme to achieve the reduction
- Our suppliers will **carry out projects** to reduce water consumption onsite

4 Wastewater

We are committed to minimising pollution from wastewater in our supply chain.

- Our suppliers will **reduce the volume and impact of wastewater** by substituting potentially hazardous substances used in processing, and reduce the volume of wastewater requiring treatment by segregating liquid effluents (e.g. storm water from process effluent)
- Our suppliers will **treat wastewater** in a fully functioning effluent treatment plant (ETP) either on-site or in a shared ETP off-site before discharge
- Our suppliers will **measure, record and track wastewater** volume and quality by collecting samples from the final discharge points
- Our suppliers will ensure that **wastewater** leaving the site **meets the IFC Effluent Guidelines** for Printing and all applicable local and national laws (see Annex A)
- Our suppliers will if discharging to a central ETP, have on file **valid permits** to do so, and test reports that show compliance with the central ETP's requirements

5 Hazardous Substances

We are committed to reducing the release of hazardous substances into the environment and where possible, substituting substances that pose a concern with safer alternatives.

- Our suppliers will continuously **measure, record and track use** of hazardous substances
- Our suppliers will keep an **inventory** of hazardous substances used, handled, transported and stored onsite, including their quantities and where they have been bought from
- Our suppliers will have **Material Safety Data Sheets (MSDSs)** available in the local language for all hazardous substances used onsite
- Our suppliers will ensure there are **measures to prevent exposing workers** to hazardous substances (via inhalation or dermal contact) **and contaminating the environment**. This should include:
 1. **Training** for workers who handle hazardous chemicals on how to do so safely; personal protective equipment (PPE) for workers
 2. **Clear labelling** of all hazardous chemical containers
 3. **Secure storage** of hazardous chemicals in areas with spill prevention/secondary containment controls
- Our suppliers will **communicate emergency procedures** to workers and follow them in the event of a spill or release
- Our suppliers will make sure that all chemicals used in the manufacturing of our products **comply with our publishers' Restricted Substances Lists**
- Our suppliers will take steps to reduce the use of hazardous substances through **efficiency, avoidance, and substitution** with safer alternatives e.g. water based adhesives and inks instead of solvent-based

6 Air Emissions

We are committed to minimising local air pollution from factories in our supply chain.

- Our suppliers will continuously **measure, record and track emissions** generated by any onsite combustion
- Our suppliers will **keep records** of annual **solvent consumption**
- Our suppliers will continuously **measure, record and track process emissions** and ensure emissions of volatile organic compounds (VOCs), Particulates, nitrogen oxides (NOx) and Isocyanates meet the Air Emissions Levels for the Printing Industry, stipulated by the IFC (see Annex B)
- Our suppliers will conduct **periodic air quality testing** to capture air quality on the factory floor
- Our suppliers will **minimise**, and as appropriate, **treat** before release, all **emissions to air** that have potential to adversely affect human health and/or the environment
- Our suppliers will develop a **solvent management plan**, set targets to reduce emissions to air and identify options to achieve the reduction
- Our suppliers will **select materials or processes** with no or low demand for VOC-containing products
- Our suppliers will **avoid or minimize VOC losses** through process modifications and solvent vapour recovers
- Our suppliers will implement **secondary controls**, as necessary, to address residual emissions
- Our suppliers will keep a **list of all air emissions points** within the factory and which substances are emitted at each point
- Our suppliers will **install air extraction devices** in areas of the factory where fumes or particulates (including dust) are generated and can be inhaled by workers

7 Raw Materials

We are committed to a long-term goal of tracing the raw materials in our products back to source.

- Our suppliers will **maximise efficiency** of non-renewable material use to avoid unnecessary consumption of resources
- Our suppliers will **use renewable materials** where possible
- Our suppliers will **trace raw materials** back to the mill where were produced and be able to provide the brand name of the paper that the mill uses

8 Solid Waste

We are committed to minimising wastage in our supply chain, across all material types.

- Our suppliers will continuously **measure, record and track** the types and amount of **solid waste** produced by the factory, for all solid waste streams including: paper and board, plastics, metal, glass, wood, chemicals, plates, inks, toner cartridges, lacquers, glues, adhesives, general (domestic), sewage sludge if there is onsite wastewater treatment, and any other hazardous waste
- Our suppliers will have **systems** in place to ensure the **safe handling, movement, storage, recycling, reuse, or disposal** of waste
- Our suppliers will set **targets** to reduce solid waste production and start a programme to achieve the reduction
- Our suppliers will attempt to **reduce, re-use and recycle** for each waste stream (hazardous and non-hazardous)
- Our suppliers will **track the disposal route** for each waste stream
- Our suppliers will ensure **safe and legal disposal** of hazardous waste using licensed waste contractors only

9 Noise

- Our suppliers will conduct **periodic noise level testing** and as appropriate, employ noise prevention and control strategies and provide appropriate PPE for workers
- Our suppliers will ensure they meet the Noise Level Guidelines stipulated by the IFC (see Annex C)

ANNEXES

A: IFC Effluent Guidelines

Pollutants	Units	Guideline Value
pH	--	6-9
COD	mg/L	150
BODs	mg/L	30
Total Phosphorus	mg/L	2
Total Suspended Solids	mg/L	50
Oil and Grease	mg/L	10
Aluminum	mg/L	3
Cadmium	mg/L	0.1
Chromium Hexavalent	mg/L	0.1
Total		0.5
Copper	mg/L	0.5
Iron	mg/L	3
Lead	mg/L	1
Silver	mg/L	0.5
Zinc	mg/L	0.5
Cyanide	mg/L	0.2
Adsorbable Organically-bonded Halogens (AOX)	mg/L	1
Toxicity	To be determined on a case specific basis	
Temperature increase	°C	<3 ^a

^a At the edge of a scientifically established mixing zone which takes into account ambient water quality, receiving water use, potential receptors and assimilative capacity

B: IFC Air Emissions Guidelines

Pollutants	Units	Guideline Value
VOCs	mg/Nm ³	100 ^{a,b}
		20 ^{a,c}
		75 ^{a,d}
		100 ^{a,e}
Particulates	mg/Nm ³	50 ^f
NO _x	mg/Nm ³	100 - 500 ^g
Isocyanates	mg/Nm ³	0.1 ^h

NOTES:
^a Calculated as total carbon
^b Heatset web offset printing with 15-25 tonnes / year solvent consumption
^c Heatset web offset printing with >25 tonnes / year solvent consumption
^d Publication rotogravure with >25 tonnes / year solvent consumption
^e Other rotogravure, flexography, rotary screen printing, laminating, or varnishing units (> 15 tonnes / year solvent consumption) rotary, screen printing on textile/card-board (> 30 tonnes / year solvent consumption)
^f As 30 minute mean for contained sources. From all processes / activities.
^g As 30 minute mean for contained sources. From turbines, reciprocating engines or boilers used as VOC abatement equipment.
^h As 30 minute mean for contained sources, excluding particulates, and expressed as NCO. From all processes / activities using isocyanates.

C: IFC Noise Level Guidelines

Receptor	One Hour L _{Aeq} (dBA)	
	Daytime 07:00 - 22:00	Nighttime 22:00 - 07:00
Residential; institutional; educational ⁵⁵	55	45
Industrial; commercial	70	70