

Morrisons Ethical Trading Code (ETC)

Suppliers shall at all times comply with this code and with all applicable national and international laws, regulations, codes and standards, in the countries where their products are grown, harvested, manufactured, stored and distributed. Where the provisions of law, core ILO labour standards and/or this Code address the same issue, suppliers should apply whichever provision affords the greater protection.

Suppliers shall ensure, as far as is reasonably practicable, that their suppliers, agent(s), labour providers, subcontractors and consultants, who are directly or indirectly involved in the provision of goods and/or services to any member of the Morrisons Group comply with this code. For each of the elements of this Code, Morrisons expects sites to maintain records in sufficient detail to demonstrate how they are performing. Records should be available for inspection by Morrisons Group, its agents or approved audit bodies on request.

The requirements of the Morrisons ETC constitute minimum and not maximum standards and should not be used to prevent companies from exceeding these standards.

<p>1. Employment is freely chosen</p> <ul style="list-style-type: none">• Forced, bonded and involuntary prison labour are expressly prohibited.• Workers are not required to lodge monetary deposits or their identity papers with their employer and are free to leave their employment after reasonable notice.
<p>2. Freedom of association and the right to collective bargaining are respected</p> <ul style="list-style-type: none">• Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.• The employer adopts an open attitude towards the activities of trade unions and their organisational activities.• Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.• 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.
<p>3. Working conditions are safe and hygienic</p> <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 environments.• Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.• Workers shall be provided with access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.• Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.• The company observing the code shall assign responsibility for Health & Safety to a senior management representative.
<p>4. Child labour shall not be used</p> <ul style="list-style-type: none">• There shall be no new recruitment of child labour.• 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 quality education until no longer a child; "child" and "child labour" being defined in the appendices• Young persons under 18 shall not be employed at night, in hazardous conditions or work in excess of the hourly limits provided by local law.• These policies and procedures relating to Child Labour shall conform to the provisions of the relevant International Labour Organisation (ILO) Standards.
<p>5. Remuneration</p>

- Wages and benefits paid for a standard working week meet, at a minimum, national legal or industry benchmark standards, whichever is higher. In any event wages shall always be enough to meet basic needs and to provide some discretionary income.
- All workers shall be provided with written and understandable information about their employment conditions including information with respect to wages before they enter employment, and about the particulars of their wages for the pay period concerned each time they are paid.
- 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

- Working hours must comply with national laws, collective agreements, and the provisions defined in the clauses below, whichever affords the greater protection for workers.
- Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.
- All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay, except where a consolidated rate of pay has been negotiated with worker representation.
- The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by the clause below.
- Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:
 - o this is allowed by national law;
 - o this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - o appropriate safeguards are taken to protect the workers' health and safety; and
 - o the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.

7. No discrimination is practised

- 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

- To every extent possible, work performed must be on the basis of recognised employment relationships established through national law and practice.
- 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, sub-contracting and 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.

9. No harsh or inhumane treatment is allowed

- 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. Entitlement to work

- Only workers with a legal right to work in the country should be employed.
- For both workers and agency workers, original documents should be reviewed and then returned to workers to verify their right to work.

11. Labour Recruitment

- Labour providers should only supply workers registered with them.

- Relationships with Labour providers should be covered by a Service Level Agreement which meets all national legal requirements.
- Labour providers should be assessed on a regular basis to ensure compliance with all national legal requirements.
- Suppliers and labour providers should not charge workers for finding them a job or for services that are integral to the work-finding process.

12. Environment

- At a minimum, suppliers, sites and growers must comply with the requirements of all local and international environmental laws and regulations including having necessary permits. In addition, they must meet all relevant Morrisons standards and policies relating to the environment and sustainability.