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# G-STAR SUBMISSION



# Clean Clothes Campaign Wage Survey

Response ID:84; Data

## 1. Login/Password Action

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## 2. Introduction

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### 1. Company name:

G-Star Raw C.V.

### 2. Brands owned by company:

### 3. Main contact person:

Name: : Frouke Bruinsma

Email: : frouke-bruinsma@g-star.com

Contact phone number: : 0031 610360819

## 3. The living wage standard

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### 4. 1.1 What is your company's position on payment of the living wage to workers in your supply chain?

G-Star supports the living wage principle as well as further research and exploration on defining 'what is a living wage'. We have not endorsed the living wage standard in our Code of Conduct. Prevailing wages, benefits for all workers, compensation for overtime at premium rate and no deductions are endorsed in our Code. Our code is actionable and we made the decision at the time of last revision of our code in January 2012 to only include actionable aspects that we can deliver at that/this moment in time.

By the beginning of the next year another revision of our Code of Conduct is planned in which we intend to endorse a living wage standard. Therefore we are involved in the European round table on living wage of BMZ and the ministry of Foreign Affairs.

### 5. 1.2 Please give the link to the code of conduct which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy using the option below.

[https://www.g-star.com/Images/1.%20G-Star%20Supplier%20Code%20of%20Conduct%20-%20January%202012%20-%20EN\\_tcm15-1790.pdf](https://www.g-star.com/Images/1.%20G-Star%20Supplier%20Code%20of%20Conduct%20-%20January%202012%20-%20EN_tcm15-1790.pdf)

### Upload option.

[G-Star Supplier Code of Conduct - January 2012 - EN.pdf](#)

### 6. 1.3 Does your company agree with the definition of a living wage as given [here](#)?

Yes

### If no, please provide details of how your definition of a living wage is different and give justification.

G-Star's vision is aligned with the Living Wage definition as written by the Fair Wair Foundation.

Our current, but not public definition is that living wage is defined as a wage paid for a standard working week meeting basic needs of workers and their families and to provide some discretionary income. Basic needs include costs like housing, nutrition, clothing, healthcare, education, drinking water, childcare, transport and savings.

We are convinced we all strive for the same

#### 4. Respect for freedom of association and collective bargaining, a precondition for a living wage

##### 7. 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?

The right to Freedom of association and collective bargaining has been incorporated in the G-Star Code of Conduct:

2.1 In order for employees to be able to voice their comments/concerns, suppliers should encourage open communication between workers and management, while respecting the right of employees to associate, organize and bargain collectively.

2.2 Suppliers must not threaten, penalize, restrict or interfere with employees' lawful efforts to join associations.

2.3 Workers representatives should not be discriminated against and should be able to carry out their representative functions in the workplace.

2.4 Where the right of 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.

Additionally G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier training and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon. We will stay up to date for additional new Better Work programs in other sourcing countries.

##### Percentage of supplier factories and subcontractors reached by these measures:

100%

##### Please supply an example of materials used:

[G-Star Supplier Code of Conduct - January 2012 - EN.pdf](#)

##### 8. 2.2 Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations? Please supply details:

G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier training and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon.

Percentage of supplier factories reached by these measures: : 8%

##### 9. 2.3 Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?

G-Star does train suppliers on the topic in Vietnam via the Better Work program and for example in Bangladesh via our local compliance coordinator. G-Star Suppliers have included the topic in their worker training programs.

We aim to reach all direct suppliers and subcontractors and currently focus on Bangladesh.

**Percentage of supplier factories and subcontractors reached by these measures:**

**10. 2.4 Have your supplier factories and subcontractors issued the Right to Organise Guarantee to workers in any of your production units?**

	Country:	Number of suppliers:	Details:
1:			
2:			
3:			
4:			

**Please provide a sample of materials used in specific countries:**

**11. 2.5 Do you require supplier factories and subcontractors to sign Union Access Agreements? If yes, please supply details.**

**Number of supplier factories with agreements:**

**Please provide a sample of agreements signed:**

**12. 2.6 Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights? How do you monitor that this can be accessed freely by workers?:**

G-Star suppliers have accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining.

This is being monitored by onsite visits at the factories and 3rd party audits.

**13. 2.7 Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?**

Please provide details of your policy and its impacts in relevant countries: : No reply

How has any of this work impacted on workers ability to receive seniority bonuses?: : No reply

**14. 2.8 Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?**

G-Star will stay up to date for future Better Work programs in other sourcing countries. We are working and will keep on working with Better Work and inform our supply chain about the conferences and training programs. Additionally we receive feedback how the training and/or conferences were for the suppliers.

**5. Dialogue and negotiation with labour rights organisations**

**15. 3.1 Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:**

**16. 3.2 Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories?**

## 6. 4. Benchmarks for a minimum living wage

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### 17. 4.1 Does your company have internal figures that it uses to benchmark living wages for each sourcing country or region?

Yes

#### If yes, please provide details of how these were developed and how they are used:

Yes we have our internal overviews of wages by suppliers in comparison to the different wage levels (minimum wage, living wage, Asian floor wage)

The overview is developed by looking at filled in SAQ's from suppliers, up to date 3rd party independent audit reports, onsite visits of G-Star CR coordinator, and talks with suppliers. Currently the overviews are used to see what the status is in our supply chain in wage towards living wages.

### 18. 4.2 Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.

	Country/region	Living wage benchmark
1.	Asia	Living wage calculation FWF Wage ladder and AFW
2.	Other Sourcing countries	Living wage calculation FWF Wage ladder
3.		

### 19. 4.3 Please give details of the number of your supplier factories in Asia that are currently paying the [Asia Floor Wage](#).

	Country/region	Number of supplier factories paying Asia Floor Wage
1.		
2.		
3.		
4.		
5.		

## 7. Purchasing practices that make living wages possible

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### 20. 5.1 Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list? Please provide details:

G-Star has a strict policy on subcontractors which is communicated to all our suppliers as well as checked upon by our local teams. We work with different tools to control our production numbers and locations using a subcontractor policy, seasonal allocation lists, processes/output checks as well as local technical and CR team visits of each factory.

### 21. 5.2 Does your company operate a policy of buyers favouring supplier factories that consistently meet a high wage standard? How?

22.

### 23. 5.3 Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?

We are working internally on a project to further control prices vs wages paid.

**24. 5.4 Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?**

**25. 5.5 Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.**

## 8. Living wage projects

**26. Please provide details of any projects here. Please note you can cut and paste long pieces of text into these small boxes if necessary:**

	Project 1	Project 2	Project 3	Project 4
Location:				
Number of factories and workers involved:				
Living wage benchmark used:				
Partnerships:				
Wage increase achieved:				
Details of process:				

**27. Please upload any useful supporting documentation here:**

## 9. New Page

**28. 7.1 Have you publicly supported calls from civil society and unions to increase the minimum wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?**

G-Star is a buying partner of Better Work and engages with the program in our sourcing countries. Better Work stimulates the discussion on living wage during its conferences and in supplier assessments.

G-Star was involved in the drafting of the 'Plan van aanpak – Verduurzaming Nederlandse textile- en kledingsector 1.0' of Modint, IN Retail and 'Vereniging van grootwinkelbedrijven in Textiel' as member of Modint. The plan states that the Dutch textile and clothing sector strives to take action together with companies focused on a living wage for textile workers in production countries based on existing initiatives and by being open to new initiatives. The plan can be found here: <http://www.modint.nl/stream/2013-06-20-plan-van-aanpak-verduurzaming-nederlandse-textiel-en-kledingsector-1-0-met-cover.pdf>.

**29. 7.2 As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?**

## 10. Transparency

**30. 8.1 Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?**

ABOVE IS CONFIDENTIAL INFORMATION

**Do you have plans to publish a full list in the future?**

INFORMATION

PLEASE NOTE THE ABOVE IS CONFIDENTIAL

**31. 8.2 Does your company publish impact reports on projects related to wages?**

## 11. Collaborative working

**32. 9.1 Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:**

Please see our answers regarding our partnership with Better Work.

**33. 9.2 Please provide details of any work you have initiated outside an MSI, directly with other companies which has improved wages:**

**34. Supporting documents:**

## 12. 10. A clear route map for implementing a living wage for all workers

**35. 10.1 Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?**

No reply

**36. 10.2 Does this strategy have a time scale? If yes, please state.**

**37. 10.3 What consultation have you carried out on this strategy, both within and outside your company?**

**38. 10.4 How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?**

**39. 10.5 Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?**

## 13. Further questions about your supply base

**40. 1. What are your main production countries? Please state percentage of total production per country and the number of supplier factories.**

	Country	Percentage of production	Number of suppliers
1	Bangladesh	36%	
2	China	31%	
3	India	17%	
4	Vietnam	8%	

5	Tunesia	3%	
6			
7			
8			
9			
10			

**41. 2. What kind of trade partners are part of the sourcing structure? Please indicate an approximate % of volume share of your production:**

Production at factories owned by your company: : 0%  
 Orders placed directly to supplier factories: : 100%  
 Orders placed through agencies or intermediates: : 0%  
 Other: : 0%

**42. If other, please specify.**

**43. 3. What is the length of time that you have been working with your current suppliers?**

	% of suppliers
More than 5 years:	50%
2-5 years:	25%
Less than 2 years:	25%

**44. 4. How many sites did you use to produce your goods in 2012?**

First tier suppliers: : We do not share this information with 3rd parties, please see our MADE BY Scorecard for more information on our supply chain. [www.made-by.org/g-star](http://www.made-by.org/g-star)  
 Sub contracted suppliers: : We do not share this information with 3rd parties, please see our MADE BY Scorecard for more information on our supply chain. [www.made-by.org/g-star](http://www.made-by.org/g-star)

**45. 5. How many supplier factories do you trade with where you have a regular production share of more than 25%?**

Number of suppliers: : 2  
 Please list suppliers, country and % of product share at the factory: : China

**Response Location**

<b>Country:</b>	Netherlands
<b>Region:</b>	
<b>City:</b>	
<b>Postal Code:</b>	
<b>Long &amp; Lat:</b>	Lat: 52.5, Long:5.75



**1) What is your company's position on payment of the living wage to workers in your supply chain?**

G-Star supports the living wage principle as well as further research and exploration on defining 'what is a living wage'. We have not yet endorsed the living wage standard in our Code of Conduct. Prevailing wages, benefits for all workers, compensation for overtime at premium rate and no deductions are endorsed in our Code. Our code is actionable and we made the decision at the time of last revision of our code in January 2012 to only include actionable aspects that we can deliver at that/this moment in time.

By the beginning of the next year another revision of our Code of Conduct is planned in which we intend to endorse a living wage standard. Therefore we are involved in the European round table on living wage of BMZ and the ministry of Foreign Affairs.

To verify whether our suppliers comply with our Code of Conduct, G-Star set up a compliance process using a combination of tools. As part of this process all our direct suppliers are audited on a regular basis by recognised, independent organisations. We also work on improving conditions further back in our supply chain and include indirect suppliers in the compliance process to the best of our ability.

**THE COMPLIANCE PROCESS EXPLAINED**

G-Star's compliance process is built around the G-Star Supplier Code of Conduct. A combination of tools is continuously used by G-Star to verify whether suppliers comply with our standards. When we start a business relationship with a supplier, the following steps are taken:

1 We require all potential new suppliers to complete a self-assessment. This way, G-Star obtains detailed information about the factory and the social and environmental conditions on-site and, equally important, the supplier is made aware of our standards. As our Code of Conduct is an accurate interpretation of sustainability guidelines that apply to the industry, G-Star also sees the questionnaire as a valuable training tool to build sustainability awareness among our suppliers. In addition, an internal G-Star team visits the factory for a first on-site Corporate Responsibility check.

2 Before we place our first order, every supplier has to sign our G-Star Supplier Declaration, committing to comply fully and unconditionally with the Code of Conduct.

3 Subsequently, independent audits take place to inspect whether the factory is compliant with the G-Star standards. Regular audits are conducted using a methodology that includes in-depth interviews with management and workers, a physical inspection of factories and a review of documentation and records. In 2012 77% of our suppliers were audited and in 2013 we conducted audits at 86% of our suppliers. Over the course of these two years all our suppliers have been audited.

**Comment [MN1]:** Update January 2014: The proposed changes to our Code of Conduct are currently reviewed by our board, where after we can inform you which changes are accepted. This includes the living wage clause in the Code of Conduct.

4

The outcomes of the audit are discussed with the supplier concerned. In instances where suppliers are found to need improvement, G-Star works closely with them to both document and implement an improvement programme in order to reach compliance in an agreed time frame.

Through monitoring we are aware of the local situation. However, we do acknowledge that monitoring in itself does not bring us answers to solve possible issues found during inspection.

To tackle any issue, we need to dive deeper to identify the root causes behind it. That is why we not only focus on monitoring compliance but also on coaching and building up capacity of suppliers in order to address corporate responsibility issues at the point of origin. This means sharing the knowledge we have gained with suppliers and guiding and encouraging them to move forward, not softening our approach or relaxing our standards. Rather than highlighting non-compliances, we are engaging with suppliers and helping them to integrate good social and environmental performance into their business.

Our local CR team gives training, advice and stimulates dialogue by organising supplier meetings on labour standards in general and on specific topics. The experience of our local CR colleague in Bangladesh as fulltime 3rd party auditor and ILO controller, gives us the opportunity to discuss compliance issues with ILO and FLA advisors.

Cooperation in the industry is important to reach supplier ownership. Experience, dialogue and partnerships with training bureaus give us a roadmap on how to approach coaching and capacity building.

1) Please give the link to your company's code of conduct, which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy:

URL Link: <INSERT DEEPLINK to CR website> Added link in digital survey.

Documents upload option: Added copy in digital survey.

2) **Does your company agree with the definition of a living wage as given here (link to definition of living wage as stated in terms)?**

Yes –

No, our definition differs from the one given:

G-Star's vision is aligned with the Living Wage definition as written by the Fair Wair Foundation.

Our current, but not public definition is that living wage is defined as a wage paid for a standard working week meeting basic needs of workers and their families and to provide some discretionary income.

Basic needs include costs like housing, nutrition, clothing, healthcare, education, drinking water, childcare, transport and savings.

We are convinced we all strive for the same.

**If no, please provide details of how your definition of a living wage is different and give justification:**

**Comment [MN2]:** We have answered with No, and given our definition underneath.

## **2. Respect for freedom of association and collective bargaining, a precondition for a living wage**

Freedom of association (FOA) and collective bargaining are fundamental enabling rights. When these rights are respected, workers can use them to ensure that other labour standards, including the living wage, are upheld. Unfortunately, workers face many barriers to joining or forming a trade union and to bargaining collectively. Proactive and positive measures are needed to ensure these abuses stop occurring, to make way for wage improvement.

### **Vraag 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?**

The right to Freedom of association and collective bargaining has been incorporated in the G-Star Code of Conduct:

2.1 In order for employees to be able to voice their comments/concerns, suppliers should encourage open communication between workers and management, while respecting the right of employees to associate, organize and bargain collectively.

2.2 Suppliers must not threaten, penalize, restrict or interfere with employees' lawful efforts to join associations.

2.3 Workers representatives should not be discriminated against and should be able to carry out their representative functions in the workplace.

2.4 Where the right of 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.

The Code of Conduct is shared with the suppliers and explained during factory visits and supplier trainings. The Code is available in local languages, placed on notice boards and thoroughly explained to mid and high level management. During supplier trainings the importance of Freedom of Association and Collective Bargaining, f.e. the importance of worker committees (set up by election), are discussed and best practices at other suppliers are shared.

Additionally G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier trainings and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon. G-Star engages with the program in our sourcing countries and we will stay up to date for additional new Better Work programs in other sourcing countries. Link to Better Work website [www.betterwork.org](http://www.betterwork.org)

#### **Details:**

#### **Percentage of supplier factories and subcontractors reached by these measures:**

All suppliers and subcontractors receive the G-Star Code of Conduct (100%) and join supplier training.

#### **Please supply an example of materials used:**

#### **Upload option :**

Code of Conduct: [https://www.g-star.com/Images/1.%20G-Star%20Supplier%20Code%20of%20Conduct%20-%20January%202012%20-%20EN\\_tcm15-1790.pdf](https://www.g-star.com/Images/1.%20G-Star%20Supplier%20Code%20of%20Conduct%20-%20January%202012%20-%20EN_tcm15-1790.pdf)

### **2.2 ) Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations?**

G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier training and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon at management and employee level.

Additionally G-Star gives training to suppliers in Bangladesh, India and China via the Headquarters and local compliance coordinator. G-Star actively stimulates suppliers to include the topic in their worker training programs.

**Details:**

**Names of local unions or workers' rights organisations:**

**Percentage of suppliers and subcontractors reached by these measures:** Vietnam = 8%

**2.3) Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?**

G-Star gives training to suppliers on the topic in Vietnam via the Better Work program and for example in Bangladesh, India and China via our HQ and local compliance coordinator. G-Star Suppliers have included the topic in their worker training programs.

**Details:**

**Percentage of supplier factories and subcontractors reached by these measures:**

We aim to reach all direct suppliers and subcontractor, focused on Vietnam, Bangladesh and India in 2013 and more expanding to China in 2014.

**2.4) Have your supplier factories and subcontractors issued the right to organize guarantee to workers in any of your production units?**

The right to organise is part of the G-Star Code of Conduct. Additionally G-Stars suppliers communicate the right to organise in the factories through the notice boards.

Several suppliers working with G-Star have a procedure of freedom of association and collective bargaining and provide training about this policy to employees. The policy and procedure are also placed for the employees' information and review at noticeboards.

**Please provide information by country, stating number of supplier factories and**

**details:**

**Comment [MN3]:** This sentence was not in the response file sent back to us by CCC.

Country: Number of suppliers: Details:

Country: Number of suppliers: Details:

Country: Number of suppliers: Details: Please provide a sample of materials used in specific countries:

**Upload option**



All material is in Chinese and checked in cooperation with the G-Star office in China.

**2.5) Do you require supplier factories and subcontractors to sign union access agreements?**

Details:

Number of supplier factories with agreements:

Please provide a sample of a signed agreement:

**2.6) Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights?**

G-Star suppliers have accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining. Examples are established worker committees and worker trade unions at suppliers G-Star works with, suggestion and complaint boxes, floor helpdesks at work floors where confidant(e)s of a committee are working and are available for discussion and help, as well as easy outreach to our local compliance coordinator in Bangladesh.

**Please provide details:**

**How do you monitor that this can be accessed freely by workers?:** This is being monitored by onsite visits at the factories by our G-Star CR team and 3<sup>rd</sup> party audits of independent audit companies.

**2.7) Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?**

If yes, please provide details of your policy and its impacts in relevant countries:

The G-Star CR team reviews employee records, contracts and pay records at the suppliers. Based on these records we discuss the importance of creating long term opportunities and skill building of workers. Best practices of suppliers that have a long term relationship with their employees are shared with other suppliers in our supply chain.

How has any of this work impacted on workers ability to receive seniority bonuses?

When applicable, seniority bonuses are paid within the factories G-Star works with.

**2.8) Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?**

**Details:**

G-Star will stay informed about future Better Work programs and strives to expand the program to other sourcing countries, such as Bangladesh. We are working and will keep on working with Better Work and inform our supply chain about the conferences and training programs. Additionally we receive feedback from our suppliers about the Better Work trainings and/or conferences. **We will continue to give supplier trainings and stimulate dialogue between workers and supplier management, but also interaction and information sharing between suppliers.**

**If listing future plans, please provide a timescale for activities.**

**3. Dialogue and negotiation with labour rights organisations.**

Too often workers are ignored in corporate accountability programmes of global buyers, even though they are the supposed beneficiaries of code implementation and monitoring programmes. Worker involvement is key to any credible attempt to improve conditions and wages. Workers and their organisations must play a key role in the design and implementation of any programmes that aim to improve wages, both at a factory level and at a national or extra-national level.

**3.1) Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:**

**G-Star has been participating in the Living Wage Roundtables in The Hague and Berlin together with other brands, governments, NGOs and unions.**

**Since May 2013 G-Star is part of the Accord on Fire and Building Safety in which unions, NGOs, governments and brands work together towards safety improvements in the textile industry in Bangladesh.**

**G-Star is actively participating in the national action plan "Plan van aanpak verduurzaming Nederlandse textiel- en kledingsector 1.0" in the Netherlands and will participate in its living wage group. Within the national action plan initiative we will work together with the trade organisations, several unions, the government and NGO's.**

Provide names of organizations or unions, countries, and details of work:

**3.2) Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories? If yes, please provide details specifying countries and numbers of suppliers.**

**Free text box**

**4. Benchmarks for a minimum living wage**

Without benchmarks for what a living wage means, the term remains an aspiration that cannot be measured or achieved in any real sense for workers. Having accurately costed benchmarks for the living wage figure makes it possible for companies, workers, unions and campaigners to work out how to realistically achieve these. It is further necessary for these to be public to allow these to be understood and scrutinized.

**4.1) Does your company have internal figures that it uses to benchmark wages for each sourcing country or region?**

Yes we have our internal overviews of wages of suppliers in comparison to the different wage levels (minimum wage, living wage, Asian floor wage). Additionally the standards we use for independent 3<sup>rd</sup> party auditing (i.e. SMETA, BSCI) have been updated with a review to check whether living wage is paid and if so how it is calculated.

**If yes, please provide details of how these were developed and how they are used:**

By looking at filled in SAQ's from suppliers, up to date 3<sup>rd</sup> party independent audit reports, onsite visits at suppliers by G-Star CR coordinator, and talks with suppliers. The overviews are used to evaluate what the status is in our supply chain concerning the current wages in comparison to living wages.

**4.2) Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.**

**Country/region: ; LW Benchmark** FWF wage ladder for all sourcing countries

**Country/region: ; LW Benchmark** AFW for Asian sourcing countries as additional Benchmark

**Country/region: ; LW Benchmark**

**4.3) Please give details of the number of your suppliers in Asia that are currently paying the Asia Floor Wage. (link to current AFW figures)**

Country: Number of supplier factories paying AFW –

## **5. Purchasing practices that make living wages possible**

How buyers engage with suppliers, and the prices that they pay, has a crucial impact on a factory's ability to pay a living wage. Buyers can use contracts and buying power to improve wages and incentivise change.

### **5.1) Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list?**

G-Star has a strict policy on subcontractors which is communicated to all our suppliers as well as checked upon by our local teams. We work with different tools to control our production numbers and locations using a subcontractor policy, seasonal allocation lists, processes/output checks as well as local technical and CR team visits of each factory.

### **5.2) Does your company operate a policy of buyers favouring supplier factories that consistently meet a high wage standard\*?**

How?

Currently we are doing research and investigate the topic of Living Wage in our supply chain. Based on the research G-Star has the intention to do a Living wage pilot at one of our suppliers in Q3-4 of 2014.

Details:

Are other incentives provided for buyers or supplier factories to work towards a living wage for workers? How is this monitored?

### **5.3) Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?**

**Please provide details:**

G-Star is working internally on a project to further control prices vs wages paid. We have started mapping the wages in our supply chain and are investigating breakdowns. When the research is further advanced, we will together with the sourcing department define future steps.

### **5.4) Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?**

Details: How is this monitored?

### **5.5) Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.**

Details: We discuss production efficiency strategies with suppliers. Several suppliers are looking into the possibilities to set up lean manufacturing plants to increase efficiency of production of the products.

If listing future plans, please provide a timescale for activities.



## 6. Living wage projects

In this section we would like you to provide details of any test case programs your company is currently engaged in on the ground to achieve wage increases. See here for more information about the Clean Clothes Campaign's approach to credible wage projects and their objectives.

### **Please provide details of any projects here:**

We are not engaged currently in any test case program how to achieve wage increases.

(nb. A number of columns are available for filling in data).

Location:

Number of factories and workers involved:

Living wage benchmark used:

Wage increase achieved:

Details of process:

Partnerships:

Option to upload related documents:

## 7. Public statements to support an increase in the minimum wage to living wage level

Global buyers also have a role to play in advocating for an increase in minimum wages in production countries. This by no means removes the responsibility of global buyers to pay a living wage in each factory, but the raising of the minimum floor can help reduce the gap between the minimum and living wage, therefore making it easier for all companies to improve wages.

### **7.1 Have you publicly supported calls from civil society and unions to increase the minimum wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?**

If yes, please provide details of work:

We are working on the endorsement of living wages in our Code of Conduct. When finalised the code will be made public through our website [www.g-star.com/rawresponsibility](http://www.g-star.com/rawresponsibility).

**Please provide a link to the public statement:**

- G-Star is a buying partner of Better Work and engages with the program in our sourcing countries. Better Work stimulates the discussion on living wage during its conferences and in supplier assessments.

- G-Star was involved in the drafting of the 'Plan van aanpak – Verduurzaming Nederlandse textiele en kledingsector 1.0' of Modint, IN Retail and 'Vereniging van grootwinkelbedrijven in Textiel' as member of Modint. The plan states that the Dutch textile and clothing sector strives to take action together with companies focused on a living wage for textile workers in production countries based on existing initiatives and by being open to new initiatives. The plan can be found here:

<http://www.modint.nl/stream/2013-06-20-plan-van-aanpak-verduurzaming-nederlandse-textiel-en-kledingsector-1-0-met-cover.pdf>.

- G-Star has taken part in the European Conference on Living Wages in Berlin and the pre-meeting in the Hague. Additionally we will take part in the living wage working group of the national action plan 'Plan van aanpak – Verduurzaming Nederlandse textiele- en kledingsector 1.0' of the Netherlands.

As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?

**Details:**

**8. Transparency**

**8.1) Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?**

**If yes please provide a URL link. If no, please provide your position on this:**

We do not provide a public list of suppliers at this moment in time. [REDACTED]

[REDACTED] We do however already publish the locations and % of our suppliers in our MADE-BY scorecard; [www.made-by.org/g-star](http://www.made-by.org/g-star).

**PLEASE NOTE THE ABOVE IS CONFIDENTIAL INFORMATION**

**Does your company have plans to do this in the future?**

**8.2) Does your company publish impact reports on projects related to wages?**

If yes, please provide a URL link:

**9. Collaborative working**

**Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:**

Please see our answers regarding our partnership with Better Work. Additionally we have been attending the Living Wage Round tables in The Hague and Berlin and are actively participating in the national action plan "Plan van aanpak verduurzaming Nederlandse textiel- en kledingsector 1.0" in the Netherlands. Within the national action plan initiative we will work together with the trade organisations, several unions, the government and NGO's. We will have an active role in the living wage working group.

Name of MSI:

Details of your involvement in project work on wages:

Please provide details of any work you have initiated outside an MSI, directly with other companies which has improved wages:

The G-Star HQ and local team collaborate with other brands within the Industry. For example the International Buyers Forum meetings in Bangladesh and informal meetings with apparel and footwear brands. These collaboration initiatives have recently started and have the topic living wage high on the agenda.

Details:

Upload option for documents related to either 9.1 or 9.2:

#### **10. A clear route map for implementing a living wage for all workers**

In order for change to happen, it is important that companies have a clear aspiration, timeline and concrete plan for how to achieve the living wage, which clearly marks out steps for how this will be achieved. This should include, for example, a clear target number of factories that will pay the living wage benchmark within a 5 year and 10 year period.

10.1) Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?

If yes, please provide details here:

10.2) Does this strategy have a time scale? If yes, please state time scale:

10.3) What consultation have you carried out on this strategy, both within and outside your company?

Free text box

10.4) How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?

Details:

10.5) Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?

Free text box

#### **Further questions about your supply base**

These questions will not affect the assessment of your company, but the data will provide important background to allow your responses to be read in context. Answering these questions is compulsory.

##### **1) What are your main production countries?**

**Please state percentage of total production per country and the number of supplier factories.**

Country: Bangladesh; 36% ; Number of suppliers:

Country: China; 31% ; Number of suppliers: -

Country: India; 17% ; Number of suppliers: -

Country: Vietnam; 8% ; Number of suppliers: -

Country: Tunisia; 3% ; Number of suppliers: -

2) What kind of trade partners are part of the sourcing structure?

Please indicate an approximate % of volume share of your production:

**Production at factories owned by your company:** 0%

**Orders placed directly to supplier factories:** 100%

**Orders placed through agencies or intermediates:** 0%

Other: %

If other, please specify:

3) **What is the length of time that you have been working with your current suppliers?**

More than 5 years: 50% of supplier factories.

2-5 years: 25% of supplier factories.

Less than 2 years: 25 % of supplier factories.

4) **How many sites did you use to produce your goods in 2012?**

We do not share this information with third parties. See our MADE-BY scorecard for more information on our supply chain: [www.made-by.org/g-star](http://www.made-by.org/g-star).

First tier supplier factories:

Sub contracted suppliers:

5) **How many supplier factories do you trade with where you have a regular production share of more than 25%?**

Please list suppliers, country and % of product share at the

factory:

**Number:** 2

**Percentage:**

**Country:** China

Thank you for taking our survey. Your response is very important to us.

## Profile: G-Star

Brands: G-Star RAW

### Company position on the living wage:

"G-Star supports the living wage principle as well as further research and exploration on defining 'what is a living wage'. We have not endorsed the living wage standard in our Code of Conduct ... Our code is actionable and we made the decision ... to only include actionable aspects that we can deliver at that/this moment in time."

"Our current, but not public definition is that living wage is defined as a wage paid for a standard working week meeting basic needs of workers and their families and to provide some discretionary income."

### What we say:

G-Star needs to make the leap of commitment towards a living wage. It is great that they are monitoring the wages they pay against real living wage figures, but unless they put this into their company policy, this support for the principle of a living wage is meaningless and the gap will not be bridged.

### In more detail:

Has living wage benchmarks? Yes.

### Worker empowerment:

**G-Star says:** "The right to Freedom of association and collective bargaining has been incorporated in the G-Star Supplier Code of Conduct....G-Star is a buying partner of Better Work program Vietnam (8% of the supply chain). In conferences, supplier trainings and supplier assessments the topic of Freedom of association and collective bargaining is actively raised and acted upon."

### Commitment and practices:

G-Star has adopted a wage ladder to internally monitor its progress towards payment of a living wage. G-Star is using this ladder to carry out "internal overviews of wages by suppliers in comparison to the different wage levels - minimum wage, living wage, Asian floor wage."

G-Star says, "We are working internally on a project to further control prices vs wages paid."

### Collaborative approach:

G-Star is involved in the Better Work programme. They have also taken part in an initiative in the Dutch textile and clothing sector, together with other brands, focusing on a living wage.

### Strategy:

G-Star has no strategy for ensuring workers in their factories are paid a living wage.

### Production overview:

Number of suppliers: G-Star didn't disclose this information

Main production countries listed as: Bangladesh 36%, China 31%, India 17%, Other 16%.

G-Star does not publish a list of where its supplier factories are based.

### Comments:

We are pleased that G-Star has started using a wage ladder to evaluate the wages paid to workers against figures which show how much it really costs to live with dignity in the countries where they source their goods. This is a good first step. G-Star, intriguingly also says they are also working on a project to control prices vs wages paid. We look forward to hearing more about this as it develops. It is vital that companies commit to address the price they pay to supplier factories when seriously considering how to bridge the gap between minimum and living wage. It will be important that G-Star takes this into account in their project. Simply gathering figures will not solve the problem.

**Comment [MN1]:** We are working on the endorsement of living wages in our Code of Conduct in the beginning of 2014. When finalised the code will be made public through our website [www.g-star.com/rawresponsibility](http://www.g-star.com/rawresponsibility).

**Comment [MN2]:** G-Star is singular and not plural.

**Comment [MN3]:** We are working on the endorsement of living wages in our Code of Conduct in the beginning of 2014. When finalised the code will be made public through our website [www.g-star.com/rawresponsibility](http://www.g-star.com/rawresponsibility).

**Comment [MN4]:** We are working on the endorsement of living wages in our Code of Conduct in the beginning of 2014. When finalised the code will be made public through our website [www.g-star.com/rawresponsibility](http://www.g-star.com/rawresponsibility).

**Comment [MN5]:** In the MADE-BY scorecard G-Star publishes the locations where supplier factories are based.

G-Star demonstrated little work to either work collaboratively with unions or NGOs, or other companies, to take forward work on a living wage. There was also very little evidence of work to combat the very real barriers to freedom of association and collective bargaining in their supply chains. Progress in these areas must go side by side with benchmarks if change is to be sustainable.

G-Star has yet to incorporate a commitment to pay the living wage in their code of conduct, although as a company they say that they support the principle. Our experience is that without this public policy statement in place, it is difficult to get a whole company at all levels on board with change. This must be addressed as a priority.

# G-STAR RAW

G-STAR SUPPLIER CODE OF CONDUCT JANUARY 2012



[g-star.com](http://g-star.com)

## **G-Star RAW Supplier Code of Conduct**

G-Star is committed to producing high quality and ethically manufactured products at a good value to its consumers. The G-Star Supplier Code of Conduct outlines G-Star's expectations regarding the conditions under which its products should be manufactured.

G-Star's commitment is to only do business with suppliers that share its commitment to fair and safe labour practices and observe environmental conscious practices in the locations where they operate.

This Code of Conduct applies to all suppliers and/or sub-contractors providing products to G-Star Raw C.V. or any of G-Star Raw C.V. affiliated companies.

This Code of Conduct clarifies and elevates the expectations we have of suppliers we work with and lays down the minimum social and environmental standards we expect each factory to meet.

It will be subject to regular improvements and G-Star encourages all suppliers to improve their fair and safe labour and environmental practices continuously. Since no code can be all inclusive, suppliers must ensure that no abusive,

exploitative conditions and environmentally unfriendly practices or unsafe working conditions exist at the facilities where G-Star products are manufactured.

Our general rule is that all our suppliers, their sub-contractors and other business partners must, in all the activities follow the national laws in the countries in which they operate. Should any requirements in this Code conflict with the national law in any country the law must always be followed. In such cases the supplier must notify G-Star immediately before signing this Code.

The supplier is responsible to ensure that this Supplier Code of Conduct is implemented and adhered to by its sub-contractors and business partners.

It is our intention to only work with suppliers that share our values and does not wish to work with any supplier that directly or indirectly through its (approved) sub-contractors or business partners, violates the laws of the country where the products are manufactured or knowingly violates these standards. G-Star will take immediate and appropriate action upon notification of such violation.

### **1. Employment is freely chosen**

1.1 There are commonly 3 forms of forced labour:

- Prison Labour refers to the work performed by prisoners that is part of their sentence and usually not compensated.
  - Indentured Labour refers to the work performed by a worker who is bound to an employer for a certain period of time through a contract.
  - Bonded Labour refers to an illegal practice in which employers give high-interest loans to workers who then have to work at low wages to pay off their debt.
- G-Star does not tolerate the use of any form of forced labour.

1.2 Employees are not required to lodge any type of deposits or hand over government-issued identification, passports or work permits as a condition of employment.

1.3 Employees must be free to leave the factory at all times and the freedom of movement of those who live in employer controlled residences are not restricted.

### **2. Freedom of association and collective bargaining are respected**

2.1 In order for employees to be able to voice their comments/concerns, suppliers should encourage open communication between workers and management, while respecting the right of employees to associate, organise and bargain collectively.

2.2 Suppliers must not threaten, penalize, restrict or interfere with employees' lawful efforts to join associations.

2.3 Workers representatives should not be discriminated against and should be able to carry out their representative functions in the workplace.

2.4 Where the right of 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 healthy and safe**

- 3.1 Suppliers must provide a safe and hygienic 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 suppliers' facilities.
- 3.2 Suppliers will also ensure these same standards apply to any dormitory or canteen facilities.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.5 Suppliers shall assign responsibility for health and safety to a senior management representative.

### **4. Child Labour is not used**

- 4.1 Suppliers must not engage in or support the use of child labour as defined in ILO Convention C138 and/or C182.
- 4.2 Factories must only employ workers who meet the applicable minimum legal age requirement or at least 15 years of age, whichever is greater, or as an exception, 14 years in countries covered by article 2.4 of the ILO Convention 138.
- 4.3 All official documentation stating each worker's age must be available for review. In those countries where official documents are not available to confirm exact date of birth, factories must confirm age using appropriate and reliable assessment methods.
- 4.4 Young workers under 18 shall not be employed at night or in hazardous conditions.
- 4.5 Suppliers shall develop or participate in and contribute to policies and programme 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.

### **5. Wages and benefits are provided to all workers**

- 5.1 Suppliers must pay employees at least the minimum wage required by local law or the prevailing local industry wage (whichever is higher) based on the work performed.
- 5.2 Suppliers must provide to employees all legally mandated benefits inclusive of annual leave and holidays as stipulated by law.
- 5.3 All employees must be paid regularly and on time. In addition to their compensation for regular hours of work, employees must be compensated for overtime at a premium rate.
- 5.4 All workers shall be provided with written and understandable Information about their employment conditions, including wages and benefits, before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 5.5 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 Suppliers must ensure that regular working hours or overtime do not exceed the legal maximum according to local law or industry standards, whichever affords greater protection. 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.
- 6.2 While it is understood that overtime is required from time to time in the garment sector, overtime shall be voluntary and based on mutual agreement with workers. In any event, overtime shall not exceed 12 hours per week and shall not be demanded on a regular basis.
- 6.3 Suppliers must record all employees' working hours completely and accurately and time records for all workers must be available for review.

## **7. No discrimination is practiced**

- 7.1 Factories should only employ workers on the basis of their ability to do the job, not on the basis of their personal characteristics or beliefs.
- 7.2 No person must be subject to any discrimination in employment, including hiring, salary, benefits, access to training, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social or ethnic origin, maternity or marital status.
- 7.3 Women and men shall receive equal remuneration for work of equal value, equal evaluation of the quality of their work and equal opportunities to fill all positions open.
- 7.4 Factories shall provide appropriate services and accommodation to women workers in connection with pregnancy, child birth and nursing.

## **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, sub-contracting, 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.

## **9. No harassment or abuse is allowed**

- 9.1 Employees must be treated with respect and dignity.
- 9.2 Factories must not engage in or permit physical acts to punish or coerce workers, nor should they engage in or permit psychological coercion or any other form of non-physical abuse, including threats of violence, sexual harassment, screaming or other verbal abuse.

## **10. Environment**

- 10.1 Suppliers, their subcontractors and business partners must comply with environmental rules, regulations and standards applicable to the workplace, the products produced, and the methods of manufacture and must observe environmental conscious practices in the locations where they operate and in the materials they use. Suppliers, their subcontractors and business partners are also expected to treat the land they use for whatever purpose in a respectful way that does no long term damage to it and to be respectful of the diversity of the plant and animal life with which they share it.
- 10.2 The environmental standards are outlined on the following pages of this document.
- 10.3 Our environmental and social criteria are equally important and therefore the environmental criteria will be assessed in the same way as the social standards; see 11.3 Code and System Implementation.

## **11. Code and System implementation**

- 11.1 Suppliers are expected to implement and maintain the necessary systems in order to ensure compliance to this code. Suppliers should appoint one contact person of the management per factory who shall be responsible for implementing this Code of Conduct and communicating the code and its implications to all the factory employees. Suppliers should, where reasonably practicable, extend the code principles through their own supply chain. This implementation system is a necessary and integral part of this G-Star Supplier Code of Conduct. The implementation system at supplier and all sub-contractors should include the commitment to this G-Star Supplier Code of Conduct, a management system, an internal monitoring system, worker training and education and a worker-complaints mechanism.
- 11.2 Suppliers must maintain on file all documentation needed to demonstrate compliance with this Code of Conduct and required social and environmental laws. Suppliers shall agree to make these documents available for G-Star or designated auditors and submit to audits with or without prior notice.
- 11.3 As a condition of doing business with G-Star, each and every factory involved in manufacturing of G-Star products must comply with the G-Star Supplier Code of Conduct. In order to verify this, suppliers must permit audits at any time of all the factories involved in the manufacturing of G-Star products by G-Star employees and/or accredited auditors. As part of the monitoring process, accredited auditors must be allowed to conduct interviews with workers on a confidential basis and inspect premises.
- 11.4 Should we find that a supplier does not comply with our Code of Conduct, we will ask him to take corrective actions in an agreed time frame and if not taken, we will seriously reconsider the business relationship with the supplier, including the termination thereof.
- 11.5 A copy of this G-Star Supplier Code of Conduct, translated into all the native languages of the employees, must be notified and displayed in a prominent place accessible to all employees, within each facility where G-Star products are being manufactured.

## **G-Star Environmental Standards**

### **1. Commitment and responsibility**

- 1.1. Supplier must have a written declaration stating the importance of care for the environment, signed by the director.
- 1.2. Supplier must have formally assigned the responsibility for environmental performance to a member of the management team and/or board member.
- 1.3. Supplier should have a form stating the functions, responsibilities and names with regard to environmental issues.

### **2. Environmental management**

- 2.1. Supplier should have a written environmental policy, signed by the director.
- 2.2. Supplier must have an overview and copies of applicable local and national environmental laws and regulations and other (clients) requirements covering environment.
- 2.3. Supplier must have all environmental permits required by local laws and regulations available on site.
- 2.4. Supplier must be aware of its most important environmental aspects. Supplier should keep an up to date overview of the environmental aspects at its site (both for regular work as well as any additional aspects that apply during maintenance and/or incidents).
- 2.5. Supplier should have prioritized its environmental aspects and set targets for reduction of its top priority environmental aspects.
- 2.6. Supplier must have any local inspection documents and/or communications from authorities and/or complaints as well as documentation of the supplier's response to these available for review.
- 2.7. Supplier should strive towards implementing best available technology.

### **3. Energy Usage**

- 3.1. Supplier must record energy usage (including electricity, gas, fuel use, and if applicable steam and compressed air) and monitor trends in energy usage against the output (for example number of products and/or the kgs of material processed).
- 3.2. Supplier should set targets to reduce energy usage per unit of output.
- 3.3. Supplier should investigate opportunities to use renewable energy (such as solar, wind turbines, geothermals, hydroelectric energy, or energy from biomass).
- 3.4. Investigate opportunities to implement of best practice technologies for energy use and reuse.

#### **4. Water Usage**

- 4.1. Supplier must have an overview of sources from which water is used (purified drinking water, municipal mains, wells, surface water, collected rainwater, recycled grey water).
- 4.2. Supplier must keep records of the water usage per source and monitor trends in water usage against the output for example number of products and/or the kgs of material processed).
- 4.3. Supplier should set targets to reduce water usage per unit of output.
- 4.4. Supplier should investigate any opportunities for using 'fit for quality' water instead of 'highest quality' water, such as opportunities for recycling water and re-using grey water for other processes, or use collected rain water or surface water instead of purified drinking water when possible.

#### **5. Use of raw materials**

- 5.1. Supplier should keep records of the mainstream amount of raw materials used (covering approximately 80% of their total purchasing).
- 5.2. Supplier should monitor the usage of raw materials per unit of output.
- 5.3. Investigate the possibilities of reducing the amounts of raw materials used.
- 5.4. Investigate the possibilities of using recycled materials as raw material.

#### **6. Use of hazardous substances**

- 6.1. Supplier must comply with the G-Star restricted substances list.
- 6.2. Supplier must keep a register of all hazardous substances on site.
- 6.3. Supplier must keep records of the amounts of hazardous substances used.
- 6.4. Hazardous substances must be stored and handled in accordance with local and national laws and regulations.
- 6.5. Supplier must be aware of the hazards the substances on site can pose and have the Material Safety Data Sheets of all substances available on-site.
- 6.6. Hazardous substances must be stored on second containment and where possible handle only above an impermeable floor.
- 6.7. Supplier must have spill kits readily available in case of a spill. Employees must be trained in how to use the spill kits.
- 6.8. Supplier must have a list of all above ground and underground storage tanks. Tanks should be inspected and maintained on a regular basis to avoid leakage.
- 6.9. Supplier should investigate the possibilities to replace hazardous substances by more environmentally friendly alternatives.
- 6.10. Employees must have appropriate training in handling chemicals in case of normal activities and in case of calamities, including use of personal protection equipment.
- 6.11. Supplier must enforce proper handling of hazardous substances and use of personal protection equipment at all times.

## **7. Waste water discharge**

- 7.1. Supplier must keep records of quality and quantity of wastewater discharged.
- 7.2. Supplier must ensure the quality of the discharged water meets the parameters as stipulated in local and national regulations and/or in the water discharge permit. To achieve this the quality of the discharged water must be monitored through periodic testing. The frequency of testing must at a minimum meet the legal requirements.
- 7.3. Supplier should set targets to improve the quality and reduce the quantities of discharged water.
- 7.4. Supplier must have procedure in place for how to handle in case the discharged water does not meet the quality requirements. The relevant employees must be trained in this procedure.
- 7.5. Supplier should investigate and implement best practice technologies for wastewater treatment.

## **8. Waste**

- 8.1. Supplier must keep records of the volumes and types of wastes produced on site and handed over to contractors. Where possible supplier will record and monitor the methods of disposal.
- 8.2. Supplier should set targets to reduce the amount of wastes produced and/or set targets to recycle waste internally.
- 8.3. Supplier must segregate different waste streams (textile, paper, glass, plastic, metals, wood/pallets, and hazardous waste) at a minimum in accordance with local and national regulations. If the local infrastructure allows a further segregation then required by regulations, supplier will endeavour to improve its waste segregation to make use of the additional possibilities.
- 8.4. For waste collection, transport, treatment and disposal, supplier must use contractors with the required licenses as stipulated by law.
- 8.5. Supplier should stimulate the contractor to find recycling opportunities for the waste streams.
- 8.6. Supplier will ensure that empty packaging which contained hazardous substances are properly disposed of and are not being re-used as containers for other substances (especially not for foodstuffs or drinks).

## **9. Nuisance**

- 9.1. Supplier must identify any sources of nuisance (noise from machines and/or transport, odor, light, heat, vibrations (from machines)).
- 9.2. Supplier must keep records of any complaints and of the corrective actions.
- 9.3. Supplier should implement best practice technologies to avoid and reduce nuisance.

## 10. Emissions to air

- 10.1. Supplier should keep and update an overview of (greenhouse) gases purchased and occurring in processes and other air emissions.
- 10.2. Supplier must have the necessary permits for air emissions and/or report its air emissions to the relevant authorities as required by law.
- 10.3. Supplier should keep records of the volumes and types of air emissions.
- 10.4. Supplier should have an action plan to control and reduce air emissions.
- 10.5. Supplier should implement best practice technologies to avoid and reduce the air emissions.

If you have any comments on this Code of Conduct or you would like to report a violation of this Code of Conduct, please do not hesitate to contact:

G-Star RAW C.V. Attn.: Corporate Responsibility (CR) Department  
Keienbergweg 100  
1101GH Amsterdam  
The Netherlands  
Telephone: +31 20 564 68 61  
E-mail: cr@g-star.com

The following reference material was used for the writing of the G-Star Code of Conduct:

- United Nations Universal Declaration of Human Rights (<http://www.un.org/Overview/rights.html>)
- International Labour Organisation Core Conventions and their relevant Recommendations ([http://www.ilo.org/dyn/natlex/natlex\\_browse.home?p\\_lang=en](http://www.ilo.org/dyn/natlex/natlex_browse.home?p_lang=en))
- Ethical Trading Initiative Base Code (<http://www.ethicaltrade.org>)

