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Nordic Fashion Association was founded in 2008 by Helsinki Design Week, Icelandic Fashion Council, Oslo Fashion Week, Swedish Fashion Council and Danish Fashion Institute.

NICE (Nordic Initiative Clean and Ethical) is a joint commitment from the Nordic fashion industry to take a lead on social and environmental issues. NICE was launched in 2009 as a project under the Nordic Fashion Association.

This publication is a revision of the edition made in collaboration with Dansk Fashion & Textile and A Better Choice in 2009.

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THE NICE CODE OF CONDUCT AND MAN...
THE NICE CODE OF CONDUCT AND MANUAL
THE NICE CODE OF CONDUCT AND MANUAL
The NICE Code of Conduct and Manual
The NICE Code of Conduct and Manual strives for alignment with international standards and universal principles. For this reason, the Code and Manual have taken their inspiration from the UN Global Compact’s ten principles, but have sought to provide additional specificity from a sectoral perspective. Other sector specific content has thus been included with a view to promoting higher levels of sustainability performance on a wide range of topics relevant for the fashion and textile industry.

The NICE Code of Conduct and Manual are an initiative of the Nordic Initiative Clean and Ethical (NICE), and were developed in close consultation with industry representatives and other relevant stakeholders. Input was also sought from the UN Global Compact Office, which has welcomed this effort to align with the UN Global Compact principles.

The NICE Code of Conduct and Manual are being released as a consultation draft with a view to obtaining further input and finalising the documents by the end of 2012. Further information about the process after the Copenhagen Fashion Summit will be communicated at the Summit.

The NICE Manual
The purpose of the NICE Manual is to assist you in upholding the 16 principles in the NICE Code of Conduct.

The NICE Manual refers to the principles of the NICE Code of Conduct, but is more specific. It provides guidelines for continuous improvement toward ethical, responsible and sustainable textiles and fashion—in relation to the challenges and dilemmas specific to the industry.

The NICE Manual explains:

What it means to act in accordance with the NICE Code of Conduct,
Why it is important, and
How to do it.

Furthermore you will find important facts and information on where to learn more about creating a long-term viable and sustainable business.

Your brand is responsible
When consumers think of a brand they rarely distinguish between the supplier, subcontractors and other business partners. In case of violations of ethical or environmental standards they will hold the brand responsible. In other words, your brand pays the price when something goes wrong—or conversely, it gets the credit for the positive stories told by employees, locals, the media and stakeholders.

Thus when we refer to “you” in the NICE Manual, it designates not only you as a supplier but also your business partners and subcontractors in your own country and internationally. You are responsible for ensuring a sustainable, responsible and ethical business throughout your supply chain.
Involve your subcontractors
The textile and fashion industry of today is complex and globalised and most companies will at some point operate in countries or interact with business partners that do not respect the protection of human rights and fair working conditions. Therefore, it is important to have policies on how to ensure that your subcontractors or business partners follow the principles of the NICE Code of Conduct.

You also need to consider how to react in case a violation of the NICE Code of Conduct takes place. What kind of action do you take if a child is found involved in your subcontractor’s production facilities, if a pregnant woman is dismissed or if chemicals from the factory are found in the local lake? Should you assist your subcontractor in taking corrective measures? Or terminate your business relationship? The NICE Manual helps you make decisions concerning these sorts of problems before you encounter them.

Make visits to your business partners
NICE recommends using independent auditors and making unannounced visits to the factories producing your goods. Smaller companies could consider forming joint ventures for such controls through industry organisations or networks, e.g. by hiring independent auditors or NGOs in collaboration with another company to ensure the quality of working conditions throughout their supply chain.

The NICE structure
The NICE Manual comprises seven chapters, each of which delves deeper into the principles of the NICE Code of Conduct and develops how to work with them on a daily basis.

1 Human rights
Referring to principles 1 and 2 in the NICE Code of Conduct
Respecting human rights is the core of making a viable and sustainable business. Everyone that works for or with your business should be treated with dignity and respect. Ensure that your business activities in no way infringe on the rights of others. Where possible, seek to have a positive human rights impact and contribute to the realization of human rights.

2 Labour standards
Referring to principles 3, 4, 5 and 6 in the NICE Code of Conduct
The complex and globalised textile and fashion industry faces some specific challenges concerning working conditions. Treat all women and men fairly at work—respect and support human rights and nondiscrimination.

3 Occupational health and safety
Developing labour standards in the NICE Code of Conduct
Securing the health and safety of employees is a continuous challenge. You need to work proactively to minimise work-related risks and hazards.

4 Environment
Referring to principles 7, 8 and 9 in the NICE Code of Conduct
Ensure the health, safety and well-being of all women and men workers. This requires you to work proactively to minimise work-related risks and hazards.
5 Anti-corruption
Referring to principle 10 in the NICE Code of Conduct
Corruption is a major hindrance to development and fair competition and should be eliminated in all its forms.

6 Ethical relations
Referring to principles 11, 12, 13, 14 and 15 in the NICE Code of Conduct
Be proactive when it comes to the treatment of animals, design processes, body image ideals, mining or extraction of gemstones and promoting transparency in the supply chain.

7 Monitoring and evaluation
Referring to principle 16 in the NICE Code of Conduct
Transparency is key to ensuring credibility among stakeholders and keeping your own company committed to responsibility. Monitoring and evaluation is key to securing supplier compliance.

The NICE Code of Conduct and Manual does not cover every aspect of how to operate ethically in the manufacturing industry, nor does it cover any of the legal requirements in the countries in which you operate. Always be sure to follow local rules and regulations in the production country and be aware of the fact that not all countries have ratified the UN and International Labour Organization (ILO) core conventions, which set international rules and regulations regarding minimum standards for acting in accordance with basic human rights.

Please inform us if you become aware of any additional aspects, challenges, or new ways of responding to these, issues that we should include in the NICE Manual. Please contact us through the Nordic Fashion Association website: www.nordicfashionassociation.com

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1.0  |  HUMAN RIGHTS
AN

huMaN rIghts
HUMAN RIGHTS
THE FASHION AND TEXTILE INDUSTRY HAS COMPLEX CONNECTIONS TO MANY DIFFERENT CONTRACTORS IN MANY DIFFERENT COUNTRIES. THE SEARCH FOR PROFIT IS LIKELY TO CREATE THE TEMPTATION TO EXPLOIT PEOPLE ASSOCIATED WITH THE INDUSTRY, E.G. WORKERS AND MODELS. BUT RESPECTING HUMAN RIGHTS IS THE CORE OF MAKING A Viable AND SUSTAINABLE BUSINESS AND YOU HAVE THE RESPONSIBILITY TO MAKE SURE THAT EVERYONE WHO WORKS FOR OR WITH YOUR BUSINESS IS TREATED WITH DIGNITY AND RESPECT.
HUMAN
RIGHTS
1.0 | HUMAN RIGHTS

PRINCIPLE 1 | BUSINESSES MUST SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS, AND

PRINCIPLE 2 | MAKE SURE THAT THEY ARE NOT COMPPLICIT IN HUMAN RIGHTS ABUSES

What
Anyone who works for or with our business and contributes to or is impacted by it in any way should be treated with dignity and respect, regardless of social status, personal characteristics and beliefs. Discrimination in any form is prohibited and abuse is not tolerated.

Why
People, production and quality are interrelated. Genuine respect for a company’s labour force and stakeholders can promote long-term viable business, whereas violations of human rights and discrimination risk isolating a business from the wider community and damaging a company’s reputation. A poor image potentially affects a company’s profitability and stock valuation.

Fact
The NICE Manual refers to human rights as described in the United Nations Universal Declaration of Human Rights. The declaration defines human rights as the basic rights and freedoms to which all humans are entitled. These include civil and political rights, such as the right to life and liberty, freedom of expression, and equality before the law; and economic, social and cultural rights, including the right to participate in culture, the right to food, the right to work, and the right to education.

Respecting human rights includes avoiding complicity in human rights abuse. This basically means that businesses should avoid being implicated in human rights abuse beyond their own direct business activities, or, in other words, in human rights abuse caused by another company, government, individual, group etc.

How

Publish a written procedure defining the step-by-step process involved in hiring and firing workers

Raise awareness about the importance of human rights issues among your workers

Ensure that every worker in your supply chain knows what it means to respect human rights

Ensure that every worker knows who is responsible for safeguarding the protection of human rights at all staff levels

In the case of violation of human rights, be sure that your workers and managers know who to contact and what actions to take

Learn more
International governmental recommendations:
Global Compact, Principle 1-2

NGO work on human rights: Amnesty International – Business and Human Rights

Human rights in general: Danish Institute for Human Rights

LABOUR
THE MANUFACTURING INDUSTRY FACED SOME SPECIFIC
CHALLENGES CONCERNING WORKING CONDITIONS,
NOT LEAST BECAUSE PRODUCTION OFTEN TAKES PLACE
IN UNDEVELOPED COUNTRIES, WHERE RESPECT FOR
HUMAN RIGHTS AND THE WELLBEING OF WORKERS ARE
OVERSHADOWED BY PROBLEMS RELATED TO POVERTY.
THIS CHAPTER WILL GUIDE YOU THROUGH THE CHALLENGES
YOU ARE MOST LIKELY TO MEET.
FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING
2.1 | FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

PRINCIPLE 3 | BUSINESSES MUST UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

**What**
We encourage the workers' right to freedom of association and collective bargaining. We ensure that workers participating in unions are not subject to discrimination or punitive disciplinary actions.

**Why**
A genuine dialogue with freely chosen worker representatives enables workers and employers to reach better mutual understandings. Security of representation is a foundation for building trust on both sides. Dialogue makes it easier to anticipate problems related to the workplace and to make agreements that are mutually beneficial. In some countries, though, there are severe restrictions on the right to free association. NICE recommends that factories operating under such circumstances facilitate the formation of parallel means to independent and free association, such as working groups or committees that include all workers in the factory.

Freedom of association mechanisms (unions, workers’ groups/committees) can also enable proper grievance systems to develop.

**Learn more**
International governmental recommendations:
UN Global Compact, Principle 3,

**How**
- Protect the right of workers to meet in the factory during breaks, after or before work to discuss working conditions and concerns
- Be informed about local laws in regard to collective bargaining and free association, in your own and your subcontractors’ countries
- Communicate your policy about the right to collective bargaining and freedom of association to the workers
- Train your managers and supervisors in freedom of association compliance and give your workers instructions on their rights under national law and company standards
- Facilitate the formation of parallel means to independent and free association for all workers, such as working groups or committees, in the factory
FORCED LABOUR
What
We do not use prison or forced labour. Workers have permission to leave the factory under reasonable circumstances, such as personal or family emergencies. Workers are not required to leave any original ID documents or monetary deposits at the factory, with employers or agents acting for employers. Overtime has to be performed voluntarily. No labour should be demanded as a means of repayment for a loan. We do not under any circumstances support forced or bonded labour, trafficking or the exploitation of human beings in general. Trafficking and exploiting another human being for the purpose of monetary gain is not in alignment with the NICE ideals. We can only condemn such actions in every respect.

Why
Working by free will is essential in creating a viable business. Forced labour undermines the society in which you do business, reducing the lifetime earnings of whole families and depriving societies of the opportunity to develop human resources for the modern labour market. An inhuman number of involuntary overtime hours above legal limit can to certain extent be considered a form of modern slavery.

Fact
According to article 2, paragraph 1 of ILO Convention No. 29 on Forced Labour, forced labour is defined as “all work or services exacted from any persons under the menace of any penalty and for which the said person has not offered himself voluntarily”.

Bonded labour occurs when workers are obliged to keep on working to reimburse a debt to the employer of a credit facilitator, often because they are subject to penalties or deductions in the context of their work.

How
Communicate to all workers that your factory does not tolerate any kind of forced labour
Ensure that all overtime is voluntary, through audits or regular assessments
Do not keep workers’ ID documents, passports or tickets
Pay wages directly to the worker
Ensure that workers who have to leave the factory do not suffer any penalties as a result
Do not restrict or limit workers in any way when they need access to religious facilities, toilets or drinking water
Train supervisors and workers on your policies
In cases where you use contractors or agents for labour recruitment, ensure that the terms of employment for those workers do not include conditions violating the ILO Forced Labour Convention
Do not withhold any part of worker wages in an effort to prevent them from resigning

Learn more
International governmental regulations and recommendations: “Prevent Human Trafficking a Joint UN Commentary on the EU Directive: A Human Rights-Based Approach” (2011) and the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons International labour conventions on trafficking: ILO Convention No. 20
The Right to freedom from slavery, servitude, forced labour or bonded labour (art. 5 EU Charter and art. 4 ECHR; art. 8 ICCPR; art. 10 ICESCR; art. 11 ICRMW)
CHILD LABOUR
What

We do not accept child labour, and we do our utmost to determine the correct age of the workers employed by us and by our subcontractors. More concretely, we reject work that deprives children of their childhood, their potential, their schooling and their dignity, and whatever is harmful to their physical and mental development, e.g. heavy, night or dangerous work.

Why

Child labour is a sensitive issue. While it is easy to agree that children should generally not be working before they have reached the age of completing compulsory education, the fact remains that in some societies child labour does exist, often due to very poor social conditions. NICE encourages you to always work for the children and the improvement of their situation. For example if a child is found in your workforce, the best solution is often not to dismiss the child. Instead you should have clear guidelines on how to cope with the situation in a manner that assists the child with e.g. compensation, alternative work and education or vocational training.

Facts

The ILO defines hazardous work for children as:

- Work that exposes children to physical, psychological or sexual abuse;
- Work underground, underwater, at dangerous heights or in confined places;
- Work with dangerous machinery, equipment and tools, or involving the manual handling or transport of heavy loads;
- Work under particularly difficult conditions, such as work for long hours or during the night or work where the children are unreasonably confined to the premises of the employer;
- Work in an unhealthy environment that may expose children to hazardous substances, agents or processes, temperature, noise levels and vibrations damaging to their health.

How

Establish an age verification procedure when hiring workers

Ensure that all labour contracts include an identity card with date of birth and photo

If a child is discovered in the workforce, have an action plan that points out the role of the company, suppliers and family and takes measures to ensure that the child’s situation is improved

Be familiar with the NGOs that work for children’s rights and who to contact in case you have questions and need help

Have responsible managers to ensure that no youth is exposed to night work or hazardous work as defined by the ILO

Collaborate with relevant parties, i.e. trade unions, subcontractors, NGOs, or other companies, to improve the systems and processes that prevent children from working in the manufacturing industry and setting clear minimum age requirements in accordance with international standards

Learn more

International governmental recommendations:
- UN Convention on Rights of the Child
- ILO Convention No. 182 on Elimination of the Worst Forms of Child Labour and No. 138 on Minimum Age Convention
- Save the Children, UNICEF and UN Global Compact: Children’s Rights and Business Principles
- Danish Ethical Trading Initiative: Tackling Child Labour in Global Supply Chains
What
We do not accept discrimination in regard to race, skin colour, religion, political or sexual orientation, gender, national origin, or social rank or status. Workers should be hired because of their ability to do the job and not because of their individual characteristics. Creating and fostering equality and endorsing equal rights should be the sound base for any company. Female applicants are not to be tested for pregnancy and not to be discriminated in their hiring, advancement, discipline or retirement practice.

Why
Discrimination is not only cruel to individuals, minority groups and people in general, but is also a source of unstable social relations, affecting not only businesses but also communities negatively. NICE urges working against discrimination in any form.

Learn more
International labour conventions: ILO Convention No. 183 on Maternity Protection; No. 111 on Discrimination; No. 100 on Equal Remuneration; No. 143 on Migrant Workers
International governmental recommendations: UN Global Compact, Principle 6, and the UN Women’s Empowerment Principles

How
Have an employment policy that prohibits discrimination

Communicate this policy to your subcontractors and to relevant HR and management staff

Train your staff on non-discrimination policies and practises

If the policy is violated have an action plan for how to remove the discriminatory elements

Have a policy that prohibits discrimination against pregnant women

Encourage flexible work options to support women that have multiple roles such as being the primary caregiver for young and elderly

Pay equal remuneration, including benefits, for work of equal value and strive to pay a living wage to all women and men

Provide a favourable environment for all pregnant workers in accordance with ILO No. 183, such as granting six weeks leave before and after the presumed date of confinement and a job that is compatible with the worker’s physical condition from the moment she is informed about the pregnancy until 120 days after childbirth
<table>
<thead>
<tr>
<th>What</th>
<th>How</th>
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<tr>
<td>We do not exceed local limits on working hours. In accordance with the ILO we do not require workers to exceed 48 hours of work per week on a regular basis and we encourage reducing work hours to 40 hours per week and a maximum of 8 hours per day. Workers should be provided with at least one day off for every seven-day period. Overtime is voluntary and should not exceed 12 hours per week. Overtime is not demanded on a regular basis and is always compensated at a premium rate of wages. We keep work hour records for at least two years.</td>
<td>Have a work schedule that limits overtime and encourages workers not to work on their days off</td>
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<td></td>
<td>Keep work hour records containing overtime and lunch breaks or other statutory breaks during the day for at least two years</td>
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<td>Keep work hour records for temporary and subcontracted workers</td>
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<td></td>
<td>Make work hour records that are accessible to workers and comparable with payroll records</td>
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<td>Have a system for assessing the skills of new workers and provide the necessary introduction or training soon after their employment</td>
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<td>Have a well-developed production plan that includes information about critical paths and standard production times</td>
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<td>Continuously work to improve communication between merchandisers, factory management and production to minimise problems of e.g. late delivery and tight deadlines</td>
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Why

Long working hours and overtime are a huge challenge in the manufacturing industry, in which problems with quality, late delivery of raw materials or last minute alterations often minimise the time left for production. The amount of working hours has a direct impact on the workers’ health and safety situation—too much work imposes more injuries and accidents as well as a lower overall productivity—therefore NICE recommends working proactively on reducing overtime. Furthermore, reduction of overtime can lead to reduced worker turnover.

Learn more

International labour conventions: ILO Convention No.1 on Working Hours
WAGES, PAYROLL RECORDS AND DEDUCTIONS
What
We respect the workers’ right to earn a living wage and we ensure that wages paid for a normal work week meet at least legal or industry minimum standards—whichever is greater. The wage should always be sufficient to meet the basic needs of workers and their families. We keep understandable payroll records for at least two years. We do not accept deductions as a disciplinary measure. Wages are paid regularly, on time and in a way that is convenient for the workers.

Why
Wages above the minimum requirement attract the best and most stable labour force. Factories that pay and focus on living wages often have a higher productivity and lower amount of overtime. To maintain a healthy workforce NICE encourages the provision of at least one free daily meal at work. Payroll records help you document an accurate and complete amount of working hours.

Facts
At no time is it acceptable for any worker to earn less than USD 2.3 (before legal taxes and deductions) per standard working day of 8 hours, which is equal to a monthly income for 24 days’ work or no less than USD 56. This reflects the World Bank’s definition of “moderate poverty”, which is defined as living on less than USD 2 per day.

The monthly payroll records should contain:
- Number of regular hours worked that month
- Amount of overtime hours worked that month
- Sick leave or other absence that month
- Bonuses for that month
- Deductions—why and how much they are
- Worker’s contracted allowance agreement
- Basic salary for that month
- Overtime payment for that month
- Wage for that month
- Payment day
- Worker’s signature

How

Prior to employment provide all workers with written and easily understood information about wage conditions
Pay wages that are sufficient to meet the basic needs of workers and their families
Pay all wages regularly, on time and in a way convenient for the workers
Only deduct wages according to national laws
Deductions must never constitute an amount that will result in the worker receiving less than minimum wage
Provide workers with a pay slip when they receive their salary showing regular and overtime hours as well as regular and overtime rates
Inform workers how calculations are made if you use a piece-rate system. If the piece-rate wage does not meet legal minimum wage, then pay the difference so it does

Learn more
ILO Convention No. 95 on Protection of Wages
2.7 | LABOUR CONTRACTS

What
All workers should have a written employment contract that contains an accurate and complete summary of the terms of employment, including wages, benefits and working conditions. This also counts for foreign, migrant or home workers, who in any case are not to be treated less favourably. If an worker is illiterate, the working conditions should be explained to the worker prior to signing the contract. No workers are to be asked to sign any blank papers. Labour contracts should extend to sub-contracted workers.

In countries where the law permits apprenticeship programmes, we accept apprentices working on the basis of an apprenticeship contract, but we monitor continuously that apprentices actually perform an apprentice function.

Why
A labour contract protects both the employer and worker from misunderstandings. It protects the worker from being exploited, and the employer from being accountable for incidents that are beyond the employer’s responsibility.

If workers do not directly work for the employer but for the foreman it can lead to poor working conditions such as low pay, excessive and compulsory overtime, poor health and safety in work and living environments etc.

Fact
Home worker is defined as a person who is contracted by a company or by a supplier, sub-supplier or subcontractor, but does not work in the factory or in the factory area.

How
Employment contracts state the responsibilities of both parties and contain work assignments, salary agreements (both regular and overtime allowances), special benefits, and include a copy of the worker’s identity card (photo and age)

The employment contract is signed by both employer and worker—often required by national law

The worker has a copy of the contract in a language that he or she understands

The employment contracts of migrant, temporary or home workers are equivalent to the standard of the contracts of permanent workers

Keep all paperwork for dismissed workers for at least two years (contracts, any disciplinary action taken etc.)

Work proactively to outline, define and work collaboratively on addressing the important and growing issue of contract/sub-contracted labour within key sourcing markets

Apprentices are subject to the same statutes and enjoy the same protection and benefits as normal workers e.g. the time period is reasonable and offers opportunities for advancement, increased payment and more permanent employment

Learn more
OECD Social, Employment and Migration Working Papers
What
All workers should be able to leave without any negative repercussions if they are sick or have stipulated annual leave. If an worker is injured during work, the factory should pay any costs not covered by the national social security.

Why
A healthy and stable workforce is the backbone of every viable business. Therefore, sick workers should be allowed to stay home until they have recovered. A sound health and sickness policy demonstrates respect for and valuation of the workers, which in the end results in a better and more dedicated work force as well as a higher productivity.

Learn more
ILO Convention No. 152 on Sick Leave and No. 139 on Holidays with Pay

How
Have a health and sickness policy that states clearly what happens if an worker gets sick or injured

Clearly inform workers about the health and sickness policy when they are hired

Provide workers with a copy of the health and sickness policy in easily understandable language

Keep records of social security transactions, industrial injury insurances and the paid sick leave accorded, for at least two years
GRIEVANCE SYSTEM
What
A grievance system ensures that workers have the opportunity to anonymously present matters of concern related to their employment and workplace.

Why
A grievance system is a way to obtain information from workers about issues of importance in the workplace. Often a grievance system is the only way to get to know what workers think about working conditions, thus enabling you to listen and help the workers in order to prevent problems or make improvements.

Freedom of association mechanisms (unions, workers’ groups/committees) can enable proper grievance systems to develop.

How
Have a grievance system in place that allows workers to report anonymously

If you have a suggestion box, place it where workers can make a contribution unnoticed in an out-of-the-way place, e.g. in a bathroom or a stairwell

Encourage workers to express their opinions, e.g. by talking about complaints and suggestions, how you dealt with them and how they made a difference

Provide opportunities for workers to talk with someone other than their supervisor

Assign a committee to be responsible for guaranteeing improvements in the working area

Have a system that documents your efforts
OCCUPATIONAL HEALTH AND SAFETY
Securing the health and safety of workers is a continuous challenge. You need to work proactively to minimise work-related risks and hazards. This chapter points out how to handle important health and safety issues such as fire and other emergencies, first aid, safety equipment, housekeeping and working conditions in general.
OCCUPATIONAL HEALTH AND SAFETY
What
We require that worker safety is a priority at all times. We also require suppliers to ensure that workers are protected from hazardous equipment, insufferable surroundings or unsafe premises. The workplace should be safe and hygienic, and the supplier should take effective steps to prevent potential accidents and to minimise health risks as much as possible. Safety awareness should always be a priority and should be understood and implemented daily by everyone working in the factory.

Why
Lack of control over the safety situation can cause injuries or death, which is why establishing systems to detect, avoid or respond to potential threats to the health and safety of workers is crucial. NICE recommends that you investigate work-related accidents and keep a record of them that states the causes and remedial measures taken to prevent similar incidents. NICE also recommends creating a detailed safety policy.

In particular, the following safety issues should be taken into account: general routines and working conditions, emergency preparedness, emergency exits, fire, first aid, safety equipment (sandblasting), housekeeping (food, water and sanitary facilities), housing facilities and dormitories.

How
General routines and working conditions

- Document the status of health and safety issues and plans for improvements in an annual written report
- Train your workforce on a regular basis to raise awareness of health and security issues
- Provide all workers with information in their local language about the health and safety standards relevant to their activities that includes the effects of chemicals and substances used in manufacturing processes, lists potential hazards and explains what measures are available to protect workers
- Provide the information orally and in writing
- Provide all workers with regular and recorded health and safety training
- Ensure that all work stations have adequate body positioning, lighting, air, ventilation and temperatures at all times
- Provide fans or heaters where required
- Set up a routine for regular cleaning of the heating, ventilation, and/or air conditioning system
- Provide all workers with access to water at all times
Emergency preparedness:
Have a procedure in place for identifying workplace hazards and assessing the risks

Have a safety committee or group that includes management representatives, workers from various factory divisions and, if possible, representatives from trade unions. They meet regularly to discuss safety in various work areas, possible scenarios, different responsibilities in an emergency situation, complaints and the overall level of safety in the factory.

Keep a record of the meetings and their outcomes.

Have procedures to prepare for and respond to possible emergencies, such as fires, earthquakes, hurricanes or chemical spills.

Ensure that all workers are aware of the safety precautions, such as emergency exits, fire extinguishers and first aid equipment.

Clearly display an evacuation plan in your factory written in a language(s) that all workers understand and with symbols showing the location of e.g. fire equipment and escape routes.

Have a description of the role and responsibility of workers in the event of an emergency to make them well prepared if an accident occurs.

Regularly hold evacuation drills to ensure that all workers are familiar with evacuation procedures.

Document the drills with date, evacuation time, participants and photos. Evaluate the drills afterwards.

Emergency exits:
Have clearly marked exits, and preferably emergency exits, on all floors at all factories and/or housing facilities.

All emergency exit doors must open outwardly.

Emergency exit doors must not be blocked on the inside or the outside by e.g. goods, fabrics or boxes.

If emergency exits are locked for safety reasons or to prevent theft, place the keys behind breakable glass next to the exit doors or make them easily accessible and thus available to all staff at all times.

Ensure that the factory has enough emergency exits to safely serve the number of workers. NICE suggests that if there are less than 150 workers there should be two exits; between 150-1,000 workers, three exits; and more than 1,000 workers, four exits. Emergency exits must not lead to elevators.

Clearly mark all exits with signs written in language(s) that all workers understand.

Ensure that exit signs are visible from a distance of 30 m (100 ft) and that the letters are at least 15 cm (6 in) high, brightly coloured and contrast with surrounding surfaces.

Install emergency lighting that shows where the emergency exits are in the event of a power shortage.
**Fire:**

Post fire brigade telephone number on notice boards

Ensure that all workers know how to contact the fire brigade in the event of an emergency

Have an audio or visual device, such as an alarm, that is triggered by fire or smoke and can alert occupants in the entire building

Check the fire alarm regularly

Install all floors and sections of the factory with fire extinguishers that are regularly checked and clearly marked so they are visible from at least 30 m (100 ft) away

Make a sufficient number of fire extinguishers available on all floors

Train an adequate number of workers in the proper use of fire extinguishers

Document fire fighting drills with date, participants and photos

**Fact**

What a suitable number of workers trained to give first aid is depends on the number of workers in the factory and the distance from the factory to the nearest medical facility. NICE recommends training at least one worker on every factory floor. This person should be easy to identify, e.g. by a visible Red Cross or Red Crescent symbol on the sleeve.

We also recommend one first aid kit for every one-hundred workers. The kit should be located on the factory floor to give workers immediate access and should be clearly marked.

**First aid:**

Equip the factory and, if present, dormitories with first aid kits that are simple to use for lay persons

Have a doctor or nurse available at short notice if accidents occur

Keep a record of work-related accidents in a logbook that describes the cause of the accident and the remedial measures taken to prevent future accidents

Regularly provide workers with first aid training
Safety equipment:
Supply workers with personal protective equipment, i.e. specialised clothing or equipment that guards against health and safety hazards

Maintain, service and equip all machinery with proper protection measures

Do not accept any hazardous work equipment or unsafe factories and/or housing facilities

Install adequate ventilation in a separate, closed area, if you sandblast. Educate workers on how to use adequate personal protection equipment

Fact
Examples of typical personal protection equipment include hearing protection, such as earmuffs and earplugs (required when the noise exposure level is over 85 dB); eye protection, such as safety glasses, goggles, masks, face shields, gloves, aprons and hard hats; and foot protection, such as safety shoes.

Fact
Sandblasting involves propelling an abrasive material at high-velocity to clean or etch a surface. Widely used in the manufacturing industry sandblasting requires paying particular attention to safeguarding the health and safety of workers. Extended inhalation of the dust created by sand (or similar materials) causes silicosis, an occupational lung disease.

Housekeeping (food, water and sanitary facilities):
Clean your factory on a daily basis

Keep stairs, aisles and exits clear

Keep workstations free of dust, clutter and litter

Keep roofs and roof drains clean and unclogged

Make drinking water available on every floor that meets local quality standards for potable water

Store flammable and combustible chemicals and materials properly

Store and handle hazardous chemicals in a safe manner at all times

Provide workers with a clean canteen/dining area equipped with cooking stoves, refrigeration, adequate counter space for food preparation and hot and cold running water

Provide clean sanitary facilities with separate facilities for men and women. Provide worker access devoid of unreasonable restrictions

In general, provide workers with easy access to food, sanitary food storage, fresh, clean, potable water, toilet and bath facilities and medical aid
**Housing facilities and dormitories**

Equip housing facilities and dormitories with conditions similar to those required in the workplace with regard to cleanliness and health and safety arrangements.

- Ensure that housing facilities meet national standards for living facilities
- Equip dormitories with safety lockers
- Provide all workers with their own individual bed
- Do not place restrictions on the workers’ right to leave the dormitory outside of work hours
- Set the rent in accordance with the local housing market, the workers’ salaries, and the conditions of the facilities
- Ensure that dormitories are in compliance with local and national housing laws and/or occupancy requirements, in addition to health and safety laws
- Keep a record of investments or other initiatives made to improve the worker living conditions

**Fact**

The United States Department of Labor defines hazardous chemicals as a substance capable of doing harm to people.

Workers in the manufacturing industry related to the fashion and textile industry deal with numerous chemicals every day. Labelling and registration of the chemicals are needed on a global scale in order to ensure that workers and companies are able to identify hazardous from safe chemicals and thereby guarantee a high level of protection for people and nature.

**Learn more**

ILO Plan of Action 2010-2016: Ratification and effective implementation of the occupational safety and health
MENT
The textile and fashion industry is a large-scale player when it comes to environmental impact. Ensuring a sustainable production with a minimisation of negative environmental consequences is part of your obligation as a responsible player in the industry.
ENVIRONMENT
**4.0 ENVIRONMENT**

**PRINCIPLE 7 | BUSINESSES MUST SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES, AND**

**PRINCIPLE 8 | UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY**

**What**

Environmental sustainability concerns an organisation’s impact on living and non-living natural systems, including the ecosystems of land, air and water. In some textile producing regions freshwater and drinking water have become a scarce resource, which often has to do with industrial consumption and waste. We work for more efficiency in the conservation of freshwater. We consider environmental initiatives an integrated part of management planning and we work for continuously improving environmental responsibility.

**Why**

The world is facing a complex set of challenges regarding environmental issues. Each day we dump millions of tonnes of hazardous waste, we use toxic chemicals, diffuse heavy metals and produce wastewater. The manufacturing industry is a large-scale consumer of clean water and as water scarcity becomes a serious problem in many parts of the world, the industry has to work on finding new ways to minimise water consumption. There may be corollary pressure, both regulatory and reputational, on products that require a significant quantity of water. Such products may be phased out by law, lose market share to less water-intensive products or cause reputational damage to the company. Furthermore increasing water prices and other natural commodity prices such as oil are pushing the industry to think the environment into their core business strategy.

Also when it comes to pollution challenges like chemicals, air emissions and hazardous waste, prevention is better and cheaper than cure. Pollution is likely to impose irreversible and severe damage to local communities, the labour force and hence to the business of suppliers and subcontractors. NICE recommends working continuously towards cleaner, more environmentally friendly production and addressing, in particular, the usage of sustainable energy throughout the supply chain.

In particular, the following environmental issues should be taken into account: waste, water, chemicals, energy usage, carbon dioxide and air emissions.

**How**

Work with integration, engagement and action when it comes to environmental management in general

Integrate environmental issues in your business plan by e.g. setting goals to minimise the amount of wastewater produced and recycle as much as possible

Engage people—the workforce, locals, NGOs and other stakeholders—by sharing your concern for the environment with them

Take collective action, collaborate and share knowledge about best practices and methods with business partners and colleagues

Develop a better mutual understanding of sustainable business practices by engaging in partnerships with suppliers. Partnerships can also create a societal and environmental impact that goes beyond the business scope

Taking the environmental impacts that occur in a typical garment lifecycle and stakeholder concerns into consideration, the following issues need to be addressed by the fashion and textile industry: waste, water, chemicals, energy usage, carbon dioxide and air emissions:
Waste
Reduce or eliminate waste of all types, including of water and energy, at the source or by employing practices such as modifying production, maintenance and facility processes, material substitution, conservation, recycling and re-using materials.

Monitor, control and treat wastewater and solid waste generated from operations and industrial processes such as wet processing as well as sanitation facilities as required by national law prior to discharge or disposal.

Conduct any discharge or disposal under the highest national standard when it comes to preserving the environment.

Identify and manage chemicals and other materials that pose a hazard if released into the environment to ensure safe handling, movement, storage, recycling or reuse and correct disposal.

Have established guidelines that explain how and where the waste is kept and delivered, and if any special precautions should be taken.

Water
Monitor and record the amount of water used for specific processes.

Monitor and record the amount of recycled water.

Monitor and record your water footprint throughout the value chain.

Monitor and manage the risks related to water issues—regulatory, reputational etc.

Summarise improvements regarding water issues in your factory in an annual written report.

Make your water policy available to the public and communicate it to everyone involved in your business.

Combine processes when possible.

Use clean technology which allows for a reduced number of cleaning/rinsing steps.
**Chemicals**

Close cooperation with stable and trustworthy suppliers is fundamental to ensuring the production of secure textiles. Testing and certification are important, but not enough. You must ensure a common understanding between you and your suppliers of the necessary requirements regarding the use of chemicals. Consider upgrading your suppliers’ level of knowledge of the chemicals, their effect and environmental impact as an investment that pays off.

Ensure that your factory possesses a list of all chemicals used in the processes at the factory that describes their use and environmental impact.

The supplier of chemicals should provide all information about the contents, and a material safety data sheet (MSDS) form should be applied in all transactions.

Inform all workers working with hazardous chemicals of the risks involved and train them to cover, handle, move, store, recycle or reuse and dispose of the chemicals in question.

Work actively to replace all hazardous chemicals by introducing a restricted substance list prohibiting certain materials and chemicals.

Ensure that all chemicals or substances classified as hazardous bear an information label that lists details about the specific chemical.

Provide workers with written instructions on the properties of the chemicals.

Substitute harsh and environmentally polluting chemicals with less impacting chemicals or enzymes.

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**Energy usage, carbon dioxide and air emissions**

Measure the carbon footprint of the facilities you own and operate.

Set reduction targets and request that suppliers do the same.

Report the carbon footprint of the facilities you own and operate and begin requesting that suppliers do the same.

Work actively to increase the portion of products made out of less carbon-intensive materials.

Monitor emissions and the greenhouse gases emitted during production.

Characterise, monitor, control and treat all air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products as required by national law prior to discharge.

Regularly check the efficiency and age of your production equipment.

Use environmentally friendly energy sources.

Move away from fuels with high CO₂ emissions towards fuels with low CO₂ emissions.
Use environmentally friendly auxiliaries

Focus on auxiliaries with:
- Low environmental impact when produced
- Efficient in production including increasing through put, shortening process time, and hereby low volumes of auxiliaries with high impact
- Readily degradable in effluent treatment plants
- Low toxicity in the atmospheric and aquatic environment

The above can be achieved by e.g. environmentally friendly chemicals and biotechnological solutions such as enzymes.

Implement clean technologies
- Recycle water and heat
- Implement water saving equipment
- Combine process steps when possible
- Implement clean processes/technology to avoid cleaning/rinsing steps
- Implement low temperature processes

The above can be achieved by e.g. implementing the most recent developments in machinery with low energy and water consumption and biotechnology, which allows for low temperature and combined processing.

Facts

According to ILO’s International Occupational Safety and Health Information Centre, the properties of a chemical should be described on a material safety data sheet. The data sheet should provide the following information:

1. Identification:
   - Name of the substance or preparation
   - Name, address and telephone number of the company/supplier/undertaking
2. Composition and information on ingredients
3. Hazards identification
4. First-aid measures
5. Fire-fighting measures
6. Spillage, accidental release measures
7. Handling and storage
8. Exposure controls and personal protection
9. Physical and chemical properties
10. Stability and reactivity
11. Toxicological information
12. Ecological information
13. Disposal considerations
14. Transport information
15. National regulations and references
16. Other information

Learn more

Handling chemicals: International Occupational Safety and Health Information Centre
Water management: UN Global Compact’s CEO Water Mandate
Climate: UN Global Compact’s Caring for Climate
European energy sustainability: EU directive REACH (Registration, Evaluation, Authorisation and Restriction of Chemical substances)
International governmental recommendations: UNECE classification model, Globally Harmonized System of Classification and Labelling of Chemicals (GHS)
International standardisation on environmental management: ISO 14001
International labour tools: ILO environmental assessment approach
5.0 | CORRUPTION AND BRIBERY
CORRUPTION AND BRIBERY
CORRUPTION NOT ONLY DAMAGES INVESTMENTS AND GROWTH RATES IN COUNTRIES. IT ALSO MAKES FIRMS BECOME INEFFICIENT. CORRUPTION IS A MAJOR HINDRANCE TO DEVELOPMENT AND FAIR COMPETITION, AND SHOULD BE ELIMINATED IN ALL ITS FORMS.
CORRUPTION AND BRIBERY
5.0 | CORRUPTION AND BRIBERY
PRINCIPLE 10 | BUSINESSES MUST WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

What
All forms of corruption, facilitation payments, extortion and embezzlement are strictly prohibited. Such activities may result in immediate termination of the business relationship, in communication with relevant authorities and organisations, as well as in legal actions. We expect the highest standards of integrity in all business interactions.

Why
It is widely recognised that corruption is one of the world’s greatest challenges. Each year more than USD1 trillion is paid in bribes. These payments undermine fair competition and affect the profitability of businesses operating globally. They are a hindrance to development as they divert public resources away from their legitimate uses, such as providing education, clean water and health care for citizens. Nevertheless, corruption is in some countries considered normal and is found necessary to secure a firm and run a business. NICE recommends striving towards a business where corruption is eliminated completely. No bribery, improper gifts or the like can be offered or accepted.

How
Have policies, procedures and management systems in your organisation ensuring that your employees know how to deal with bribery and corruption

Define the vulnerabilities in your organisation and describe the preventive measures you intend to implement to eliminate corruption

Introduce anti-corruption policies and programmes within your organisations and business operations

Communicate your policy to all relevant persons

Report on the work carried out against corruption annually

Join forces and cooperate within your industry and with other stakeholders to eliminate all forms of corruption

Have established procedures on how to handle corruption if you discover it inside your organisation
Facts
Corruption is defined by Transparency International as “the abuse of entrusted power for private gain,” which means both financial and non-financial gains.

Extortion is defined in the OECD Guidelines for Multinational Enterprises as follows: “The solicitation of bribes is the act of asking or enticing another to commit bribery. It becomes extortion when this demand is accompanied by threats that endanger the personal integrity or the life of the private actors involved.”

Facilitation payments are defined in Transparency International's Business Principles for Countering Bribery as “small unofficial payments made to secure or expedite the performance of a routine or necessary action to which the payer of the facilitation payment has legal or other entitlement.” Facilitation payments are also called facilitating, speed or grease payments.

Bribery is defined in Transparency International's Business Principles for Countering Bribery as follows: “An offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of the enterprise’s business.”

Learn more
International governmental recommendations: UN Guiding Principles on Business and Human Rights – “Protect, Respect and Remedy” Framework, Section II
6.0 | ETHICAL CONDUCT
Ethical Conduct
THE TEXTILE AND FASHION INDUSTRY IS SUBJECT TO A GREAT DEAL OF CRITICISM SINCE FASHION IN ITSELF INSPIRES THE CONSUMPTION OF GOODS PEOPLE DO NOT NECESSARILY NEED. A LINE OF CLOTHING ONLY LASTS ONE SEASON. THEREFORE IT IS EXTREMELY IMPORTANT TO BE PROACTIVE WHEN IT COMES TO CREATING ETHICAL RELATIONSHIPS WITH RESPECT TO THE TREATMENT OF ANIMALS, DESIGN PROCESSES, BODY IMAGE IDEALS, MINING OR EXTRACTION OF GEMSTONES, AND TRANSPARENCY IN THE SUPPLY CHAIN.
ANIMALS
6.1 | ANIMALS

PRINCIPLE 11 | MANY FASHION BUSINESSES HAVE MADE A CONSCIOUS ETHICAL DECISION NOT TO USE REAL ANIMAL FUR (E.G. FOX, SABLE, MINK, RABBIT) OR EXOTIC AND WILD-CAUGHT ANIMAL SPECIES (E.G. SNAKE, CROCODILE AND OSTRICH). WE RECOGNISE THIS CHOICE, AND WE ACKNOWLEDGE THAT OTHER BUSINESSES HAVE CHOSEN TO TAKE A DIFFERENT PATH. IN BUSINESSES WHERE ANIMALS ARE USED FOR LABOUR AND/OR PRODUCTION SUCH ANIMALS MUST BE TREATED WITH DIGNITY AND RESPECT. NO ANIMAL MUST BE DELIBERATELY HARMED OR EXPOSED TO PAIN. TAKING THE LIVES OF ANIMALS MUST AT ALL TIMES BE CONDUCTED USING THE QUICKEST AND THE LEAST PAINFUL AND NON-TRAUMATIC METHODS AVAILABLE. THESE MUST BE APPROVED BY TrAINED VETERINARIANS AND ONLY CONDUCTED BY COMPETENT PERSONNEL.

What
We do not tolerate the maltreatment of animals and animals must be cared for and protected from harm. We do not support the use of any endangered species listed in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species. We recommend following the guidelines in the European Convention for the Protection of Animals Kept for Farming Purposes.

Why
Animals are sentient beings and it is the responsibility of humans to ensure that they have a “life worth living”. We do not support the usage of down and feather plucked from living birds. The maltreatment of animals can cause severe reputational damage in relation to retailers, consumers and other stakeholders. Animal activists are very persistent in their work and have a record of greatly influencing decision makers.

Learn more
European regulation on the protection of farming animals, animal welfare and industry regulations: The EC strategy 2012-2015
Information on threatened animals: IUCN Red List of Threatened Species
International guidelines on international governmental recommendations and regulative instruments: UN Food and Agricultural Organisation (FAO)

How
Have an animal treatment policy that clearly states that garments containing animal-derived products are produced using abundant species that have been treated in accordance with international animal welfare standards, as well as animal welfare standards laid down by European law

Clearly label garments containing parts of animal origin as such, including the name of the part used (such as leather or natural fur) to ensure that consumers are not deliberately or unintentionally mis-sold goods they do not wish to purchase

Species farmed for any consumer goods must be produced to standards found on highly regulated European farms. This includes Directive 98/58 on the protection of animals kept for framing, and the 1999 Council of Europe Recommendations on the keeping of animals for fur. Animals taken from the wild must have been afforded the protection of the International Agreement on Humane Trapping Standards, and hunted in accordance with the International Union for the Conservation of Nature’s ‘sustainable use’ policy

Where possible, reputable voluntary schemes should be used to ensure that the highest possible standard of care is given to all animals used for the purposes of fashion

Always obtain a guarantee that down and feather only originate solely from dead birds
DESIGNERS
6.2 | DESIGNERS
PRINCIPLE 12 | BUSINESSES AND THEIR DESIGNERS MUST WORK ACTIVELY TO ENCOURAGE AND SUPPORT SUSTAINABLE DESIGN AND DESIGN PROCESSES

What
Sustainability considerations should be mandatory for all lifecycle stages when designing a new product. We want to reduce negative environmental and social impacts by having designers rethink every stage of the design process, including concept, material and production choices and sampling and development, as well as consider creative concepts for sale, use and end-of-life of a product, from a sustainable and responsible perspective.

Why
We can no longer afford to ignore the impact on our eco-systems caused by wasteful and destructive design and manufacturing processes that cause harm to both society and nature. By focusing on sustainability and design ethics in the fashion and textile industry, we encourage and support those who lead the way in creating new design processes that satisfy customer demand while fostering more sustainable consumption, as well as reflect the pressing social and environmental needs of the planet.

Learn more
Sustainable design strategies for textile and fashion designers: TED’s TEN developed by Textiles Environment Design (TED)
A design tool to evaluate waste, energy, toxics and water in materials and manufacturing: Nike Environmental Design Tool

How
Encourage designers to be curious about where materials come from and the environmental impact a product creates during its entire lifecycle to ensure responsibility in making design and production choices.

Ensure that the design process, in all its stages follows or exceeds international working and environmental standards.

Consider consumer involvement and culture—ensuring products are created and marketed in a way that reflects diverse, multicultural societies and depict and engage with men, women and children in a positive and healthy way.

Help designers to connect ideas both internally and externally—encouraging the use of open innovation methods—to enable and promote systemic change.
MODELS
6.3 | MODELS

PRINCIPLE 13 | BUSINESSES MUST THROUGH THEIR CHOICE AND TREATMENT OF MODELS PROMOTE A HEALTHY LIFE STYLE AND HEALTHY BODY IDEALS, AND THE MODELS’ MINIMUM AGE MUST BE 16 DURING FASHION WEEKS AND OTHER OCCASIONS WHERE THE WORKLOAD IS EXCESSIVE

What
The fashion industry has often been blamed for promoting a body image ideal of extreme thinness, eating disorders and poor body image among people whose bodies do not conform to the idealised image. We are aware of the impact of the fashion industry on body image ideals, especially among young people. Consequently we work towards promoting a healthy life style in relation to food, body and exercise. We only use models over the age of 16 for shows during fashion weeks and we secure a healthy working environment by providing wholesome and nourishing food at photo shoots and shows.

Why
The health and working conditions of models are part of securing a sustainable business. Therefore we take care of the models’ welfare. By promoting a healthy life style among our employees and other business relations, we contribute to building a credible and sustainable brand.

Learn more
Children under 18 years and relation to business and human rights: “Children's Rights and Business Principles” by Save the Children, UNICEF and UN Global Compact
Securing a healthy working environment for models: “Danish Fashion Ethical Charter”, by Danish Fashion Institute and Danish National Society Against Eating Disorders and Self-Mutilation

How
Support a healthy way of living for models, whose livelihood depends on their bodies and looks. Help them to live healthily, sleep regularly, eat right and exercise.

Be attentive to the influence of the fashion industry on body image ideals, especially with younger people.

Provide wholesome and nourishing food at photo shoots and shows.

Ensure close contact with the family as well as written consent prior to shows if a model is under the age of 16.

Ensure access to information on eating disorders and risk behaviour as well as advice on how to spot symptoms in someone suspected of having an eating disorder.

Work together with partners who offer anonymous, prompt and professional assistance for anyone suffering from an eating disorder of any kind.
TRANSPARENCY
6.4 | TRANSPARENCY
PRINCIPLE 14 | BUSINESSES MUST WORK TOWARDS TRANSPARENCY IN THEIR SUPPLY CHAIN

What
We see the importance of being able to track and measure all parts of the process of a product. From sourcing to the consumer, a product is not only defined by its end use, but also by its root and route to the end customer. We support strong, well-defined supply chain transparency as a methodology for brands, retailers and customers to understand how products come into existence and their social and environmental impacts. We believe that being on the forefront of both national regulations and international standards and laws raises the bar and creates benchmarking possibilities and market opportunities.

Why
Multiple stakeholders such as civil society, governments and industry pay continuously more attention to the environmental and social concerns created by a product. Retailers seek additional and specific assurances from their suppliers with respect to environmental and societal impacts and they demand certifications as well as the right to verify them in order to be able to truthfully state that all steps requiring disclosure have been taken. NICE regards transparency throughout the entire supply chain as an important tool for companies addressing the concerns about their surroundings, which also includes the public as a whole. Quality control, product liability and reporting allow the possibility of creating a commitment between supplier and seller as well as of creating a product with lesser negative environmental and social impacts. NICE endorses the gradual inclusion of both vendors and subcontractors in order to create a common sustainable and transparent platform.

Learn more
Industry group of leading apparel and footwear brands and manufacturers and the Sustainable Apparel Index: The Sustainable Apparel Coalition
The European outdoor clothing industry and the Eco-Index: European Outdoor Group
International corruption and bribery analysis organisation: Transparency International
OECD Guidelines for Multinational Enterprises (sec.3, art. 34)

How
Engage in verification of product supply chains to identify and address the risks of environmental and societal impact
Conduct audits of suppliers to evaluate their compliance with company standards
Require direct suppliers to certify that the materials incorporated into the product comply with the laws and international labour and environmental standards
Maintain internal accountability standards and procedures for employees or contractors or suppliers that fail to meet company standards with international environmental and labour standards
Provide training for employees and management who have direct responsibility for supply chain management, and training on mitigating risks within the supply chain

Supply chain transparency is created through a disclosure of suppliers and subcontractors. By creating a visible and traceable public list of suppliers and subcontractors, it is possible to track maleficence or breach of any international standards. The disclosure of subcontractors and suppliers will furthermore create a closer relationship with stakeholders and also ensure a higher level of trust from business partners and other suppliers.

The disclosure of subcontractors and suppliers, furthermore, creates a better overview of the business process and stages that the product goes through and will ease reporting and coherence to international standards and codes of conduct

Issue an annual Communication on Progress, a public disclosure to stakeholders (e.g., investors, consumers, civil society and Governments) on progress made in implementing transparency goals.
JEWELLERY
6.5 | JEWELLERY

PRINCIPLE 15 | BUSINESSES MUST WORK TOWARDS A STRONGER COMMITMENT BETWEEN RETAILERS, SUPPLIERS AND SUBCONTRACTORS TO REINFORCE THE DEVELOPMENT OF A SECURE MINING INDUSTRY

What
We do not support any potentially harmful ways of mining and extracting precious metals and gemstones. We respect the international standards of the field and recommend upholding working standards and human rights to avoid the exploitation of miners. We support and recommend the Kimberley Process Certification Scheme (2003) as a way to push the (diamond) industry forward when it comes to preventing conflict diamonds from entering the diamond supply chain. We require suppliers to certify that diamonds are sourced in accordance with prevailing standards.

Why
The mining and production of precious metals and gemstones takes a strong toll on nature. With the tremendous profits that stand to be made, there is the risk that mine owners will exploit workers. Furthermore, so called blood diamonds or conflict diamonds threaten the making of a responsible business. Conflict diamonds are mined in war zones and often sold to finance the activity of a warlord or a violent group. NICE recommends doing the utmost to eliminate the market for that kind of business, out of respect for the victims of the conflict and because of the fact that only by advancing responsible and sustainable business processes within the extraction and mining of precious metals and gemstones can we face our customers and create a viable business in the fashion industry.

Learn more:
The Responsible Jewellery Council’s Principles and Code of Practices
ILO Convention No.176 on Safety and Health in Mines
OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

How
Work with suppliers who adhere to the Kimberley Process Certification System and the world Diamond Council voluntary system of warranties.

Benchmark your performance with the highest industry standards available through collaborative efforts such as the Responsible Jewellery Council

Work actively to support the identification of responsibly-sourced jewellery materials produced, processed and traded through the jewellery supply chain through Chain-of-Custody standards

Conduct due diligence to support conflict-sensitive and responsible sourcing practices
7.0 | MONITORING AND EVALUATION
MONITORING AND EVALUATION
MONITORING AND EVALUATION
TRANSPARENCY IS KEY TO ENSURING CREDIBILITY AMONG STAKEHOLDERS AND KEEPING YOUR OWN COMPANY COMMITTED TO RESPONSIBILITY. HENCE, YOU NEED TO MONITOR AND EVALUATE SUPPLIER COMPLIANCE WITH THE NICE CODE OF CONDUCT.
MONITORING AND EVALUATION
**7.0 | MONITORING AND EVALUATION**

**PRINCIPLE 16 | ALL BUSINESSES INVOLVED MUST AT ALL TIMES BE OPEN AND ACCESSIBLE FOR ANNOUNCED, SEMI-ANNOUNCED AND UNANNOUNCED AUDITS FOR MONITORING AND EVALUATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

**What**
Through monitoring and evaluation your company develops an ability to measure, monitor and interpret its impacts and progress toward the defined goals. The monitoring and evaluation process sets out and describes the appropriate tools and the knowledge and the qualifications necessary to conduct audits and to make suitable action plans in case a supplier does not meet the requirements of a responsible supply chain.

**Why**
Monitoring is necessary, not only to create a durable production and business relationship, but also to ensure the transparency and credibility expected by consumers. Different settings, different companies and different types of suppliers foster different setups in regard to monitoring and evaluating. Smaller companies need a simple setup, while large companies require a more complex approach. All companies have a starting point from which efforts can become more advanced over time. No matter the size of the company, though, without support from the top management, responsible supplier management will never be an embedded part of the business, and other goals (like savings, prices, delivery schedules etc.) will always take precedence during critical periods.

**How**
Clearly define internal roles and responsibilities
It is the responsibility of top management to ensure that appropriate resources are available for working with responsible supply chain management. The practical responsibility should lie among employees that have responsibility for production issues in the supply chain, e.g. the production manager, quality manager or purchasing manager. If the practical responsibility is placed in the purchasing department, special attention should be paid to the inherent risk that of responsible supply chain management requirements do not conflict with the aim of securing cheap or quick deliveries. Your purchasers can potentially face tricky situations, hence clear guidelines and management support are necessary.

Integrate responsible supply chain management in the daily work
If you have procedures for systematically evaluating suppliers on quality, prices, delivery etc., incorporating procedures for responsible supply chain management in the existing system is advantageous. It allows the integration of responsible supply chain management into daily work procedures and avoids the necessity of having two different systems against which to evaluate suppliers. The better the responsibility is integrated across the organisation, the stronger it is anchored.

Define the appropriate level for monitoring and evaluation
At all levels a successful responsible supply chain setup consists of several building blocks. Considering the complexity of your company and its risk appetite you can act on different levels starting with very little or no engagement and ending in forming partnerships with selected suppliers.

- **Basic level**: The NICE Code of Conduct is used as an amendment to the current contract or CSR clauses are included in supplier contracts, possibly supplemented with purchasers/quality staff/others being trained to look for environmental, social and ethical conditions when visiting suppliers for other purposes.

- **High level**: You work more systematically with responsible supply chain management. For the most important suppliers, based on a risk assessment, self-assessment requirements are included, as well as internal audits with follow-up action plans.

- **Advanced**: The most advanced approach, includes third party audits of suppliers and possibly partnerships with selected suppliers.
Basic level
— Include CSR clauses or the NICE Code of Conduct in supplier contracts and begin working towards integrating the NICE Code of Conduct in all contracts as an amendment.
— Make informal audits when suppliers are visited for other reasons, e.g. in connection with price negotiations and quality inspections. Equip the person who performs the visit with simple checklists (see below) in order to evaluate supplier performance against the NICE Code of Conduct.

High level
— Make a detailed mapping of all suppliers in order to be able to assess them in accordance with their specific risk level. Operating in the fashion industry typically means manoeuvring in high risk countries. As a result, using the Human Rights and Business country risk analysis (Danish Institute for Human Rights) or the World Bank’s publicly available country analysis is advantageous. When faced with many suppliers or a complex supplier base, it is important to prioritise efforts and to work in a structured way to systematically raise the standard where it is likely to be low. If you have multiple suppliers then focus initially on the ones with the highest overall risk.
— When your supply chain management programme has been established you can use the following generic risk matrix to determine whether it will be sufficient for the supplier to sign the NICE Code of Conduct or whether you will also audit suppliers regularly. When designing the audit programme you will need to determine how much commitment and willingness to work with different suppliers your company has.
High and advanced level

- Send out a self-evaluation questionnaire, partly to get an initial knowledge of the supplier’s performance level within CSR, and partly to point out to the requirements in the NICE Code of Conduct. The self-evaluation questionnaire should be accompanied by a cover letter that explains the purpose and process of self-evaluation to the supplier. In this self-evaluation questionnaire, suppliers indicate point by point whether they meet the requirements of the NICE Code of Conduct. Or you can choose to replace and/or supplement this questionnaire with a set of open questions, where suppliers are asked to describe how they work with the different areas the NICE Code of Conduct covers. Determining what to do will depend on your preferences and available resources. You should, however, always require the supplier’s top level management to sign the self-evaluation questionnaire.

- Create a good dialogue with suppliers on the purpose of this exercise. It is important that suppliers subsequently perceive the self-evaluation process as part of their long-term relationship with your company.

- Purchasers/quality managers or other specifically allocated personnel can do formal audits solely concentrating on environmental, social and ethical issues, or they can perform the audits as part of e.g. quality reviews. Checklists can also be more sophisticated than is the case at basic level. Both announced and unannounced audits are possible, each of which has various advantages. If you announce the audit, prepare the supplier by explaining which documents you want to see, and what interviews you may would like to do, as well as a general outline of the audit.
Facts
Risks may be influenced by various factors, including spending, country, category and the nature of the transaction, in addition to how critical the supplier is to your business. The more critical the supplier is, the higher the generated overall risk will be. You can divide suppliers into three categories, depending on how critical replacing them is: highly critical means that replacing the supplier would be extremely costly and disruptive; semi-critical means that replacing the supplier is possible but involves a time consuming process; and, finally, less critical means that suppliers can be replaced as necessary. If the supplier is highly critical for your business, top management will need to become involved if NICE Code of Conduct violations are discovered. If this occurs it is important that lower management does not have sole responsibility for the decisions made.

An audit should begin with a meeting with management, where the outline for the audits is reviewed and discussed. It shows that you are open to dialogue and willing to create a good and equal relationship with the supplier. If you do not speak the local language, it is a good idea to bring an interpreter. Besides meeting with management you can also talk to the management representative responsible for implementing the Code of Conduct, a safety representative and employee representative and if possible the local union representative.

Do a review of the supplier premises and the surrounding conditions. During the tour, you can record observations in the checklist, and document with photos, if the supplier permits it.

A useful checklist makes the evaluation more systematic, easier and more straightforward. The checklist should correspond to the checkpoints (the how’s) of the NICE Code of Conduct and provide an opportunity to check answers and record observation as a ready-made tool. This can be designed to make it less complicated for the person that carries out the visit, even without in-depth expertise. Depending on your level of supplier management the checklist can be more or less sophisticated and in depth.

An example from a checklist can be seen here.

<table>
<thead>
<tr>
<th></th>
<th>Stop</th>
<th>High Risk</th>
<th>Medium Risk</th>
<th>Low Risk</th>
<th>No Risk</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the supplier have a labour contract with a copy of the ID card?</td>
<td>The supplier has no documentation and is not willing to obtain it</td>
<td>None or partially missing age documentation</td>
<td>None or partially missing age documentation but promises to obtain it</td>
<td>Age documentation kept for all workers</td>
<td>If you notice someone who seems to be very young ask for age documentation (ID card or the like)</td>
<td></td>
</tr>
<tr>
<td>Does the supplier have child labour (children under 14 who are not attending school)?</td>
<td>The supplier has child labour and refuses change it</td>
<td>Children under the age of 14 are working and not attending school The suppliers are willing to change this</td>
<td>Children under the age of 14 are working but still attending school</td>
<td>Children under the age of 15 are doing light work but still attending school</td>
<td>The supplier must not hastily fire the children. Instead, they must attend school simultaneously, according to national legislation Wages must be maintained at the same level even though this might lead to fewer working hours</td>
<td></td>
</tr>
</tbody>
</table>
The observations during the audit can be categorized with the colors red, yellow and green (or numbers) depending on how critical they are:

- **Dark Red:** major deviations, e.g. specific security issues that must be immediately corrected for you to keep any business with the supplier.
- **Light Red:** Critical deviations, where the supplier has maximum four weeks to rectify.
- **Green:** Less critical deviations, where the supplier will have up to four months to rectify.
- **Medium Green:** Less critical deviations, where you accept the issue but encourage change.
- **Light Green:** No deviations, and best practice examples.

If any yellow or light red deviations are found you should, depending on the level of supply chain management and resources available, in corporation with the supplier write up an action plan in which the supplier sign that he will correct those things that have been agreed upon.

An action plan is a way to make sure that the supplier is willing to implement the needed improvements. Unless the risk is immediate and the supplier refuses to act on it, it is important that you do not simply annul the orders placed with a supplier. This will improve conditions for neither the workers nor the environment.

You should agree with the supplier which issues must be improved and then agree to a follow-up audit to ensure that the issue develops in the right direction. If a supplier does not meet the agreed action plan within the timeframe, a new deadline can be agreed on within reasonable limits. If this period also exceeds, you should be prepared to terminate the contract, which is one of the reasons why top management support is needed.

Be prepared that working with suppliers on improvements can be a lengthy process. Many suppliers may prefer to implement improvement measures at their own pace, and you should tailor the level of requirements to the supplier’s capability within reason. Hence, it becomes evident that knowledge of and sensitivity to local cultures is key to a successful relationship.

**Learn more**

Global tools and country-level projects that focus on solutions that build cooperation between governments, employer and worker organisations and international buyers: Better Work

Self-assessment tool for companies committed to upholding basic social and environmental standards in their operations: The Global Compact Self Assessment Tool

Business-driven programme for the continuous improvement of working and environmental conditions in global supply chains: The Global Social Compliance Programme

Business-driven initiative for companies committed to improving working conditions in the global supply chain: Business Social Compliance Initiative

Corporate standard that focuses on employee and working conditions at the company and its suppliers: SA8000
8.0 | THE NICE CODE OF CONDUCT PRINCIPLES
THE NICE CODE OF CONDUCT PRINCIPLES
HUMAN RIGHTS

PRINCIPLE 1 | BUSINESSES MUST SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS, AND
PRINCIPLE 2 | MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Human rights are universal and belong to everyone equally—regardless of, but not limited to, age, sex, colour, sexual orientation, gender identity, origin, culture, nationality, citizenship, language, religion, ideology, marital status, economic or social condition, type of occupation, degree of education, disability, pregnancy, and/or political or philosophical affiliation.

<COMPANY> condemns violations of all internationally declared human rights, understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. People must be treated with dignity and respect regardless of social status or rank.

The supplier warrants to respect and support and not to violate such internationally declared human rights.

The national laws of the supplier and subcontractors must as a minimum be complied with at all times; this is warranted by the supplier.

In situations where this Code of Conduct (CoC) turns out to be in violation of mandatory national laws of the supplier and subcontractors, the national laws apply, but the supplier must in such case immediately inform <COMPANY> hereof in writing. This applies not only to this appendix but to all the principles and appendices.

The focus should always be on further progress and development. Minimum criteria should not be regarded as optimal objectives.
LABOUR

PRINCIPLE 3 | BUSINESSES MUST UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

PRINCIPLE 4 | THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

The labour force is the foundation of any business. Therefore, a solidly founded and respected labour force ensures a sustainable and long-term viable business. Professional and encouraging leadership is appreciated.

Food, water, toilet/bath and housing facilities
The labour force must have easy access to food (it is recommended and encouraged that the supplier provides at least one free daily meal at work), sanitary food storage and fresh clean potable water, toilet/bath facilities and medical aid. Access hereto shall never be unreasonably withheld.

When the labour force lives/sleeps at the production sites or nearby facilities, such housing facilities must live up to national standards of living facilities.

Preferably, men and women should have separate toilet/bath facilities.

Wages and discrimination
Wages must at least be the minimum as required by national law and business standards—whichever is the higher. Wages above the minimum requirement are encouraged to attract the best and most stable labour force, and wages must—considering the working hours—always be sufficient to meet the basic needs of workers and their families and provide some discretionary income.

Any deductions from wages for disciplinary measures shall not be permitted unless provided for by national law and only in severe and exceptional cases. Deductions shall never constitute an amount that will result in the worker receiving less than minimum wage.

All workers must, prior to employment, be provided with written and easily understandable information about the conditions in respect of wages. On paydays, they must receive an overview of the calculation of the wages for the respective pay period. The supplier shall ensure that wages and benefits are paid on time and rendered in a manner convenient to workers.

Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the supplier are all strictly prohibited.

The supplier warrants to abstain from any discrimination with regard of race, skin colour, religion, political affiliation, sexual orientation, sex, national origin, social rank or status. Discrimination is not only cruel to individuals, minority groups and people in general, but is also a source of unstable social relations, affecting not only businesses but also communities negatively.
**Working hours**

Hours of work shall comply with applicable national laws and business standards. In any event—unless national laws allow otherwise—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 seven-day period. Overtime shall be voluntary and shall—unless national laws allow otherwise—not exceed 12 hours per week, shall not be demanded on a regular basis, and shall always be compensated at a premium rate of wages.

**Working conditions**

A safe and hygienic workplace environment shall be provided, and the best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and any specific hazards. Effective steps shall be implemented to prevent potential accidents and injury to workers’ health and minimise health risks as much as possible.

The supplier shall establish systems to detect, avoid or respond to potential threats to the health and safety of all its workers. It shall investigate work-related accidents and keep records of all such incidents, stating causes and remedial measures taken to prevent similar accidents.

All working stations must at all working times be sufficient with regard to adequate body positioning, lighting, air/ventilation and temperature. The supplier shall provide information about the health and safety standards relevant to their local activities to all their workers in their local language in both written and oral form. The information shall include details on the effects of all substances used in manufacturing processes, on special hazards that tasks or conditions of work involve and the related measures available to protect workers. The supplier shall ensure that all workers receive regular and written health and safety training. It is important that such training is repeated for new and reassigned workers and in cases when accidents have occurred.

All machinery shall be properly maintained and serviced and equipped with proper protection measures.

It is recommended that a doctor or nurse should be available at short notice in case of accidents.

The supplier should pay any costs (not covered by the national social security), which a worker may incur for medical care following an injury during working for the supplier.

We require suppliers to ensure that workers are protected from hazardous working equipment or unsafe factories and/or that the housing facilities are acceptable.

Hazardous chemicals must be stored and handled in a safe and healthy manner at all times.
Emergency exits
All factories and/or housing facilities must have clearly marked exits, and preferably emergency exits on all floors. All exit doors should open outwards and must not be blocked on the inside or the outside by e.g. goods, fabrics and boxes.

If emergency exits are locked for safety reasons or to prevent theft, the keys should be placed behind breakable glass next to the exit doors or otherwise be easily accessible and thus available to all staff at all times.

All workers should be aware of the safety precautions, such as emergency exits, fire extinguishers and first aid equipment. An evacuation plan should be clearly displayed in the factory, the fire alarm should be tested regularly and regular evacuation drills are desirable.

Sufficient fire extinguishers must be available on all floors and an adequate number of workers must be trained in the proper use hereof.

Pregnancy
The supplier shall not subject personnel to pregnancy or virginity tests under any circumstances.

The supplier shall provide a favourable environment to all pregnant workers such as granting six weeks of leave before and after the presumed date of confinement. The worker shall be guaranteed a job that is compatible with her physical condition from the moment she is informed about the pregnancy until 120 days after childbirth. In accordance with ILO Convention No. 183, female workers shall be entitled to half an hour twice a day to nurse the child.

Freedom of association and right to collective bargaining
Workers shall not be required to lodge ‘deposits’ or identity papers upon commencing employment with the company.

The supplier shall ensure that labour-only contracting arrangements and/or false apprenticeship schemes are not used in an attempt to avoid fulfilling its obligations to workers under applicable laws pertaining hereto.

The supplier must acknowledge and uphold the freedom of association and the right to collective bargaining when not restricted by the national laws of the supplier and subcontractors.

The supplier shall, in those situations in which the right to freedom of association and collective bargaining are restricted under law, facilitate parallel means of independent and free association and bargaining for all workers. Worker representatives shall not be subjected to discrimination and shall have access to all workplaces necessary to carry out their representation functions.

Working by free will is essential. The supplier warrants that no part of the labour force or people involved at the premises of the supplier and subcontractors or in other parts of the production line are imposed forced or compulsory labour or trafficking. No fining or severe reductions in any wages are permitted due to mistakes made by the labour force.

The workers must be able to terminate their employment provided that they give a reasonable notice; no personal salary, documents or the like required for leaving, living and/or working must be withheld on any such occasions.
The supplier and subcontractors must comply with the ILO conventions’ recommendations regarding the minimum age for workers, which is generally the maximum age for compulsory schooling and child labour.

Reference on this issue is made to:

UN Convention on the Rights of the Child
ILO Convention No. 138 on Minimum Age
ILO Convention No. 182 Worst Forms of Child Labour

The minimum age is:

Light work (pocket money) 13 years / 12 years in developed / undeveloped countries
Normal non-dangerous work 15 years / 14 years in developed / undeveloped countries
Dangerous work 18 years / 18 years in developed / undeveloped countries.

It is stressed that work performed by a child (under the age of 18) may not in any way be mentally, physically, socially or morally dangerous or harmful to children; shall not interfere with the schooling of children; shall not deprive the children of the opportunity to attend school; shall not oblige the children to leave school prematurely; and shall not require the children to attempt to combine school attendance with excessively long and strenuous work.

The supplier must do its utmost to secure and determine the correct age of the workers employed and such verification must be available in writing for audits.

Use of child labour or young workers (between the age of 15 to 18) in conflict with the above is not allowed and at all times children and young workers must be treated with dignity and respect.

In no way must any use of child labour prohibit the children from receiving proper education and the supplier shall in general do its utmost to train and educate the children in order to become a useful part of the labour force upon reaching adulthood.

There shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour.

Should child labour in conflict with the above be detected, the supplier is requested to make sure that the proper measures in the child’s best interest are taken. <COMPANY> must be informed, and in cooperation with the supplier, a satisfactory solution taking into consideration the child’s age, social situation, education etc. must be found. Any measures taken should always aim to improve, not worsen, each individual child’s situation and proper education of the child should always be the aim.

If children are to be replaced because they are carrying out improper work then their wages shall not be reduced and if possible a member of the child’s family shall be offered the job position. This is in order to secure a stable private economy for the child and its family.

<COMPANY> reserves the right to involve local or international organisations, non-governmental organisations and the like with the purpose of securing the child’s future.

Please consult the table below based on “Designation of employees in a typical composites factory” from the Child Labour Toolkit developed by Save the Children Denmark and the Danish Federation of SMEs. The table is to be used only as a guideline to determine the character of the work. Please note that the terms may not be generally known in the industry.
Home worker
A home worker can be defined as a person who is contracted by a company or a supplier, sub-supplier or subcontractor, but does not work in the factory or at the factory area.

Where the supplier employs and/or with subcontractors handles workers who are classified as home workers, the supplier shall ensure that such home workers are afforded a level protection similar to that afforded to directly employed personnel under the requirements of this CoC.

The supplier shall ensure that the requirements of the purchasing contract are listed in the contract in writing and then read and understood by the home workers. The supplier shall also maintain records on identity, quantities and hours worked by each home worker.

Classification of work

<table>
<thead>
<tr>
<th>Department/Section</th>
<th>Designation</th>
<th>Suitable</th>
<th>Suitable under supervision</th>
<th>Not suitable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dyeing Section</td>
<td>All positions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanical Section</td>
<td>Assistant for Plumber</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assistant for Fitter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knitting Section</td>
<td>Helper for Operator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Helper for Q.C.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cutting Section</td>
<td>Out Put man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finishing Section</td>
<td>Poly man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tag man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Carton man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assistant for Q.C.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assort man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Iron man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Supervisor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewing Section</td>
<td>Helper</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Plain Machine Operator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Side man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lock man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Scissor man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assistant for Q.C.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semple Section</td>
<td>Assistant for Sample man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Printing Section</td>
<td>Assistant for Cutting man</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assistant for Printer</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on “Designation of employees in a typical composites factory”

- [ ] Work which is acceptable for children and young people
- [ ] Work where caution must be employed
- [ ] Unacceptable and harmful work that needs to be stopped
The supplier warrants that national environmental laws and regulations are complied with at all times.

Environmental thinking and internal initiatives should be an integrated part of the management planning.

There must be continuous and written documented work toward a cleaner and more environmentally friendly production process, in order to secure a minimisation of negative consequences for the environment.

A poor environment creates poor living and working conditions. This can cause irreversible and severe damage to the local community and the labour force and, within a short period of time, harm the suppliers’ and subcontractors’ business.

From the reception of this CoC, the supplier must submit to <COMPANY> an outline of the apparent negative environmental consequences that present production represents, and which actions can and are expected to be initiated. Every 12 months a written report concerning the status and planning for a cleaner production process must be submitted to <COMPANY>.

The supplier should set up a list of all chemicals that are used in its processes. This list shall contain data describing what all chemicals are being used for and their respective environmental impact. Workers working with hazardous chemicals should be informed about the risks and should be trained for such work. Furthermore, this kind of work must be voluntary. <COMPANY> will work actively to replace all hazardous chemicals.

Implement clean technologies
<COMPANY> will strive to recycle water and heat and implement water saving equipment. In order to improve this, <COMPANY> will combine processing steps when possible and apply clean processes and rinsing steps as well as adapt low temperature processes.

This can be achieved by e.g. implementing the most recent developments in machinery with low energy and water consumption and biotechnology, which allows for low temperature and combined processing.

Use environmentally friendly auxiliaries
<COMPANY> will work towards lowering its environmental impact and be more efficient in production, including increasing throughput, shortening process time and hereby lowering volumes of auxiliaries with high impact. Furthermore <COMPANY> will lower its toxicity in the atmospheric and aquatic environment and work with readily degradable materials in effluent treatment plants. This is achievable through e.g. environmentally friendly chemicals and biotechnological solutions such as enzymes.

Use environmentally friendly energy sources
<COMPANY> will gradually works towards moving away from fuels with high CO$_2$ emissions towards fuels with low CO$_2$ emissions.
More precisely the environmental standards and issues to be identified, considered and properly handled by the supplier are:

1 **Environmental permits and reporting**
   All required environmental permits (e.g. discharge monitoring) and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

2 **Pollution prevention and resource reduction**
   Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials. Substitute harsh and environmentally polluting chemicals with less impacting chemicals or enzymes.

3 **Hazardous substances**
   Chemical and other materials posing a hazard if released into the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and correct disposal.

4 **Wastewater and solid waste**
   Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required as per national law prior to discharge or disposal. Any discharge or disposal must take place with the highest national standard regarding preserving the environment.

5 **Air and carbon emissions**
   Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterised, monitored, controlled and treated as required as per national law prior to discharge.

6 **Product content restrictions**
   Suppliers are to adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances, including labelling laws and regulations for recycling and disposal. Suppliers are also to adhere to processes to comply with each agreed-upon customer-specific restricted and hazardous materials list. It is to be expected that any delivered goods must comply with the international standards as to chemical contents and the like allowed and the supplier warrants such compliance.
<COMPANY> recognises that corruption, including extortion, facilitation payments and bribery, in some countries are considered normal and have been found to be necessary to secure a firm and continuing running business.

However the supplier and subcontractors must strive toward a business where corruption is eliminated—hence no bribery, improper gifts or the like can be offered or accepted.

The supplier shall take initiatives and actions in response to incidents of corruption.

The supplier (and subcontractors) must inform <COMPANY> in writing of any corruption and bribery activities that they are involved in because they feel pressured to do so and/or in order to handle the orders for <COMPANY>. Such information must if possible be submitted prior to accepting the behaviour or demand.

The highest standards of integrity are to be expected in all business interactions.

In general, any and all forms of corruption, extortion and embezzlement are strictly prohibited and the supplier must understand that such activities may result in immediate termination of the business relationship, communication to relevant authorities and organisations, as well as legal action.
No animal must deliberately be harmed or exposed to pain. Taking the lives of animals must at all times be conducted by trained personnel using the quickest and least painful and non-traumatic methods available. These must be approved by trained veterinarians and conducted by competent personnel.

It is important to recognise and respect that animals have a mind and body, which can be harmed due to wrong, ignorant and brutal treatment.

Using animal products in fashion is a legitimate practice as long as it is recognised that animals are sentient beings. It is the responsibility of humans to ensure that the animals have a “life worth living”.

Production, breeding and keeping of animals shall be conducted professionally and to at least the minimum standards laid down in international standards, ensuring that high standards of welfare have been adhered to and that the best possible science has been used in the drafting of such standards.

Any use of endangered animal species as defined by the Convention on the International Trade in Endangered Species is strictly prohibited and the relevant authorities will immediately be contacted in such regard.

<COMPANY> regards the protection and respect of animals as very important. The supplier and subcontractors warrant that they adopt the same view and stance.

The supplier and subcontractors must submit documentation demonstrating that animals used for fashion have been treated in accordance with welfare standards that are at least equivalent to the provisions made in international standards and that voluntary welfare schemes are also in place where appropriate.
Rethinking consumer culture, sustainable production methods and design are the way of the future for the textile and fashion industry. <COMPANY> strives to make the notion of sustainability mandatory in all aspects of the design process and will work actively to further the innovative agenda where design goes hand in hand with sustainable awareness.

<COMPANY> will strive for the reduction of negative impacts on stakeholders and the environment by designers, rethinking the design process and also applying international social and environmental standards into the outcome.

<COMPANY> will actively engage in ensuring that its designs in no way cause harm to either society or nature and will apply the concept of sustainability in its initial design phase.
MODELS

PRINCIPLE 13 | BUSINESSES MUST THROUGH THEIR CHOICE AND TREATMENT OF MODELS PROMOTE A HEALTHY LIFE STYLE AND HEALTHY BODY IDEALS, AND THE MODELS’ MINIMUM AGE MUST BE 16 DURING FASHION WEEKS AND OTHER OCCASIONS WHERE THE WORKLOAD IS EXCESSIVE

The fashion industry has an important impact on body image and beauty ideals, especially among young people. <COMPANY> works towards promoting a healthy lifestyle in relation to food, body and exercise.

<COMPANY> only uses models over the age of 16 for shows during fashion weeks and secures a healthy working environment by providing wholesome and nourishing food at photo shoots and shows. If a model under the age of 16 is used for a photo shoot or a show, close contact with the family as well as written consents must be secured.

<COMPANY> ensures access to information on eating disorders and risk behaviour as well as advice on how to spot symptoms in someone suspected of having an eating disorder. Furthermore <COMPANY> works together with partners that offer anonymous, prompt and professional assistance for anyone suffering from an eating disorder of any kind.
Tracking and monitoring one’s supply chain is crucial when it comes to sustainable stakeholder management. From cradle to retailer, the supply chain has multiple stakeholder impacts and the end product has affected both nature and society. <COMPANY> identifies the need for a thorough and complete supply chain transparency.

<COMPANY> will actively engage in the verification of product supply chains, conduct audits, require material certification from all important parts of the supply chain, maintain internal accountability standards and provide training for employees on international standards and regulations on the environment, occupational safety and health and workers’ rights.

<COMPANY> will furthermore actively work to acquire relevant certificates and specific assurances on international standards and regulations on the environment, occupational safety and health and workers’ rights from all major tiers in the supply chain in order to show mutual commitment.

The supplier should always disclose to relevant stakeholders if any breach of standards, regulations or UN recommendations has occurred in its own supply chain.

<COMPANY> defines transparency as a one-sided approach and believes that disclosure and mutual trust between suppliers and retailers is the way forward and should always be a cornerstone in any supplier/buyer relationship.
JEWELLERY

PRINCIPLE 15 | BUSINESSES MUST WORK TOWARDS A STRONGER COMMITMENT BETWEEN RETAILERS, SUPPLIERS AND SUBCONTRACTORS TO REINFORCE THE DEVELOPMENT OF A SECURE MINING INDUSTRY

Precious metals and gemstones are an important part of the fashion industry.

Mining and extracting precious metals and gemstones can cause harmful damage to both people and nature. Respecting and protecting both is crucial for a sustainable and responsible jewellery industry.

The rights of workers must be secured throughout the entire production process and also be aligned with both international and national standards. The need for a stronger commitment between retailers, suppliers and subcontractors is important for the development of a secure mining industry, which promotes environmental and societal concerns and guarantees a sustainable responsible jewellery industry.

<COMPANY> regards international labour standards, occupational safety, and health and environmental standards as a necessary industry component. The supplier, manufacturer and retailer should always follow these standards and should apply the Kimberley Process Certification Scheme as a standard methodology to ensure the avoidance of malfeasance in the supply chain of diamonds.

<COMPANY> supports the overall advancement of a responsible business process that pushes for a transparent supply chain in which warranting and labelling diamonds and other gemstones is demanded. This will ensure that conflict diamonds and other precious metals and gemstones do not come from mines applying forced labour or child labour or that harm the environment.
MONITORING AND EVALUATION
PRINCIPLE 16 | ALL BUSINESSES INVOLVED MUST AT ALL TIMES BE OPEN AND ACCESSIBLE FOR ANNOUNCED, SEMI-ANNOUNCED AND UNANNOUNCED AUDITS FOR MONITORING AND EVALUATION OF COMPLIANCE WITH THE NICE CODE OF CONDUCT

<COMPANY> needs to monitor and evaluate and secure the supplier’s compliance with this Code of Conduct. Such monitoring is necessary not only in order to secure a durable production and business relationship between the <COMPANY> and the supplier, but also in order to ensure transparency and credibility expected by the consumers, customers and stakeholders in general of <COMPANY>.

It is expected that audits will be conducted by all relevant parties with respect and in a friendly tone.

The supplier must in writing provide <COMPANY> with addresses of all production and work facilities (including those of the subcontractors) and report any changes herein immediately. This includes names and addresses of any subcontractors involved at any given order.

The supplier warrants that <COMPANY> and/or its representatives (external audit companies, etc.) can at all times—announced, semi-announced or unannounced—be given full access to the premises (including relevant documents requested) and surroundings of the supplier and subcontractors.

The supplier will at all times let <COMPANY> and/or its representative walk freely at supplier premises and be open to dialogue with management at the supplier. Furthermore the supplier will let workers be interviewed by <COMPANY> and/or its representatives without having any negative reproctions for the workers.

The supplier agrees and accepts that this is also to the benefit of the supplier’s own business, and will do the utmost to assist and help <COMPANY> and/or its representatives in such audits and at all times to work toward better conditions.

The supplier will upon completion and evaluation of each audit receive a report of the findings,) and where applicable also an action plan to which the supplier must comply accordingly given the agreed timeframes.

Failure to comply with this CoC may ultimately lead to annullment of all orders placed with the supplier. However, <COMPANY> will engage in positive discussions and constructive dialogue toward future compliance and, when such actions are reciprocated in will and doings, the business relationship will most likely be preserved and continued.

<COMPANY> is allowed to report and alert the relevant national industry organisation of the <COMPANY> and/or supplier of any failure to comply. Such organisations may choose to publish such information to its member companies or other relevant third parties.

A self-evaluation questionnaire or the like may be handed out from time to time to the supplier and subcontractors and, in such cases, it must be truthfully filled out and returned to <COMPANY> or its representatives.

ATTENTION is brought to the fact that this CoC aims to secure a fair situation for all businesses, people, and animals involved as <COMPANY> believes that this serves a viable and respectful purpose.
9.0
THE NICE REFERENCE
REFERENCE LIST
**Amnesty International**
Amnesty International is a global movement of more than 3 million supporters, members and activists in more than 150 countries and territories who campaign to end grave human rights abuses.  
www.amnesty.org

**Better Work**
Better Work is a unique partnership programme between the International Labour Organization (ILO) and the International Finance Corporation (IFC). Launched in February 2007, the programme aims to improve both compliance with labor standards and competitiveness in global supply chains.  
www.betterwork.org

**Business Social Compliance Initiative (BSCI)**
BSCI is a leading business-driven initiative for companies committed to improving working conditions in the global supply chain.  
www.bsci-intl.org

**Danish Institute for Human Rights (DIHR)**
The centre's website provides information about the organisation's activities and also brings news about human rights issues.  
www.humanrights.dk

**Fashion and textile standards and labelling schemes**
The Ecotextile Labelling Guide offers an overview of the different textile labels and standards.  
www.ecotextilelabels.com

**European Outdoor Group**
The European Outdoor Group is an association set up to represent the common interests of the European outdoor industry.  
www.europeanoutdoorgroup.com

**Ethical Trading Initiatives**
Ethical Trading Initiatives are national alliances of companies, trade unions and voluntary organisations. They work jointly to improve the lives of poor and vulnerable workers across the globe who make or grow consumer goods—everything from tea to t-shirts, flowers to footballs.  
www.dieh.dk  
www.ethicaltrade.org  
www.etiskhandel.no

**The Global Compact Self-Assessment tool**
The Global Compact Self Assessment Tool is designed for companies committed to upholding basic social and environmental standards in their operations.  
www.globalcompactselfassessment.org

**The Global Social Compliance Programme**
The Global Social Compliance Programme is a business-driven programme for the continuous improvement of working and environmental conditions in global supply chains.  
www.gscpnet.com

**International Organization for Standardization (ISO)**
ISO is the world's largest developer and publisher of international standards. ISO is a network of the national standards institutes of 163 countries, one member per country, with a central secretariat in Geneva, Switzerland, that coordinates the system. ISO is a non-governmental organisation that forms a bridge between the public and private sectors.  
www.iso.org

**The International Labour Organization (ILO)**
A UN agency that brings together governments, employers and workers to promote decent working conditions for all.  
www.ilo.org
The International Occupational Safety and Health Information Centre (CIS)
The major objective of CIS is to be a worldwide service dedicated to the collection and dissemination of information on the prevention of occupational accidents and diseases.
www.ilocis.org

The Organisation for Economic Co-operation and Development (OECD)
An international organisation that helps governments tackle the economic, social and governance challenges of a globalised economy by publishing comparative statistics and annual outlooks as well as by providing a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.
www.oecd.org

Responsible Jewellery Council
The Responsible Jewellery Council is an international not-for-profit organisation bringing together over 360 member companies across the jewellery supply chain.
www.responsiblejewellery.com

Save the Children
Save the Children is the world’s leading independent organisation for children
www.savethechildren.org

Social Accountability 8000 (SA 8000)
SA 8000 is a corporate standard that focuses on employee and working conditions at the company and its suppliers. The standard is based on selected ILO conventions and the UN Human Rights and Children’s Convention.
www.sa-intl.org

Sustainable Apparel Coalition
The Sustainable Apparel Coalition is an industry-wide group of leading apparel and footwear brands, retailers, manufacturers, non-governmental organisations, academic experts and the United States Environmental Protection Agency working to reduce the environmental and social impacts of apparel and footwear products around the world.
www.apparelcoalition.org

Textile Futures Research Centre
Textile related research centre that explores the issue of how a more sustainable future is enabled by textiles. The centre is comprised of researchers from Central Saint Martins College of Art and Design and Chelsea College of Art and Design, at the University of the Arts London.
www.arts.ac.uk/tfrg
www.tedresearch.net

Transparency International
A global coalition against corruption
www.transparency.org

United Nations (UN)
An international organisation committed to maintaining international peace and security, developing friendly relations among nations and promoting social progress, better living standards and human rights.
www.un.org

United Nations Global Compact (UNGC)
A UN-based strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.
www.unglobalcompact.org
United Nations Economic Commission for Europe (UNECE)
UNECE’s major aim is to promote pan-European economic integration. To do so, it brings together 56 countries located in the European Union, non-EU Western and Eastern Europe, South-East Europe, the Commonwealth of Independent States (CIS) and North America.
www.unece.org

United Nations Children’s Fund (UNICEF)
Works for children’s rights, their survival, development and protection, guided by the Convention on the Rights of the Child.
www.unicef.org

United Nations Water (UN Water)
UN Water is the inter-agency mechanism that promotes coherence in, and coordination of, UN system actions aimed at the implementation of the agenda defined by the Millennium Declaration and the World Summit on Sustainable Development as it relates to its scope of work.
www.unwater.org

United Nations Office of the High Commissioner for Human Rights (UNOHCHR)
UNOHCHR represents the world’s commitment to universal ideals of human dignity. The organisation has a unique mandate from the international community to promote and protect all human rights.
www.ohchr.org

UN Guiding Principles on Business and Human Rights
The Guiding Principles for Business and Human Rights outline how states and businesses should implement the UN “Protect, Respect and Remedy” framework in order to better manage business and human rights challenges.
www.business-humanrights.org

World Bank
The World Bank is a vital source of financial and technical assistance for developing countries around the world.
www.worldbank.org
The NICE Code of Conduct and Manual

This publication includes the NICE Code of Conduct and the NICE Manual, developed for the fashion and textile industry.

The NICE Code of Conduct consists of 16 principles, with the purpose of ensuring an ethical and fair business for all parties involved in the fashion and textile industry. It sets out and describes the ethical principles of the business. The general principles 1-10, from the UN Global Compact are augmented by our additional principles 11-16.

The NICE Manual has been developed to assist fashion and textile companies in upholding the principles put forward in the NICE Code of Conduct. The NICE Manual refers to the principles of the NICE Code of Conduct and includes guidelines on how to ensure continuous improvement toward ethical, responsible and sustainable manufacturing—in relation to the specific challenges and dilemmas of the fashion and textile industry.

We believe that a strong focus on ethical business conduct and compliance to the principles of the NICE Code of Conduct will ultimately benefit all parties involved in the fashion and textile industry.