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# ETHICAL PRINCIPLES

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## Responsible, Fair and Decent

Warburtons is a family business and expects everyone who works with us to share our family values and embrace responsible employment practices.

To make sure that this happens, we have established a set of ethical principles that explains our expectations and provides an objective framework for assessment.

We apply and review these principles ourselves and require all our suppliers, direct and indirect, to do the same.

## Established Codes and Procedures

Warburtons' principles for ethical sourcing are based on the globally recognised Ethical Trading Initiative Base Code, International Labour Organisation conventions and the Universal Declaration of Human Rights, as well as the national laws of the countries where our suppliers operate.

We will continue to work with suppliers to ensure that these principles are maintained.

## Our 10 Principles are:

### 1. Freely chosen employment

Workers must be free to choose their own employment. There must be no slavery, servitude, forced labour or human trafficking.

Workers must not be required to lodge identity papers or 'deposits' with their employers or labour providers, or take out loans as part of their employment agreements, and must be free to leave without penalty after giving reasonable notice.

### 2. Freedom of Association and The Right to Collective Bargaining

Workers should be free to form or join trade unions and have the right to bargain collectively.

Employers should take an open approach to trade unions and their activities, and workers' representatives must be allowed to carry out their roles without discrimination.

Where the law restricts freedom of association and the right to collective bargaining, employers should support the creation of other forms of meaningful worker representation and negotiation on working conditions.

### 3. Safe and Hygienic Working Conditions

A safe and hygienic working environment must be provided and, so far as possible, adequate steps taken to prevent accidents and injury to health.

Workers must be given regular and recorded health and safety training, and this should also be provided for new personnel and workers who are changing jobs.

There must be access to clean toilet facilities, potable water and, where appropriate, sanitary storage for food. Accommodation, where provided, must be clean, safe and meet workers' basic needs. It must be housed separately from production facilities.

Employers must give responsibility for health and safety to a senior management representative and support a 'safety first' culture.

Particular attention must be paid to fire alarms and the safety of buildings, chemicals and machinery, and workers must not be put at risk through excessive hours and inadequate rest periods.

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## 4. No Child Labour

There must be no new recruitment of workers under the age of 15, except where national law imposes a lower minimum age of 14.

Where workers younger than this are found to be working, employers must develop or support programmes to help children attend and remain in quality education.

Young workers under 18 must not be employed at night or in hazardous conditions and all policies and procedures relating to the employment of young workers must conform to International Labour Organization standards.

To ensure that these principles are applied appropriately, all workers must provide valid identification documents to verify their age.

## 5. Living Wages

As a minimum, wages paid for a normal working week should meet national legal standards.

Workers should be given understandable written information about wages and working conditions before they start their employment, along with details of how their wages are calculated and paid.

Deductions from wages, not provided for by law, cannot be made without the express permission of the worker concerned.

Excessive fines or penalties must not be imposed and all disciplinary measures should be recorded.

## 6. Reasonable Working Hours

Working hours should comply with national laws.

Workers should not be required to work more than 48 hours a week on a regular basis and must be given, on average, at least one day off in every seven.

Overtime (time worked in addition to the worker's normal working hours) should be voluntary and should be compliant with national laws.

Managers should honestly record hours worked for both hourly and piece-rate workers and employers should be prepared to make these records available to Warburtons or their appointed representatives.

## 7. No Discrimination

There must be no discrimination in recruitment, pay, training, promotion, termination of employment or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, trade union membership or political affiliation.

## 8. No Harsh or Inhumane Treatment

Physical discipline or abuse, the threat of physical abuse, verbal abuse, sexual or other forms of harassment or intimidation is never to be permitted.

## 9. Regular Employment

Wherever possible, all work should be on the basis of recognised employment relationships established through national law.

Obligations to workers under laws and regulations should not be avoided through the use of labour-only contracts, sub-contracting, home-working arrangements, apprenticeships where there is no intention to provide skills training or regular employment, or through excessive use of fixed-term contracts.

## 10. Agency Workers' Rights

Agency workers shall be treated in line with national laws and must be treated with fairness and respect at all times.

Where necessary, the agencies used to supply workers must be certified by the relevant national, regional or industry body.

All agencies must be engaged under terms which outline the basic agreement, responsibilities and obligations on both sides.

## Ethical Responsibility

Responsibility for Warburtons ethical principles and performance lies with our Management Board. It is delegated operationally throughout the business's line management structure.

Warburtons reserve the right to change these principles at any time.

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