

## 1. SCOPE

The Ethical Trading Initiative Policy expresses the lawful and moral conditions under which CPI UK trades and applies to all CPI UK employees.

## 2. MANAGEMENT RESPONSIBILITY

### 2.1 Management Commitment

The Management of CPI UK are committed to meeting the requirements of all relevant UK, EC & EEC Legislation & Directives relating to the human rights of its workforce and will continue to demonstrate their commitment through this policy and the group HR/HSE policies.

The commitment extends to the ETI base code and is verified through the SMETA auditing process. The Ethical Trading Policy will be reviewed by the Tanya Dunbar (MD) with the executive and Divisional General Managers. The enforcement of this policy is the responsibility of all employees but will be overseen by the Group HR and businesses General Manager.

The commitment is contained within:

- The ETI policy.
- HR policies.
- Health and Safety Policy and procedures.
- Environmental policy and procedures.
- The company induction.
- Internal movement plans
- Posting of a statement of Ethical Trading Policy.
- Internal engagement processes and systems.

## 3. ETHICAL TRADING POLICY AND GUIDELINES

### 3.1 Ethical Trading Policy

As an indication of the commitment of the Management of CPI UK, this Ethical Trading Policy has been drawn up to provide a framework to aid the achievement of our ethical goals. All efforts are made to ensure this policy is communicated and understood within our organisation and the policy is reviewed regularly to ensure its continued suitability.

### 3.2 Fair Trading

All raw materials used in our processes are sourced in an open market from reputable suppliers. CPI UK does not take part in any activities which enforce prime material producers to operate under restrictive pricing or trading practices which could affect their livelihood.

Suppliers of all materials used in our processes are audited either directly or by questionnaire.

Materials are only purchased from suppliers on our approved supplier list.

CPI UK never knowingly trades with organizations that operate unethical practices.

### **3.3 Protection of Children**

No children under the age of 16 are employed by CPI UK and as such we enforce the "right to work" as per the Immigration, Asylum and Nationality Act.

Young workers applying for employment of an age between 16 and under 18 will be subject to an offer being made be subject to the appropriate "young workers" risk assessment and related provisions, which will include 30-minute rest breaks, max 40-hour week and restricted hours of work; as per the WTD.

Children under the age of 18 and still in full time education may be offered work experience as part of a recognized education scheme. In such cases they are not bound to the company in any way and attend the work place by their own free will decision.

### **3.4 Health & Safety and Working Conditions**

Management are committed to the Health & Safety of all employees. A Health and Safety Committee comprising of representatives of all areas of the factory meets regularly.

Risk Assessments are carried out at regular intervals and/or following any major change to the work environment. Action is taken to reduce risks identified in Risk Assessments wherever it is practical to do so.

### **3.5 Equal Opportunities**

CPI UK operates an equal opportunities policy that ensures there is no employment discrimination on grounds of sex, race, or religious, ethnic or social groupings. This is also contained within the group "Equality Policy"

### **3.6 Freedom of Association**

The Unite Union is recognized at CPI UK as a negotiation body representing the interests of a large proportion of the workforce.

Employees are free to join any trade or craft unions or associations of their choosing.

### **3.7 Remuneration**

Employees are remunerated in line with, or above, industry standards, minimum wage and living wage. Changes to pay and/or conditions of employment are made only after discussion with appropriate bodies representing the interests of the workforce and or the employee. All changes are authorised by the senior team and confirmed in writing with the employee.

All employees are given holiday in line with or above their statutory entitlement and basic work hours in compliance with the European Work Time Directive.

Although overtime agreements may be made with the workforce collectively, no individual employee is required by company policy to work more than the maximum hours set out in the European Work Time Directive, however all overtime is voluntary.

## **4. ETHICAL TRADING GUIDELINES**

### **4.1 Ethical Trading Initiative (ETI) Base Code**

In addition to the above CPI UK are committed to comply with the Ethical Trading Initiative (ETI) Base Code encompassing the following:

1. Employment is Freely Chosen.

- There is no forced, bonded or involuntary labour
- Workers are not required to lodge “deposits” or their identity papers with their employers and are free to leave their employer after reasonable notice.

**2. Freedom of Association and Right to Collective Bargaining are Respected.**

- Workers, without distinction, have the right to join or form a trade union of their own choosing and to bargain collectively.
- The employer adopts an open attitude towards the activities of trade unions and their organizational activities.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right of freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder the development of parallel means for independent and free association and bargaining.

**3. Working Conditions are Safe and Hygienic**

- A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of
- any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of associated or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable water, and if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.
- The company observing the code shall assign responsibility for health and safety to a senior management representative.

**4. Child Labour Shall Not be Used**

- There shall be no new recruitment of child labour
- Companies shall develop or participate in and contribute to policies and programs which provide for the transition of any child found to be performing child labour to enable him or her to attend and remain in quality education until no longer a child; “child” and “child labour” being defined in the appendices.
- Children and young persons under the age of 18 shall not be employed at night or in hazardous conditions.
- These policies and procedures shall conform to the provisions of the relevant ILO standards.

**5. Living Wages are Paid**

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always meet basic needs and to provide some discretionary income.

- All workers shall be provided with written and understandable information about their employment conditions in respect of wages before they enter employment and about particulars of their wages for the pay period concerned each time they are paid.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

**6. Working Hours are Not Excessive**

- Working laws comply with national laws and benchmark industry standards, whichever affords greater protection.
- In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off every 7-day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

**7. No Discrimination is Practiced**

- There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

**8. Regular Employment is Provided**

- To every extent possible work performed must be on a basis of recognised employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

**9. No Harsh or Inhumane Treatment is allowed.**

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
- *The provision of this code constitutes minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying this code are expected to comply with the national and other applicable law and, where the provision of law and where the provisions of law and the base code address the same subject, to apply that provisions which affords the greater protection.*

## 6. APPENDIX 1

### **ETHICAL TRADING POLICY STATEMENT**

**CPI (UK) Group are committed to meeting the requirements of all relevant UK, EC & EEC Legislation & Directives relating to the human rights of its workforce.**

As a demonstration of this commitment CPI UK operates with an Ethical Trading Policy encompassing the following principles:

- Fair Trading
- Protection of Children
- Health & Safety and Good Working Conditions
- Equal Opportunities
- Freedom of Association
- Remuneration in Line with National Standards.

In addition to the above CPI UK are committed to comply with the Ethical Trading Initiative (ETI) Base Code encompassing the following

- Employment is Freely Chosen
- Freedom of Association and Right to Collective Bargaining are Respected
- Working Conditions are Safe and Hygienic
- Child Labour Shall Not be Used
- Living Wages are Paid
- Working Hours are Not Excessive Issue
- No Discrimination is Practiced
- Regular Employment is Provided
- No Harsh or Inhumane Treatment is Allowed.

**Authorised Tanya Dunbar**  
**CPI UK Director.**