

WFSGI CODE OF CONDUCT

GUIDING PRINCIPLES

APPROVED BY THE WFSGI GENERAL ASSEMBLY
IN MUNICH, GERMANY, ON 23RD JANUARY 2016





INTRODUCTION

The World Federation of the Sporting Goods Industry (WFSGI) was formed in 1978 to promote the world's sporting activities, to standardise the size of equipment and the rules of sport, to improve the standards of quality for sporting goods and to promote responsible and sustainable practices in sporting goods internationally. Today the WFSGI consists of a diverse global membership including brands, manufacturers, retailers and national & regional sports federations ("members").

The ideals of the WFSGI are the ideals of sport, and the organisation seeks to promote fairness, honesty, mutual understanding and high ethical standards. WFSGI is committed to fostering a sports industry in which members actively build business partnerships with those who share the values of sport and take responsibility for making the values real through active engagement.

WFSGI members recognize the important role they play in the global economy and their influence on the social and economic conditions under which sporting goods are produced. That influence is exercised both through their actions as employers, and, far more profoundly, through their decisions as customers of companies that serve as suppliers of goods and services ("suppliers").

For the purpose of this Code "employer" refers to both members and suppliers when they are responsible for employees.

The Principles of the WFSGI Code of Conduct are based on relevant Conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights and internationally accepted occupational health and safety standards.

The purpose of the Code is to guide WFSGI members in the standards and practices expected in the workplaces that they operate or contract from.

WFSGI also acknowledges that companies operate under different legal, economic, social and cultural environments and these differences merit understanding and respect. Never the less, the WFSGI Code of Conduct applies to all WFSGI members, their suppliers and any authorised sub-contractors involved in the production process.

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I. LEGAL COMPLIANCE

Member companies and their suppliers must operate in full compliance with national and local laws, rules and regulations relevant to their business operations including but not restricted to employment, environment and health and safety.

II. WORKING CONDITIONS

Local industry standards should prevail when higher than the local legal requirements. In countries where the legal requirements fall short of internationally recognised standards, it is recommended that members should apply the following minimum criteria:

- 1. Forced Labour**
Employers shall not use forced labour, whether in the form of prison labour, indentured labour, bonded labour, or otherwise. No employee can be compelled to work through force, the threat of force, or intimidation of any form.
- 2. Non-discrimination**
No person shall be subject to any discrimination in employment, included in hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin. Foreign or domestic migrant labour shall be treated on an equal basis with local employees.
- 3. Freedom of Association and Collective Bargaining**
The rights of workers to join (or not to join) organisations and associations of their own choosing without penalty and interference, and to bargain collectively shall be recognised and respected. Where the right to freedom of association and collective bargaining is restricted under law, the employer shall consider the development of parallel means for independent and free association and bargaining.
- 4. Wages and Benefits**
Employees shall be fully and legally compensated for all hours worked. In all cases, wages must equal or exceed the minimum wage or the industry wage, whichever is higher and all legally mandated benefits including insurances, holidays and leave shall be provided.
In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at the rate legally required in the country of operation or, in those countries where such laws do not exist, at a rate exceeding their regular hourly compensation rate.
- 5. Hours of Work**
Employees shall not be required, except in extraordinary business circumstances, to work in excess of 60 hours (including overtime) per week, or the local legal requirement, whichever is less. Overtime work must be voluntary. Employees shall be allowed to at least twenty four (24) consecutive hours rest within every seven day period.
- 6. Regular Employment**
Employees shall be employed on the basis of a recognised employment relationship established through national law and practice. Obligations of employers shall not be avoided through the excessive use of temporary contracts, subcontracting or apprenticeship schemes.

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7. Child Labour

No person shall be employed at an age younger than 15 (or 14 where the country of operation allows), or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15. All legal requirements for employees under 18 shall be followed and no person under the age of 18 shall be engaged in hazardous work or conditions, or any work at night.

8. Health and Safety

A safe and hygienic working environment shall be provided, and occupational health and safety practices which prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities shall be promoted. This includes safe buildings, fire protection, electrical safety, safe use of hazardous substances and correct use of personal protective equipment. Lighting, heating and ventilation systems should be adequate. Employees should have access to adequate sanitary facilities and potable water at all times. The workplace shall have safety and health policies and procedures that are clearly communicated to the all employees. All standards shall apply to employee residential facilities, where provided by employers.

9. Harassment or abuse

Every employee shall be treated with respect and dignity and has the right to a workplace free from physical, sexual, psychological or verbal harassment or abuse.

III. ENVIRONMENT

Members and their suppliers shall aim for progressive improvement in their environmental performance. This includes:

- Responsible use of natural resources such as energy and water
- Responsible management and reduction in the use and disposal of hazardous chemicals
- Reducing, minimizing and avoiding pollution and waste including solids, liquid and air emissions
- Designing and developing products, materials and technologies according to sustainable principles
- Integrating principles of sustainability into business decisions and practices

IV. SUBCONTRACTORS

Members and their suppliers shall have full knowledge of subcontractors in their supply chain. All declared and approved subcontractors must comply with this Code.

V. COMMUNITY INVOLVEMENT

Members and their suppliers recognise the economic and social impact of their work and commit to improving conditions in the wider communities in which they operate.

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VI. COMPANY SPECIFIC STANDARDS

Members are encouraged to draw up their own specific code of ethical conduct, if they have not already done so, building on the above standards.

VII. VERIFICATION & COMPLIANCE

These Principles have been adopted by WFSGI to provide guidance for members and suppliers to ensure their business operates responsibly. Members shall take steps to ensure compliance with these standards in their own operations and in those of their suppliers. Where there are instances of non-compliance [e.g. significant and/or persistent breaches] whether found by internal or independent external monitors, members shall ensure timely and reasonable remediation of such non-compliance; and ensure that adequate steps are taken to prevent recurrence and/or occurrence in other organisations. WFSGI reserves the right to require members to report regularly on the steps they are taking to ensure compliance with this Code and responsible business practices more broadly.

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