

#. SOURCING WITH HUMAN DIGNITY

#.1 The following expressions are used in this Condition:

“GS18” - the BT *Sourcing with Human Dignity* Generic Standard. .

“International Human Rights Standards” means the principles contained in the International Bill of Human Rights and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work.

“Response” - a response to the GS18 questionnaire at the Website; and

“Website” - the website at
<http://www.selling2bt.bt.com/working/humandignity/default.asp>

#.2 This Generic Standard (“GS18”) is incorporated into any contract you have with BT (“Contract”) and you, as the Supplier, agree to:

- (a) adhere to GS18;
- (b) if requested by BT, provide BT with a full Response within one (month of the date of the request;
- (c) promptly submit to BT a revised Response upon any material change in the previous Response at any time during the Term of the Contract;
- (d) require all Contract Personnel to adhere to GS18 and this Condition;
- (e) co-operate with BT and permit BT and its authorised representatives [on reasonable notice] access to the Supplier’s premises and records in order to assess compliance with this Condition and GS18 (and use its reasonable endeavours to ensure BT has similar rights in relation to Contract Personnel co-operation, premises and records); and
- (f) immediately notify BT of any serious breach of this GS18 and work with BT to identify and carry out appropriate corrective actions.

#.3 BT may, in its discretion, treat any breach of this GS18 as a material breach and BT shall have the right to terminate the Contract in accordance with the Condition headed “Termination”.

1. BACKGROUND

At BT our Statement of Business Practice, [The Way We Work](#), sets out the business principles and values that apply to everyone who works for and on behalf of BT wherever in the world they operate. This includes a specific commitment to promote our principles and values when working with our Suppliers.

GS18 reflects our commitment to International Human Rights Standards in relation to working conditions throughout our supply chain.

This document outlines the Principles that guide us in the implementation of *GS18 Sourcing with Human Dignity* and sets out the Standards that we aim to achieve. These

Principles and Standards meet professional guidelines established by the Chartered Institute of Procurement and Supply.

2. PRINCIPLES OF IMPLEMENTATION

The following **Principles** guide BT in the implementation of *GS18 Sourcing with Human Dignity*. They govern the manner in which we aspire to achieve the core international ethical standards set out in the **Standards** section below.

Principle 1: Working Together

BT will:

- work collaboratively with Suppliers in pursuit of these Standards.
- guide relationships by the principle of continuous improvement.
- support Suppliers who identify activities (undertaken by themselves or sub-contractors) that fall below these Standards and who agree to drive improvements to meet the Standards.
- review and, where appropriate, revise these Principles in the light of experience.
- consider a similar ethical trading standard as a reasonable alternative where Suppliers are already working towards this alternative.
- not hold a Supplier to a higher standard than BT's own policy on these issues.
- Suppliers' employees are encouraged to use BT's [Speak Up](#) facility provided on the Website to report any act against these standards.

Principle 2: Making a Difference

BT and its suppliers should:

- use a risk based approach to the implementation of these Standards.
- focus attention on those parts of the supply chain where the risk of not meeting these Standards is highest and where the maximum difference can be made with resources available.

BT's suppliers should:

- be prepared to share with BT the basis of their approach with regard to the above.

Principle 3: Public Reporting

BT will:

- report publicly our performance and practices with regard to the implementation of *GS18 Sourcing with Human Dignity*.

Principle 4. Awareness Raising and Training

BT and its suppliers should:

- ensure that all relevant people are provided with appropriate training and guidelines to implement the Standards.

Principle 5. Monitoring and Independent Verification

BT will:

- recognise that the implementation of these Standards may be assessed through monitoring and independent verification, and that these methods will be developed as our understanding grows.

BT's Suppliers should:

- provide BT or its representatives with reasonable access to all relevant information and premises and cooperate in any *GS18 Sourcing with Human Dignity* assessment - using reasonable endeavours to ensure that sub-contractors do the same.
- use reasonable endeavours to provide workers covered by the Standards with a confidential means to report to the supplier failure to observe the Standards.

Principle 6: Continuous Improvement

Without prejudice to BT's right to terminate, BT and its suppliers should:

- apply a continuous improvement approach in agreeing schedules for improvement plans with suppliers not meeting these Standards.
- base improvement plans on individual case circumstances.
- not use this project to prevent suppliers from exceeding these Standards.

BT will:

- following an escalation to BT's Chief Procurement Officer, consider terminating any business relationship with the supplier concerned where serious shortfalls of these Standards persist.

3. STANDARDS

BT requires that its Suppliers meet the International Human Rights Standards, including the ethical standards set out below.

Standard 1: The Law is Applied

- Suppliers must comply with all national and other applicable law and regulations. Where the national law and this GS18 are in conflict, the highest standards consistent with national law should be applied.
- Where the provisions of law and GS18 are not in conflict but address the same subject, the provision which affords the greatest protection to the individual should be applied.

Standard 2: Employment is Freely Chosen

- The Supplier and any person supplying labour to the Supplier shall not use and shall strictly prohibit forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons. This includes transporting, harbouring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services.
- The Supplier shall not require workers to lodge "deposits" or their identity papers with their employer and must be free to leave their employer after reasonable notice. The Supplier must not charge any fee or cost for recruitment to workers, directly or indirectly, in whole or in part. BT is committed to the principle that the "employer pays". The Supplier must accept the cost of recruitment as a business cost.

Standard 3: Freedom of Association and the Right to Collective Bargaining are Respected

- Workers, without distinction, have the right to join or form trade unions of their own choosing and, where a significant proportion of the workforce agree, to bargain collectively.
- The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer should consider facilitating, and not hindering, the development of legal parallel means for independent and free association and bargaining.

Standard 4: Working Conditions are Safe and Healthy

- A safe and healthy working environment shall be provided, bearing in mind international standards, 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 with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working practice and environment.
- Workers shall receive suitable and sufficient health and safety training, in order that they fully understand the hazards associated with the work activity & environment and the correct practices required to minimise the risks.
- Access to clean toilet facilities, drinkable water and, if appropriate, sanitary facilities for food storage shall be provided as required.
- 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.

Standard 5: Child Labour is Eliminated

- Supplier must not use child labour.
 - Supplier shall take steps to prevent child labour from occurring in its operations.
- If, despite the prohibition above, the Supplier discovers child labour in its operations it must notify the appropriate law enforcement bodies immediately and BT in accordance with # 2(f) and take steps agreed with BT to eliminate such child labour in a manner consistent with the best interests of the child(ren) concerned.
- Supplier should develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child. Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- In any event, the course of action taken shall be in the best interests of the child, conform to the provisions of ILO Convention 138 and be consistent with the United Nations Convention on the Rights of the Child.

Standard 6: Living Wages are Paid

- Wages and benefits paid for a standard working week shall meet, at a minimum, national legal standards.
- In any event, wages should not be paid in kind and should be enough to meet basic needs.
- All workers should be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Excessive deductions from wages as a disciplinary measure should not be permitted. Deductions from wages not provided for by national law should only be permitted with the expressed permission (without duress) of the worker concerned. All disciplinary measures should be recorded.

Standard 7: Working Hours are not Excessive

- Standard working hours shall comply with national laws.
- Workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7-day period on average. Overtime requested by the employer shall be voluntary and a single request shall not cover multiple overtime requirements over a significant time period, unless the company is party to a collective agreement which requires overtime work in accordance with such agreement. This agreement must be freely negotiated with worker organisations (as defined by ILO) and represent a significant proportion of the workplace. Overtime shall always be compensated at a premium rate.
- As provided for by ILO Convention 1, these provisions are intended to cover non-supervisory and non-management functions.

Standard 8. No Discrimination

- A policy of equality for all must be in place and there should be 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.

Standard 9. Regular Employment is Provided

- To every extent possible work performed must be on the basis of recognised employment relationships established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship should not be avoided. Examples include the abuse of labour-only contracting, sub-contracting, or home-working arrangements, through apprenticeship schemes where there is no real intent either to impart skills or provide regular employment, or excessive repetition in the use of fixed-term contracts of employment for a single individual.

Standard 10: 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.

4. REFERENCES

The following international standards underpin these Standards and will be used as the primary reference points when interpreting the Standards with our suppliers:

- The United Nations Universal Declaration of Human Rights. This sets “a common standard of achievement for all peoples and all nations” and represents the core of international human rights standards.
- The United Nations Convention on the Rights of the Child. This has been ratified by almost every member state in the United Nations and provides a framework for interpreting the best interests of the child.
- The Conventions of the International Labour Organisation. The ILO incorporates government, employer and employee representatives and is responsible for setting international labour standards. The ILO Conventions have the force of international law and are binding for states that have ratified them.
- The ILO Declaration on Fundamental Principles and Rights at Work require all 187 ILO member states to respect, promote and realise the principles contained in the seven core ILO Conventions, regardless of ratification. These are:
 - Conventions 29 and 105 & Recommendation 35 (Forced and Bonded Labour)
 - Convention 87 (Freedom of Association)
 - Convention 98 (Right to Organise and Collective Bargaining)
 - Conventions 100 and 111 & Recommendations 90 and 111 (Equal Remuneration for male and female workers for work of equal value; Discrimination in employment and occupation)
 - Convention 138 & Recommendation 146 (Minimum Age).
- Although not core ILO conventions, the following ILO standards are especially relevant to the standards of this code:
 - Convention 135 & Recommendation 143 (Workers' Representatives Convention)
 - Convention 155 & Recommendation 164 (Occupational Safety & Health)
 - Convention 159 & Recommendation 168 (Vocation Rehabilitation)
 - Convention 177 & Recommendation 184 (Home Work).

5 DEFINITIONS

The following definitions shall apply to the Child Labour section:

- **Child:** Any person less than 15 years of age unless local minimum age law stipulate a higher age for work or mandatory schooling, in which case the higher age shall apply. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, the lower will apply.

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- **Young Person:** Any worker over the age of a child as defined above and under the age of 18.
- **Child Labour:** Any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's or young person's health or physical, mental, spiritual, moral or social development.
- **At Night:** The following text is taken from ILO Convention 90. Please note that there are various exceptions to these provisions contained within the convention
 1. For the purpose of this Convention the term night signifies a period of at least twelve consecutive hours.
 2. In the case of young persons under sixteen years of age, this period shall include the interval between ten o'clock in the evening and six o'clock in the morning.
 3. In the case of young persons who have attained the age of sixteen years but are under the age of eighteen years, this period shall include an interval prescribed by the competent authority of at least seven consecutive hours falling between ten o'clock in the evening and seven o'clock in the morning; the competent authority may prescribe different intervals for different areas, industries, undertakings or branches of industries or undertakings, but shall consult the employers' and workers' organisations concerned before prescribing an interval beginning after eleven o'clock in the evening.
- **Similar Ethical Trading Standard:** A similar ethical trading standard could include, for example:
 - [Ethical Trading Initiative \(ETI\) Base Code](#)
 - [Social Accountability International's SA8000](#)
 - Chartered Institute of Procurement and Supply [Ethical Business Practices in Purchasing and Supply Management](#)
 - Other similar or company-specific codes may also be considered as a reasonable alternative by BT on a case by case basis.
- **Basic Needs:** The definition of basic needs is difficult to determine. Click [basic needs](#) for Guidance on how living wages can be determined.