



**ANTA SPORTS PRODUCTS LIMITED**

Incorporated in the Cayman Islands with limited liability

Stock Code: 2020



## SUPPLIER SUSTAINABILITY MANAGEMENT HANDBOOK



## Welcome Message for Suppliers of ANTA Sports

Suppliers of ANTA Sports are an essential part of its supply chain. Thanks for your efforts to create a healthy and responsible procurement environment. Our new ten-year vision is to become a leading multi-brand Sportswear Group in the world.

ANTA Sports is committed to providing sportswear to consumers with better experiences, which not only feature better design, higher quality, cost effective and optimized after-sales services, but also embody our commitment to protect the environment, fulfil social responsibility and build a better world.

To become an eco-friendly enterprise that practices corporate social responsibility, ANTA Sports proposes the development of “mutualism” concept, we are aspired to create mutual value with our eco-system partners, collaborate with industry chain including consumers, employees, partners, society and environment. While pursuing our business goals, we are dedicated to maintaining honesty, integrity and compliance in our operations. Our values extend to the expectations we have to those with whom we do business. Our *Code of Conduct for Suppliers of ANTA Sports set forth the requirements* that all factories that produce goods for ANTA must be met in order to do business with us.

We understand it will be a long process to promote and fulfil the concept of “mutualism” and goals, entailing long-term concerted efforts of our suppliers. To achieve this long-term goal, we all should fulfil our common mission and implement the *Code of Conduct for Suppliers of ANTA Sports*.

ANTA Sports requires suppliers to understand and implement our *Code of Conduct*. Through collaboration with our ESG & Sustainability liaison we aim to support our suppliers in this process, provide necessary guidance needed to overcome some of the challenges in the day-to-day operations.

ANTA Sports

8 February 2023



## Introduction

This Handbook applies to all suppliers and their subcontractors relating to production, processing, storage, and distribution of brand products under ANTA Sports. As employers, suppliers shall establish and maintain safe, healthy, and compliant employment relationship and production environment, and comply with the *Code of Conduct for Suppliers of ANTA Sports*, the *Supplier sustainability Management Handbook of ANTA Sports* and national and local laws and regulations. In the event of any inconsistency between this Handbook and local laws and regulations, the stricter requirements shall prevail, except for those contrary to the mandatory provisions of the laws and regulations.

Complying with the *Code of Conduct for Suppliers of ANTA Sports* is a basic condition for business relationship between any suppliers and ANTA Sports. Suppliers shall carry out business in compliance with the *Code of Conduct for Suppliers of ANTA Sports*, the *Supplier sustainability Management Handbook of ANTA Sports* and local laws and regulations (including building an effective social responsibility and environmental management system) and are subject to verification and supervision by ANTA Sports and/or any designated third party. Suppliers shall be objective and transparent, and relevant documents shall be kept on an as-is basis. Forged information and documents are prohibited.



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## I. Strategic Blueprint for Social Responsibility of ANTA Sports

### 1. Blueprint for the ANTA Sports’s Sustainable Supply Chain

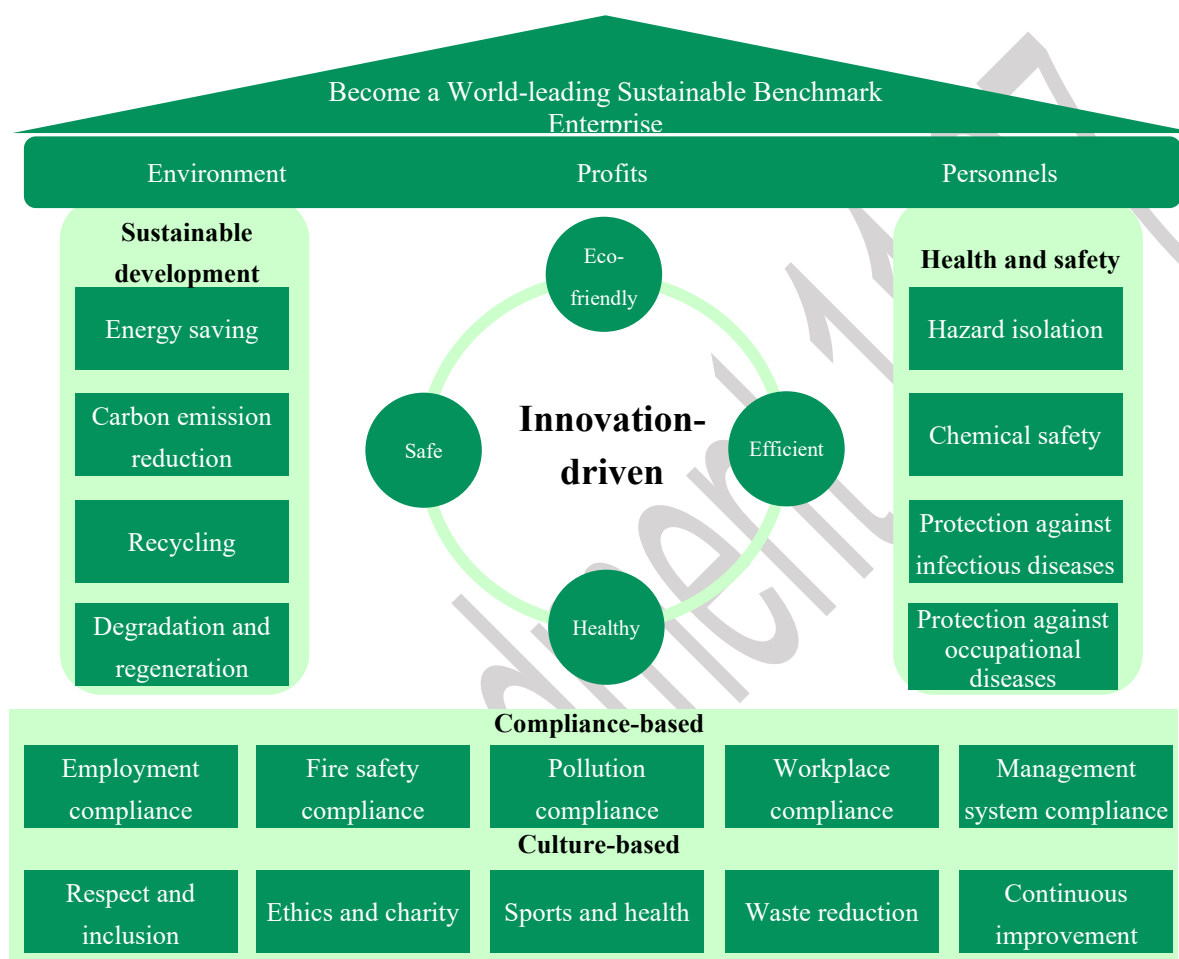


Fig. 1 Blueprint for the sustainable supply chain

**Sustainability - Vision:** Become a world-leading sustainable benchmark enterprise

**Sustainability - Mission:** to “Go Beyond Oneself” create mutual value together in the future

**Sustainability - core value:** Achieve mutualism with consumers, employees, partners, society and environment

ANTA Sports is committed to “Become a world-leading sustainable benchmark enterprise” that seeks a balance among human, the environment and profits in an eco-friendly and efficient way, with an emphasis on culture, compliance and health and safety and environmental protection.





## II. Code of Conduct for Suppliers of ANTA Sports

ANTA Sports adheres to a cooperation model of **lawfulness, fairness, justness, integrity, and mutualism**, hoping that its suppliers could abide by this code when contracting, subcontracting and conducting relevant businesses. ANTA Sports will reserve the right to examine and supervise rectification by suppliers and their contractors.

### Compliance with law

Suppliers must abide by all local, regional, national and international laws and regulations in the places where they operate.

### Prohibition of child labour

ANTA Sports prohibits suppliers from using child labour as defined in local laws. China prohibits the employment of any employees under the age of 16 or in compulsory education, while the minimum age of employment in other countries/regions is subject to local laws. Juvenile workers shall not be exposed to dangerous, unsafe, or hazardous working environment.

### Prohibition of forced or involuntary labour

Suppliers are prohibited from using forced or involuntary labour. Suppliers are prohibited from using forced or involuntary labour in the manufacturing, contracting or subcontracting process or indirect relationship associated with our products.

### Prohibition of discrimination

Suppliers are prohibited from discriminating against employees in recruitment, pay, benefits, promotion, rewards and punishments, dismissal or retirement because of their gender, gender identity, race, religion, age, disability, illness, marital status, pregnancy, sexual orientation, nationality, political affiliation, birth origin, or other reasons. Men and women in the same position should be given equal pay for equal work.

### No disciplinary measures

Suppliers shall respect and value employees in a fair and equitable manner, without corporal punishment, violent coercion, or all other forms of physical, mental, or sexual harassment or maltreatment.

### Communication channels and grievance mechanism

Suppliers shall establish effective employee communication channels and complaint, reporting and grievance mechanism and effectively protect employees who make complaints, report and raise grievances. No retaliation policy should apply to all official and unofficial reports. Ensure that the grievance mechanism operates effectively as an internal procedure.

### Working hours

Suppliers shall adopt reasonable working hours in accordance with relevant national laws, regulations and/or relevant provisions in the places where they operate.

### Remuneration and benefits

Suppliers shall pay employees salary not lower than the local minimum standard and overtime wage and provide legal benefits in accordance with relevant national laws, regulations and/or relevant provisions in the places where they operate.

### Health and safety

Suppliers shall provide employees with a healthy, sanitary and safe workplace that complies with local laws and



regulations. Employees must be given access to clean drinking water and public sanitation facilities, and all public places must be equipped with adequate medical kits, emergency exits and safety protection equipment. Any employee dormitory must also meet these requirements. Employees must be properly trained to prevent accidents and injury to health out of or occurring during work.

### **Freedom of association and collective bargaining**

Suppliers must respect the legitimate rights of employees to choose, form, join or refuse to join a labour union or other type of collective organisation, and to participate in relevant activities.

### **Prohibition of bribery**

Suppliers must observe all applicable anti-corruption laws and regulations in the countries or regions where they operate. Gift giving and receiving is prohibited. Gifts appear in many forms, such as cash, cash equivalents (including entertainment, gift cards, product discounts and activities irrelevant to business). Procedures shall be formulated to facilitate investigation and reporting of any violations of relevant policies.

### **Prohibition of unauthorised subcontracting**

Suppliers shall not transfer or subcontract manufacturing of brand products under ANTA Sports or their components to third parties without the express written consent of ANTA Sports.

### **Transparency**

Suppliers must promptly and fully disclose to ANTA Sports all practices and resources related to manufacturing of ANTA Sports' products.

### **Environmental protection**

Suppliers shall comply with relevant national laws and regulations and/or relevant provisions in the places where they operate and applicable industry standards to safeguard the surrounding environmental health. ANTA Sports encourages suppliers to minimise waste and maximise recycling in order to reduce the negative impact of daily operations on the environment. This includes, but is not limited to: air, water, soil, noise, and chemical and waste management.

### **Minimising climate impact**

Suppliers shall take effective measures to manage greenhouse gas (GHG) emissions from their sites. Quantification, tracking and reporting of GHG emissions shall comply with the best practices and international standards.

### **Giving back to the community**

Giving back to the community and caring for the community is a due social responsibility of an enterprise. ANTA Sports will continue to carry out charitable activities and also advocate its suppliers to actively transmit positive energy to the community.

### **Protection of privacy and personal information**

Employees enjoy their own privacy according to law. Suppliers shall respect employees' privacy, protect employees' personal information and collect, store, use, transmit, provide and disclose such information according to law to safeguard employees' rights and interests relating to personal information.

### **Intellectual property rights**

Suppliers shall respect intellectual property rights and take relevant measures to protect intellectual property right and shall manage technology and expertise. Suppliers shall effectively control their compliance with intellectual property law regarding the products, materials, accessories, and service procured, processed, produced and provided in their supply chains.

As a basic condition for cooperation with ANTA Sports, suppliers shall actively adhere to this code and:





- 1) post the latest version of this code in all major workplaces in the language used by employees;
- 2) train employees to better understand this code and ensure that all sub-suppliers that manufacture ANTA Sports's products comply with the relevant regulations.

## 1. Management System and Basic Principles

### 1.1 Basic principles - Zero-tolerance Items

- |   |  |   |  |
|---|--|---|--|
| <input type="radio"/> Child labour                  | <input type="radio"/> Bribery                                  | <input type="radio"/> Forced labour               | <input type="radio"/> No employment contract |
| <input type="radio"/> Forgery of official documents | <input type="radio"/> Life-threatening critical HSE conditions | <input type="radio"/> Unauthorised subcontracting |  |

#### **Child labour:**

ANTA Sports prohibits suppliers from using child labour as defined in local laws. Despite no stipulation of local laws, suppliers shall not hire any employee under the age of 16 or in compulsory education, and juvenile workers under the age of 18 shall not be exposed to dangerous, unsafe or hazardous working environment. Suppliers shall have sound age verification mechanisms in place as part of the recruitment process and shall not in any way degrade or disrespect workers. This principle is intended to protect children from any form of exploitation. Corrective actions shall be taken immediately in case of any employment of child labour found. Special attention shall be paid when dismissing child labour, as they may turn to more harmful occupations, such as prostitution or drug trafficking. When removing child labour from workplaces, suppliers shall determine measures in a positive manner to protect the affected child labour, and where appropriate, provide decent work opportunities for their adult family members.

#### **Bribery:**

Suppliers shall not engage in corruption, extortion or embezzlement, or any form of bribery, including but not limited to promising, offering, giving, receiving or soliciting any improper monetary gains or other benefits.

#### **Forced labour:**

Suppliers shall not engage in any form of slavery, forced, trafficked or involuntary labour. Suppliers shall be cautious when directly or indirectly hiring and recruiting temporary workers. Suppliers shall allow workers to terminate their employment relationship at will upon lawful notice to the employer. Suppliers must ensure that workers are not subjected to inhumane or degrading treatment, corporal punishment, mental or physical coercion, or verbal abuse. All disciplinary sanction procedures must be in written form and verbally explained to workers in clear and plain words.

#### **No employment contract:**

An employment contract is an agreement that establishes the employment relationship between an employee and an employer and defines the rights and obligations of respective parties. An employment contract shall be concluded in establishing an employment relationship. Conclusion and modification of an employment contract shall follow the principles of equality, voluntariness and agreement through consultation, and shall not violate the laws, administrative rules and regulations. An employment contract once concluded in accordance with the law shall be legally binding. The



parties must fulfil the obligations stipulated in such contract.

ANTA Sports prohibits a practice of “not signing employment contracts with employees”.

#### **Forgery of official documents:**

ANTA Sports prohibits the act of “forging documents with forged official seals” (including but not limited to forging, altering, trading in, stealing, snatching or destroying official documents, certificates or seals of state organs).

#### **Life-threatening critical HSE conditions:**

They refer to HSE conditions that could directly cause serious injury or death to employees or the public, e.g. “three-in-one” places. A “three-in-one” place is a building space where dormitory is illegally built together with one or more functional areas (including production, storage or operation). Such building space can be a separate building or part of a building, and no effective separations are set up between the dormitory and other functional areas. As a result, these buildings easily cause casualties in case of danger.

ANTA Sports prohibits work in places with “life-threatening critical HSE conditions”.

#### **Unauthorised subcontracting:**

Suppliers (manufacturers) shall not transfer or subcontract manufacturing of brand products under ANTA Sports or their components to third parties without the express written consent of ANTA Sports.

### **1.2 Sustainable Procurement Principles**

ANTA Sports will continue to promote corporate social responsibility and sustainable procurement of products/materials/packages and actively reduce the carbon footprint of its products. Meanwhile, it will encourage suppliers to increase relevant investments. The principles include but are not limited to:

- 1) good labour and workplace management and passing the independent social responsibility audits by third parties recognised by ANTA Sports, e.g., SA8000 and SLCP.
- 2) obtain responsible and sustainable raw material certification (e.g., GRS, RCS, Bluesign, GOTS, LWG and RDS).
- 3) using low-carbon raw materials and products, including recycled polyester, organic cotton and raw materials or products containing high recycled cotton.
- 4) carrying out various activities on energy saving and emission reduction to promote sustainable development, e.g., photovoltaic power generation and recycling of wastewater.

### **1.3 Organizational Structure of Sustainability Management**

Implementing sustainability initiatives within ANTA Sports is part of ANTA’s ESG strategy. The Sustainability Department is directly under the Sustainability Committee of the Group and reports to the Board of Directors. The Sustainability Committee is chaired by Mr. Lai Shixian, with its members including CEOs of brand groups, independent non-executive directors, as well as the corresponding heads of key functions related to the sustainability work and executives at the group (vice) president level. The Sustainability Department assists the Sustainability Committee in formulating the Group’s strategic goals for sustainable development, leading and promoting each internal business and functional departments to improve its mindsets and specific work in various business processes from the perspective of



sustainability, and coordinating and standardising the collection of statistical data to improve the quality of ESG reports and other ESG information disclosure.

The sustainable supply chain management organisation of the Group undertakes the sustainability tasks from the Group’s Sustainability Department, and communicates with, empowers, audits and regulates suppliers covered by the supply chain to meet the expectations set out in the [Code of Conduct for Suppliers of ANTA Sports](#).

Led by the Sustainability Committee, the sustainability work of ANTA Sports’s suppliers is implemented by the Sustainability Team under the Group’s Footwear/Apparel and Accessories Procurement and Supplier Management Department, with assistance from the Group’s Sustainability Department, other departments relating to procurement of footwear/apparel and accessories, and all relevant departments.

In particular, the functions of the Sustainability Team under the Supplier Management Department mainly include:

supplier sustainability audit technology, content development and process management;

auditing performance of social responsibility by new and existing suppliers;

following up on the improvement work of suppliers to ensure that their relevant management and practices comply with relevant standards and requirements of ANTA Sports.

#### 1.4 Supplier Sustainability Management Scope and Process

Strict sustainability audit process can effectively promote continuous improvement in the supply chain regarding “mutualism with consumers, partners, environment, society and employees”. Therefore, **all suppliers of ANTA Sports (including suppliers for finished products, materials, auxiliary materials, packaging materials, printing and dyeing services, technical/processing services, etc.) fall within the scope of ANTA Sports's sustainability management. ANTA’s sustainability evaluation includes corporate social responsibility audit and environmental audit.**

The supplier social responsibility/environmental audit is to ensure that ANTA Sports’s suppliers comply with the [Code of Conduct for Suppliers of ANTA Sports](#). The supplier social responsibility/environmental monitoring includes a detailed monitoring process from pre-procurement access audit as well as regular audit to the grading of audit results, with the flow chart below.

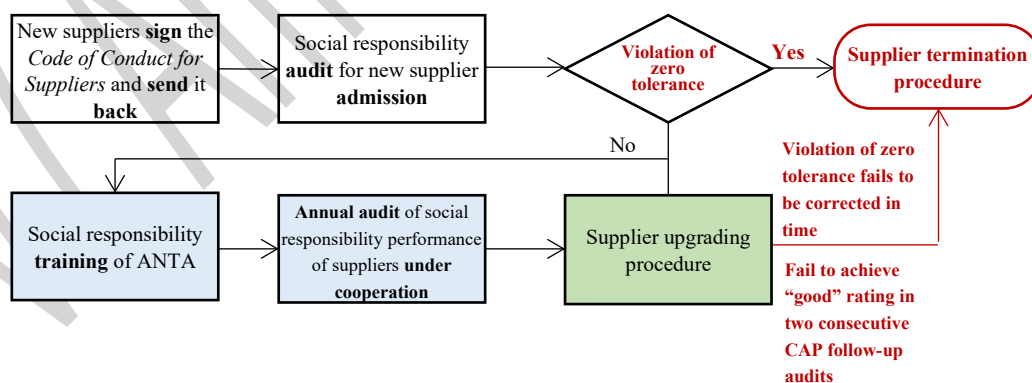


Fig. 2 Corporate social responsibility process of ANTA Sports

ANTA Sports’s corporate social responsibility/environment assessment tool is designed to assist in assessing the existing practices and management systems and provide a comprehensive overview of various themes covered. **In addition to the corporate social responsibility/environmental audit arranged by ANTA Sports**, audit reports issued by specific



social responsibility monitoring organisations are also accepted. [ANTA-approved third party monitoring organisations are listed in Appendix 6](#), and [ANTA-approved corporate social responsibility standards are listed in Appendix 7](#).

**The purpose of ANTA Sports’s corporate social responsibility/environmental evaluation is to:**

- help you better understand the expectations in the [Code of Conduct for Suppliers of ANTA Sports](#) and figure out how to meet or exceed such expectations;
- verify whether the existing practices and corporate commitments meet ANTA’s expectations;
- identify areas in need of improvement;
- allow the implementation of necessary corrective and preventive measures.



## 2. Review Process for Introduction of New Suppliers

In ANTA Sports, the corporate social responsibility audit is an essential process before new suppliers’ admission to ANTA’s system, and only the suppliers whose corporate social responsibility performance is rated as “good” or above can enter the next stage of admission. To ensure the reliability of the audit, the form of on-site audit is adopted.

The corporate social responsibility performance of a supplier is rated from the best to the worst based on the audit results: extraordinary, excellent, good, to be improved, and red line zone.

Extraordinary: The audit score is  $>87$ , the nonconformities found do not include any zero-tolerance items, and there is no critical nonconformity.

Excellent: The audit score is  $>80$ , the nonconformities found do not include any zero-tolerance items, and there is  $\leq 1$  critical nonconformity.

Good: The audit score is  $\geq 70$ , the nonconformities found do not include any zero-tolerance items, and there are  $\leq 2$  critical nonconformities.

To be improved: The audit score is  $<70$ , the nonconformities found do not include any zero-tolerance items, or there are  $\geq 3$  critical nonconformities.

Red line zone: The nonconformities found include any zero-tolerance items.

Suppliers that are cooperating with ANTA Sports must report the construction of any new plant, or reconstruction or expansion of any existing plant to the person in charge of the Procurement and Supplier Management Department of ANTA Sports on corporate social responsibility and pass the corporate social responsibility audit.

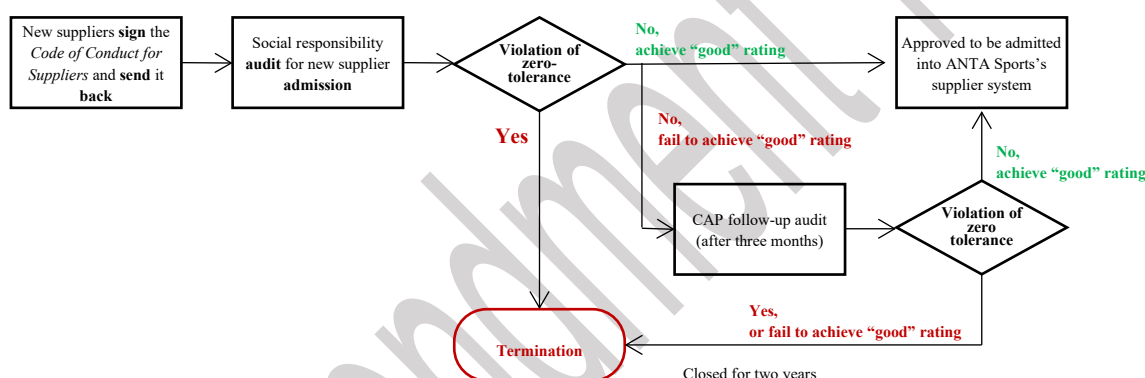


Fig. 2 Review process for introduction of new suppliers

### 2.1 Social Responsibility Audit Process for New Supplier Admission

The corporate responsibility audit in the process of New Supplier Admission includes: collection of supplier information for preliminary audit; preliminary audit of supplier information; on-site audit of suppliers.

#### 2.1.1 Collection of Supplier Information for Preliminary Audit, and Preliminary Audit

- Collection of supplier information:

After the Supplier Management Department initiates the process of introduction of new suppliers, the first thing is to collect the basic information of suppliers to have a basic understanding of the candidates. The specific information is shown in [Appendix 8 Collection Form for Basic Information of Suppliers](#).

- Preliminary audit of supplier information:

Initial judgment is made as to the basic information of the suppliers to be introduced: suppliers without major dishonest conduct or violation of the zero-tolerance policy of ANTA Sports can enter the stage of on-site audit; if any supplier is found to have violated such zero-tolerance policy, the ongoing introduction process will be terminated immediately.

#### 2.1.2 On-site Audit of Suppliers

The on-site audit of suppliers is divided into preparation stage and audit stage below:



Stage	① Preparation stage				② Audit stage			
Process	Audit notice (like notice, including audit schedule)	List of required documents	Collection of basic information	Start a meeting to explain matters needing attention and communicate for support and needs	Countersigning by suppliers [Letter of Confirmation of Integrity]	Conduct on-site audits to record problems and produce CAP reports	Conclude the meeting to communicate on audit findings	CAP countersigned by the audited party

CAP follow-up for supplier audit (applicable when the rating is below “good”) includes two phases: audit report release and CAP follow-up.

Stage	② Audit report and release			④ CAP follow-up	
Process	Report of non-conformity photos	Production of formal audit forms	Release of audit reports (Ten workdays after audit)	CAP follow-up audit (Three months)	CAP follow-up report (Three months)

On-site audits of corporate social responsibility for new supplier introduction and periodic supplier evaluation are conducted through the process described above.

## 2.2 Information List for Corporate Social Responsibility Audit for New Supplier Admission

The information list and standards for on-site corporate social responsibility audit for new supplier admission are the same as those for periodic evaluation of suppliers’ corporate social responsibility. The specific information is set out in [Appendix 9 Information list for audit of suppliers’ corporate social responsibility](#).

## 2.3 On-site Audit & Evaluation and CAP Follow-up for New Supplier Admission

If any supplier is found to have violated the “zero-tolerance” policy of ANTA Sports during the new supplier admission audit, it will be subject to admission process termination. If any supplier does not violate the “zero-tolerance” policy of ANTA Sports and has a “good” rating, it can enter the next stage of new supplier admission. If any supplier does not violate the “zero-tolerance” policy but its on-site audit rating is not “good”, it can enter the next stage of new supplier admission only after three months of improvement and when its rating is “good” and it does not violate “zero-tolerance” policy upon verification and audit. If it still fails to reach a “good” rating or above, the admission process will be terminated.





### 3. Periodic Supplier Audit and Rating

For suppliers in cooperation, ANTA Sports will conduct an annual evaluation on their sustainability (corporate social responsibility/environment), in the hope that ANTA Sports’s suppliers will consistently meet the requirements of the [Code of Conduct for Suppliers of ANTA Sports](#).

#### 3.1 Scope and Process of Periodic Evaluation of Suppliers’ Corporate Social Responsibility / Environment

##### 3.1.1 Audit Scope:

- All suppliers who cooperate with ANTA Sports are subject to periodic audit of corporate social responsibility/environment.
- The suppliers’ business premises subject to audit should include canteens, dormitories and chemical warehouses.
- The personnel of the suppliers subject to audit should cover directly employed workers, agency workers, foreign workers, temporary workers and interns.

##### 3.1.2 On-site audit process: the same as [On-site audit process of corporate social responsibility for new supplier admission 2.1.2](#).

##### 3.1.3 Periodic audit of recognized third-party auditing institutions for corporate social responsibility and environment and audit standards:

ANTA Sports recognizes the audit report issued by the third-party monitoring institutions. [Third-party monitoring institutions recognized by ANTA are set out in Appendix 6, Corporate social responsibility standards recognized by ANTA are set out in Appendix 7](#)



### 3.2 Annual Supplier Evaluation/Rating and Audit Frequency

The annual supplier evaluation is conducted according to the current audit score, the number of non-conformities found and the risk level of the nonconformities. The corporate social responsibility performance of a supplier is rated as: extraordinary, excellent, good, to be improved and red line zone.

**Extraordinary:** The audit score is  $>87$ , the nonconformities found do not include any "zero-tolerance" items, and there is no critical nonconformity.

**Excellent:** The audit score is  $>80$ , the nonconformities found do not include any "zero-tolerance" items, and there is  $\leq 1$  critical nonconformity.

**Good:** The audit score is  $\geq 70$ , the nonconformities found do not include any "zero-tolerance" items, and there are  $\leq 2$  critical nonconformities.

**To be improved:** The audit score is  $<70$ , and the nonconformities found do not include any "zero-tolerance" items, or there are  $\geq 3$  critical nonconformities.

**Red line zone:** The nonconformities found include any "zero-tolerance" items.

The audit frequency of suppliers' corporate social responsibility is determined by the current rating of suppliers' corporate social responsibility. Details are set out in Table 1 below:

Rating	Score	Definition	Audit frequency
Extraordinary	$>87$	• No "zero-tolerance" item, no critical problem;	Self-assessment, random audit every 2 years
Excellent:	$>80$	• No "zero-tolerance" item; • $\leq 1$ critical problem.	Once every two years
Good:	$\geq 70$	• No "zero-tolerance" item; • $\leq 2$ critical problems.	Once every year
To be improved:	$<70$	• No "zero-tolerance" item; • $\geq 3$ critical problems.	Monitoring every half a year, until a "good" rating or above is achieved for two consecutive times
Red line zone:	--	• There is "zero-tolerance" item.	Acceptance within one month after audit; After the acceptance, monitoring is conducted every half a year, which will last for two consecutive years.

Table 1 Comparison table of corporate social responsibility level and audit frequency

### 3.3 Audit Scoring System for Corporate Social Responsibility

The audit score for corporate social responsibility is calculated based on the number and severity of non-conformities found. ANTA's audit standards for corporate social responsibility are divided into five levels by severity of problems: zero tolerance, critical, general, minor, and good.

Comparison table of risk level of problems and score deduction for nonconformities:

Classification of problems	Deduction of points for each non-conformity	Description	Period for improvement
Zero-tolerance items	100	They may directly endanger the life or basic human rights of employees, easily cause widespread social concern, and cause unbearable damages to the brand image.	Make immediate rectifications and complete acceptance within one month
Critical	10	Violations related to employee safety, human rights, employment conditions, and other legal and ethical risks that are considered to be of great importance, which may lead to serious health and safety problems.	Complete rectification within three months
General	5	Violations related to employee safety, human rights, employment conditions, and other legal and ethical risks that are considered to be of general importance	It is recommended that the rectification be completed within six months
Minor	1	It will not have any impact on brand image, working conditions of employees and society	It is recommended that the rectification be completed within 12 months
Good operations	0	Good operations	Register the status, and continue to make improvements

Table 2 Comparison table of risk level rating



### 3.4 Corporate Social Responsibility Escalation Process

In the annual evaluation of corporate social responsibility of suppliers, the corporate social responsibility escalation process will be initiated at any time based on the evaluation results. The **Supplier Management Department** is responsible for promoting the training, audit, evaluation and follow-up of the corporate social responsibility system of ANTA Sports’s supply chain, and the **Procurement Business Units** assist in promoting the implementation of the suppliers’ corporate social responsibility escalation and control process. The process is set out in the following diagram:

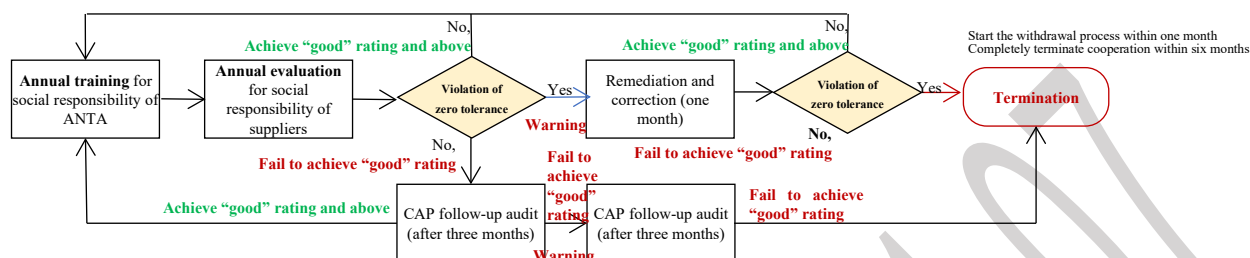


Fig. 3 Corporate social responsibility escalation process

#### Process description:

- **Annual training for social responsibility of ANTA:** We regularly conduct corporate social responsibility training for all suppliers of ANTA Sports to continuously improve their corporate social responsibility ratings. The training is organized and provided by the Procurement and Supplier Management Department of ANTA Sports. The training contents include, but are not limited to:

Labour rights, human rights, animal welfare, code of business conduct, production and procurement of sustainable leather (use of land and management of water and chemicals relating to leather tanning, etc. responsibly), certification of sustainable products/materials/packages (e.g., GRS, RCS, Bluesign, GOTS, LWG, RDS...).

- **Annual evaluation for social responsibility of suppliers:** Suppliers are rated based on the results of periodic corporate social responsibility audits of ANTA Sports’ suppliers conducted by the corporate social responsibility officer of the Supplier Management Department and third-party monitoring institutions recognized by ANTA Sports (details are set out in 3.1 Annual assessment of suppliers’ corporate social responsibility above).
- **Remediation and correction (one month):** If any supplier is found to have any zero-tolerance problem in the annual evaluation, the supplier will be warned within the system and given one month for rectification, and the Procurement Department will be simultaneously notified for new supplier reserve. The Supplier Management Department will conduct on-site inspection within one month. If the zero-tolerance problem is still unresolved, the Supplier Management Department will initiate the supplier withdrawal procedure within one month and completely terminate the cooperation within six months. The supplier that ANTA Sports terminates the cooperation for having any zero-tolerance problem shall not be used again within two years. If the zero-tolerance problem has been remediated or corrected upon acceptance by the Supplier Management Department, the supplier shall be subject to CAP follow-up audit (three months) and semi-annual monitoring for two consecutive years. In the supplier CAP stage, ANTA Sports will provide suppliers with coaching and suggestions to help them make improvements.
- **CAP follow-up audit (after three months):** If the supplier fails to achieve the “good” rating in the annual evaluation (rating details are set out in 3.1 Annual evaluation/rating of corporate social responsibility of suppliers), the supplier shall rectify the problems within three months, and the Supplier Management Department will conduct on-site inspection on the improvement within three months until the supplier reaches the “good” rating.



## 4. Emergency Reporting Procedures for Suppliers

### 4.1 Purpose:

To enable ANTA Sports to get first-hand information on emergencies and respond to external inquiries in a timely manner; and enable ANTA Sports to provide support to suppliers where feasible.

### 4.2 Emergencies reported to ANTA Sports include, but are not limited to:

- Occurrence of significant infectious diseases (such as COVID-19) in the location of the supplier or its surrounding area, or governmental control implemented in such location;
- Cessation of production (partial/complete);
- Occurrence of incident that may cause public concern (such as strike and social events affecting operations);
- Death or serious occupational injury (such as loss of body parts) of any employee at work;
- Serious environmental impacts (such as leakage of large quantity of chemicals);
- Fire and building collapse.

### 4.3 Contact Means for Emergency Reporting:

In the event of any emergency, the suppliers shall send a notice to the Procurement and Supplier Management Department of ANTA Sports and make a copy for the Sustainability Department of ANTA Sports within 24 hours after the occurrence.

Email: [ESG-S@ANTA.COM](mailto:ESG-S@ANTA.COM)

CC: [esg@anta.com.hk](mailto:esg@anta.com.hk)

Tel.: [0595-85925605](tel:0595-85925605)

### 4.4 The emergency reporting procedures shall be directly reported by the corporate social responsibility officer of the suppliers to the Procurement and Supplier Management Department of ANTA Sports together with the business reports.



## 5. Complaint and Grievance Mechanism for Corporate Social Responsibility of Suppliers

ANTA Sports has a complete [Code of Conduct for Suppliers of ANTA Sports](#) and good practices and has formulated the *Supplier sustainability Management Handbook of ANTA Sports*. All suppliers in ANTA Sports's supply chain are required to comply with the Code.

Any violation of the [Code of Conduct for Suppliers of ANTA Sports](#), or any act that may or has constituted a violation of human rights or environmental hazard may be reported through the *Corporate Social Responsibility Grievance Mechanism*. Details are as follows:

### 5.1 The complaint mechanism is available to:

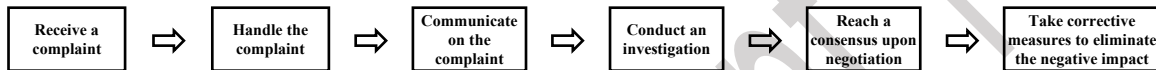
Any directly affected individual or organization in the supply chain of ANTA Sports, or their representatives.

### 5.2 Complaint method:

Email for supplier corporate social responsibility of ANTA Sports: ESG-S@ANTA.COM

Employee care hotline: 0595-85925605

### 5.3 Complaint handling process:



### 5.4 Principle for complaint handling:

ANTA Sports protects the privacy of complainants and prohibits any supplier or manager from retaliating against the complainants. If any employee is punished or harmed in any way for filing a grievance, or if any individual is intimidated, threatened, coerced or discriminated for filing a grievance, assisting or participating in any way in the investigation of a grievance, he/she may contact ANTA via the aforesaid complaint method as described in 5.2 above, and ANTA Sports will intervene in a timely manner to handle the matter.

### 5.5 Training on grievance mechanism:

Suppliers shall post the grievance mechanism in conspicuous places of their major workplaces in the language used by local employees;

Suppliers shall train their employees on the contents of the grievance mechanism and ensure that all sub-suppliers that manufacture ANTA Sports's products have posted and trained their employees on the grievance mechanism.



## IV. Sustainability Standards for the Supply Chain of ANTA Sports

The Sustainability Standards for the Supply Chain of ANTA Sports are the basis for suppliers to practice sustainable development of ANTA Sports, and also the term basis for sustainability audit conducted by ANTA Sports on its suppliers. The Sustainability Standards for the Supply Chain of ANTA Sports are introduced from four modules: labour rights and interests, health and safety, environmental responsibility and sustainability management system.

### 1. Labour Rights and Interests

The module of labour rights and interests comprises the following eight parts: ① [Voluntary employment](#) ② [No child labour](#) ③ [Fight against discrimination](#) ④ [Prohibition of harassment and abuse](#) ⑤ [Freedom of association](#) ⑥ [Employment relationship](#) ⑦ [Working hours](#) ⑧ [Remuneration and benefits](#).

#### 1.1 Voluntary Employment - Forced Labour (A)

##### A.1 Codes:

Suppliers shall not use forced labour or other forms of involuntary labour. Suppliers shall ensure that employees do not work in a coercive or threatening environment.

##### A.2 Requirements:

###### A.2.1 General Provisions:

Suppliers shall comply with national/regional laws and regulations on prohibition of forced labour, as well as the *Code of Conduct for Suppliers of ANTA Sports*, to ensure that there is no forced labour within ANTA Sports.

###### A.2.2 Labour Intermediary

Suppliers shall ensure that the labour intermediaries they work with have relevant legal qualifications and shall conduct due diligence on the labour intermediaries to ensure that they are not involved in forced labour-related activities.

###### A.2.3 Freedom of Employment:

Suppliers shall ensure that employees have the freedom to choose to join them or terminate their work and shall not force or threaten employees to work for them.

###### A.2.4 Recruitment Expenses

Suppliers shall bear all recruitment-related expenses and costs, except those expressly provided by law to be borne by the employees. Suppliers shall not charge any kind of deposit as a condition for employment.

###### A.2.5 Employment Contracts

Suppliers shall enter into employment contracts with all employees. The contracts shall comply with the requirements of the law and shall not contain any clauses on forced labour.

###### A.2.6 Overtime

Suppliers shall respect employees' willingness of overtime work and shall not force employees to work overtime for any reason, nor shall they punish or fire employees who do not work overtime.





#### **A.2.7 Wage**

Suppliers shall not withhold wages of employees or otherwise restrict workers’ freedom to use their wages.

#### **A.2.8 Freedom of Movement**

- Suppliers shall not prohibit or unreasonably restrict employees from using basic facilities such as restrooms and drinking water.
- Suppliers shall not use well-equipped security and shall allow employees to leave the workplace after work.
- Where dormitories are provided, suppliers shall not unreasonably restrict the freedom of movement of employees.

#### **A.2.9 Record Retention**

- Suppliers and labour intermediaries engaged by them or other third parties shall not detain the originals of employees’ personal documents (such as passports, visas, work permits, travel or residence permits, ID cards or school documents, or other personal documents).
- Suppliers shall not, for any reason, hold any personal documents on behalf of any worker, regardless of whether the worker has agreed. Suppliers may temporarily collect the originals of the identity documents if required by local laws for applying for required documents (such as residence permit, bank account and visa extension). After that, the originals of these identity documents shall be immediately returned to the suppliers’ workers.

#### **A.3 Recommended Practices**

- Formulate internal policies and systems on prohibition of forced labour and provide training to the management and employees.
- Check internal management systems and processes to ensure that there are no forced labour-related phenomena or tendencies.
- Directly sign contracts with employees, and if it is necessary to use indirect labour such as agency workers, conduct due diligence on the agency company regarding forced labour.
- Establish effective employee communication channels and grievance mechanisms to keep updated with employees’ demands.
- Collect and summarize relevant laws, regulations and customer standards, update and implement them in a timely manner.

#### **A.4 References**

- *Forced Labour Convention*
- *Abolition of Forced Labour Convention*



## **1.2 No Child Labour (A)**

### **A.1 Codes:**

ANTA Sports prohibits suppliers from using child labour as defined in local laws. China prohibits the employment of any employees under the age of 16 or in compulsory education, while the minimum age of employment in other countries/regions is subject to local laws. Juvenile workers shall not be exposed to dangerous, unsafe or hazardous working environment.

### **A.2 Requirements:**

#### **A.2.1 Minimum Age Requirements**

As employers, suppliers are prohibited from recruiting or using employees under the age of 16 or in compulsory education during the recruitment process. If the laws of the countries/regions where the suppliers operate stipulate higher requirement than the said one, such laws shall prevail.

#### **A.2.2 Proof and Verification of Age**

- Suppliers shall have a sound human resources management system to check whether the applicants meet the minimum age requirements before recruitment, and shall have employment policies, employee training and other systems in place to verify documents for proof of age of the applicants during the recruitment process, including ID cards, household registers, passports and birth certificates.
- Suppliers shall keep copies of the applicants' valid identity documents in the employees' onboarding archives.

#### **A.2.3 Corrective Measures for Child Labour**

If any supplier has recruited child labour or has used child labour in the recruitment process and the child labour have worked in and established a labour relationship with the supplier, the supplier shall follow the following rules:

- Keep the child labourers in a safe place in the factory, do not let them work anymore, and provide them with necessary accommodation, food and care;
- Make clear the true identity and age of the child labour. Contact their parents, guardians or relatives and inform them of what has happened and seek their assistance;
- Provide adequate financial support for the child labour to attend school or vocational training programs until they reach the age of 16 or the local legal minimum working age;
- If the workers can provide documentary evidence or records of their school attendance and participation in school courses or vocational training programs, suppliers shall continue providing financial support until they complete their studies;
- When a child labour completes his/her studies and reaches the age of 16 or the local legal minimum working age, the supplier shall give preference to that labourer during recruitment.

#### **A.2.4 Protection of Juvenile Workers**

- Employers shall provide regular health checkups for juvenile workers;
- Employers shall arrange regular health checkups for juvenile workers: (1) before arrangement of job; (2) after they have worked for one year; (3) when they reach the age of 18 (more than six months has passed since the last health checkup); (4) before their leave their post.



### **A.2.5 Prohibition of Dangerous Employment**

Suppliers shall not have any act of dangerous employment, which means that employers arrange for child workers or juvenile workers to perform the following acts:

- Dangerous employment means child workers or juvenile workers:
- Are physically, psychologically or sexually abused;
- Engage in underground or underwater work;
- Work at heights or in confined spaces;
- Use dangerous tools and equipment or work with heavy loads;
- Are exposed to toxic and hazardous substances;
- Work overtime or night shifts;
- Work in a hot, cold, noisy or vibration environment;
- Are restricted from leaving the factory, except for control measures due to pandemic or other special circumstances.

### **A.2.6 Record Retention**

List of factory documents: Employee register, copies of identity documents, registration form for juvenile workers, annual medical examination form, child labour protection policies, juvenile worker management procedures, job identification list for juvenile workers, recruitment policy and procedure documents.

### **A.3 Recommended Practices**

- Formulate internal child labour protection policies, juvenile worker management procedures, and provide training to the management and employees.
- Check internal recruitment procedures and personnel practices to identify and remediate those procedures that may lead to the employment of child labour.
- Build and improve networks, including local experts, labour unions or factory committees, governmental and non-governmental organizations, health experts and customers. Work together to formulate an improvement plan and an emergency plan.

### **A.4 References**

- *Minimum Age Convention*;
- *Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour*



## **1.3 Anti-discrimination (A)**

### **A.1 Codes:**

Suppliers are prohibited from discriminating against employees in recruitment, pay, benefits, promotion, rewards and punishments, dismissal or retirement because of their gender, gender identity, race, religion, age, disability, illness, marital status, pregnancy, sexual orientation, nationality, political affiliation, birth origins, or other reasons. Men and women in the same position should be given equal pay for equal work.

### **A.2 Requirements:**

#### **A.2.1 Recruitment**

- Personal characteristics should not be taken into account in recruitment systems and procedures. Instead, emphasis may be placed on job-related competencies, requirements, expected performance, and terms of employment.
- Job postings or advertisements should not include any reference to race, nationality, gender, religious affiliation, age, disability, marital status, parenthood, membership of association, sexual orientation, or political affiliation, unless mandated by law or regulation. Instead, job postings or advertisements may contain work-related requirements. In job interviews, skills tests or other recruitment processes, suppliers should focus on work-related experience, competencies, and performance.

#### **A.2.2 Post-recruitment**

- Employees in the same position and having similar working experience should be given the same working conditions and remuneration package. For example, pay should not vary based on their gender, age, or nationality.
- Benefits are provided in accordance with the law, including benefits to workers in special categories, such as trainees and temporary workers.
- Job performance should be taken as the basis for decisions on training, job transfers, rotations, promotions, demotions, etc. and a prior discussion with relevant employee is required before any decision is made.
- Suppliers are responsible for providing training to all employees on supplier policies, including policies on working environment, disciplinary measures against suppliers, and how to seek help in case of any unfair treatment.
- Medical checkups arranged by suppliers for their employees must be fully related to the health risks to be assessed. Suppliers should inform employees of the test items and seek their consent, even though the tests are funded by the suppliers. Employees shall have access to their personal medical files and test results, and the suppliers shall take measures to ensure the confidentiality of such information.

#### **A.2.3 Dismissal**

- Before dismissing an employee, suppliers should discuss the reasons for termination with the employee and his/her supervisor first. The final decision to dismiss an employee should be based on job-related factors, such as poor performance or violation of factory rules or code of conduct, and in full compliance with legal disciplinary procedures. The reasons for termination and the procedures followed should be clearly documented.
- A grievance procedure should be established and followed so that employees can seek help in the event of unjustified or wrongful dismissal.

#### **A.2.4 Women's Rights**

- Suppliers shall not require an employee to have a pregnancy test, unless required by law or local government. A pregnancy test shall not be made a precondition of employment. Suppliers shall not force or compel workers to use contraceptives. If employees are pregnant during the term of employment, they shall be entitled to all legal protections and benefits.



- Female employees are entitled to maternity leave in accordance with local laws. Workers on maternity leave shall not face the threat of dismissal, loss of seniority, or pay cut and shall receive the same remuneration and benefits as before when they return to their job posts.

#### **A.2.5 Record Retention**

List of factory documents: Anti-discrimination policy, privacy and confidentiality system, recruitment policy and procedures, recruitment documents, factory regulations and employee handbook, disciplinary procedures, dismissal records, and records of training in relation to anti-discrimination guidelines.

#### **A.3 Recommended Practices**

Suppliers should review their operation practices as follows to ensure that they are not discriminatory:

- Review their practices and policies in recruitment, job assignments, training, overtime assignments, promotion, disciplinary punishment, termination of employment, and welfare and benefits, so as to ensure that all employees are provided with equal opportunity on benefits.
- Formulate anti-discrimination policies and train managers and employees;
- Have the managers (including senior management) establish a system to track the progress made by workers, production-line managers, and other senior managers in multiple aspects; and commend and reward managers accordingly.

#### **A.4 References**

- *Universal Declaration of Human Rights*
- *International Covenant on Civil and Political Rights*
- *International Covenant on Economic, Social and Cultural Rights*
- *International Convention on the Elimination of All Forms of Racial Discrimination*
- *Discrimination (Employment and Occupation) Convention*



## **1.4 Prohibition of Harassment and Abuse (A)**

### **A.1 Codes:**

Employees shall be treated with respect and dignity. Suppliers shall not engage in or acquiesce any physical, sexual, psychological or verbal harassment or abuse of employees.

### **A.2 Requirements:**

#### **A.2.1 General Provisions**

- Suppliers shall comply with all national/regional laws, regulations, and procedures regarding punishment, violence, harassment and abuse, including gender-based violence, harassment and abuse.
- If not required by law, employers must provide protection for employees suspected of being harassed, abused, or subjected to domestic violence.

#### **A.2.2 Harassment and Abuse Policy**

- Suppliers, after consulting with worker representatives or labour union representatives, should assess the specific risks of harassment and abuse, including gender-based violence in the workplaces and should have a written anti-harassment and abuse policy in place to address these risks.
- The written anti-harassment and abuse policy shall include: a statement that harassment or abuse is prohibited; a statement that workers will not be penalized or retaliated for reporting harassment or abuse in good faith; a statement that violation of the “No Harassment and Abuse Policy” may result in disciplinary or legal action; and channels of lodging complaints or grievances about harassment and abuse within the Group.
- Training: Suppliers should effectively communicate their anti-harassment and abuse policy to workers through training (e.g., induction training for new employees, periodic training, training sessions by supervisors or managers, posting of policies, and online publication of policies) so that workers are aware of their rights to be free from harassment and abuse.

#### **A.2.3 Penalties**

- Suppliers shall not take access to food, water, toilet, medical or health clinics, or other basic necessities as a means of rewarding or maintaining labour discipline.
- Suppliers shall not maintain labour discipline by any kind of physical violence (including slapping, shoving, or other forms of physical contact), verbal violence (including screaming, yelling, threats, put-downs, or insulting language), or mental abuse.
- Suppliers shall not maintain labour discipline by restricting a worker’s freedom of movement, including restrictions on breaks and access to cafeteria, toilet, water or necessary medical care.

#### **A.2.4 Elimination of workplace violence, harassment and abuse**

- Suppliers shall ensure that the workplace and all workplace facilities (such as vehicles or dormitories provided by the employer) are free of physical, sexual, psychological, verbal or other kind of violence, harassment or abuse.
- Suppliers shall consult with employee/labour union representatives to assess the specific hazards and risks of workplace harassment and abuse, including gender-based violence.
- Suppliers shall formulate an anti-violence, harassment, and abuse policy and take all necessary precautions against any behaviour that may lead to gender-based violence and/or harassment.





#### **A.2.5 Sexual Harassment**

- Any kind of sexual harassment, including inappropriate remarks, insults, jokes, innuendoes, and comments about another person's dress, sexual orientation, physique, age and family status, is prohibited;
- Any invitation or request, whether implied or explicit, threatened or not, that violates the bottom line is prohibited;
- Any other posture related to sexual activity and unnecessary physical contact such as touching, caressing, pinching or beating are prohibited without the consent of the other person;
- Managers shall not offer or take any action that might suggest an offer of recruitment, continued employment, promotion, better working conditions, preferred job assignments or other preferential treatment in exchange for a sexual relationship;
- Managers shall not retaliate in any manner against an employee for being denied a sexual request or for being corrected for misconduct.

#### **A.2.6 Record Retention**

List of factory documents: Factory rules and regulations, dormitory regulations, rewards and punishments for the management, records of rewards and punishments, documentation of grievances and dispute resolution, dismissal related documents, safety management policy (systems, procedures and records), no retaliation policy, no harassment policy, no abuse policy, and training records.

#### **A.3 Recommended Practices**

- To create a threat-free working environment, suppliers shall adopt a zero-tolerance policy toward violence, threats, abuse, coercion, and harassment, as detailed below:
- Assess the level of harassment: The establishment of an anonymous investigation or small discussion group led by external labour representatives may be a good start.
- Report cases of harassment: Establish an anti-harassment committee that comprises management and labour representatives. An ad hoc committee will be the place where workers will know who to contact when encountering a case of harassment and know that the coordinator for their case is trained to assess their pain and know what to do in the event of an abuse.
- Action plan: After assessing the extent and type of harassment in the workplace, suppliers should design and implement an action plan. The goal of the plan is to eliminate harassment at source through training and to sanction harassing conduct.
- Anti-harassment policy: After gathering enough information about harassment in the workplace, suppliers should formulate an internal anti-harassment policy and train employees.
- Confidentiality: Each case must be handled judiciously based on the facts. It is particularly important to keep information about the victim and the accused in confidence.

#### **A.4 References**

- *Universal Declaration of Human Rights*
- *International Covenant on Civil and Political Rights*
- *The Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment*



## **1.5 Freedom of Association (A)**

### **A.1 Codes:**

Suppliers must respect the legal rights of employees to choose, form, join or refuse to join a labour union or other type of collective organisation, and to participate in related activities.

### **A.2 Requirements:**

#### **A.2.1 Right to Freedom of Association**

Workers have the right to join or refuse to join labour unions or other labour organisations.

#### **A.2.2 Non-interference**

- Workers have the right to elect union leaders and representatives and to carry out activities without interference from suppliers (planned or facilitated domination, financing or control of the union by the employer).
- Suppliers shall not exert influence on or interfere with employees' rights to establish other legal workers' organisations if there is only one labour union. Suppliers shall not interfere with the right to freedom of association by giving preference to one labour union over another.

#### **A.2.3 Prohibition of Harassment and Retaliation**

- Suppliers shall not hinder workers from legally and peacefully exercising their right to freedom of association in any form (union meetings, organised activities, rallies and legal strikes) with threats or violence.
- No worker shall be dismissed, discriminated, harassed, intimidated or retaliated for joining a lawful labour union or workers' association, or for exercising their right to freedom of association in any other form (including the exercise of the right to form a labour union).
- Suppliers are prohibited from interfering with the right to freedom of association by creating a blacklist.
- Where local law provides special protections for workers or worker representatives who engage in labour union related activities (e.g., establishing a labour union), or for employee representatives who take a post in the labour union (e.g., serving as the founding member or incumbent of the labour union), suppliers shall comply with all relevant provisions.
- Suppliers shall not impose sanctions on labour organisations or workers involved in a lawful strike and shall not attempt to end a lawful strike by hiring replacement workers or circumvent good faith negotiations.
- Workers who have been unjustly dismissed, demoted or otherwise suffered a loss at work due to employer's discrimination against labour union shall, subject to local laws, be entitled to restoration of all the rights and privileges lost.
- Workers or worker representatives shall be able to raise issues regarding compliance with a collective bargaining agreement by employers without retaliation.

#### **A.2.4 Collective Bargaining**

- Suppliers shall recognise the right of organised workers to participate freely in collective bargaining.
- Suppliers shall bargain in good faith.
- Suppliers shall comply in good faith with the terms of a signed collective bargaining agreement during its effective period.



### **A.2.5 Effective Grievance Procedures**

- Grievance policies and procedures: Suppliers shall have effective grievance procedures in place to enable workers to raise their concerns at work on working conditions, policies and procedures, and terms and conditions of employment. Grievance procedures should be in the principle of confidentiality, timeliness, non-retaliation and transparency, and should include such elements as objective, scope, guidelines, roles and responsibilities, and channels of grievance and appeal;
- Communication and Training: Effectively communicate the grievance policy with workers and the management, and provide training to grievance handlers;
- Grievance handling: Announce and make available the progress of grievance handling to workers.

### **A.2.6 Record Retention**

List of factory documents: Anti-discrimination policy, privacy and confidentiality system, recruitment policy and procedures, recruitment documents, factory regulations and employee handbook, disciplinary procedures, dismissal records, and records of training in relation to anti-discrimination guidelines.

### **A.3 Recommended Practices**

Suppliers should review the way they deal with employees as follows:

- Review their management policies and practices: to ensure that they do not prohibit, discourage, or otherwise interfere with workers' right of association;
- Establish an effective grievance procedure;
- Ensure regular communications with labour organisations.

### **A.4 References**

- *Universal Declaration of Human Rights*
- *International Covenant on Civil and Political Rights*
- *International Covenant on Economic, Social and Cultural Rights*



## 1.6 Employment Relations (A)

### A.1 Codes:

Suppliers shall establish lawful and compliant employment relationships with employees in accordance with local laws as well as the requirements of International Labour Organization.

### A.2 Requirements:

#### A.2.1 Basic Requirements

- Recruitment policy: Suppliers shall formulate a comprehensive written policy and accurately document and maintain such documentation. The written policy shall cover all aspects from recruitment, appointment, probation and employment, including written terms and conditions of employment, job descriptions, salary management, and hours of work for all positions as well as layoff and dismissal procedures.
- Onboarding registration: Suppliers shall comply with local laws regarding onboarding registration of new employees.
- Conclusion of labour contract: Suppliers shall conclude a labour contract with employees in compliance with local laws, including requirements on conclusion of a written labour contract with employees, and the terms, duration and/or renewal of the labour contract. Suppliers shall fully explain the terms in the labour contract in local language. Workers shall be provided with a copy of the employment contract in the language that they speak.
- Guidelines for new employees: Suppliers shall provide guidelines to new employees during recruitment stage, including compensation packages and HR policies, grievance systems, employer-employee relations, right to freedom of association, rights and responsibilities of employees, health and safety, environmental protection, and codes of conduct of brand suppliers.
- Vocational training: Suppliers shall have written policies and procedures in place to encourage and arrange ongoing training sessions for all kinds of employees, with an aim to improve their existing skills or develop new skills and to advance their career in and out of the workplace.
- Performance appraisal: Suppliers shall formulate written policies and procedures of performance appraisal and seek feedback from employees in writing while performance appraisal practices shall follow all local legal requirements.
- Job reassignment: Suppliers shall have written policies and procedures in place regarding promotion, demotion, and job reassignment that discrimination or use of demotion or job reassignment as a form of penalty or punishment is prohibited, and seek feedback from employees in writing, and the said practice shall follow all local legal requirements.

#### A.2.2 Temporary Workers

Suppliers shall hire temporary workers only if such hiring is consistent with the law and shall have in place written policies and procedures regulating the recruitment and hiring of temporary workers. Temporary workers shall only be hired if one of the following conditions is met:

- The workforce of the suppliers is not sufficient to meet unexpected or unusually large volume of orders.
- Work that needs to be done is outside the scope of professional expertise of the permanent workforce.

#### A.2.3 Probation Period

- A probation period may be agreed in the employment contract. Provisions on probation period shall follow the requirements of local laws and regulations.
- The salary of an employee during the probation period shall not be less than 80% of the lowest salary for the same position in the company or 80% of the salary agreed in the employment contract and shall not be less than the minimum wage at the employer's location. If the place where the suppliers operate have stricter labour laws, such



laws shall prevail.

- No probation period is required for internal job transfer, job reassignments, and return from maternity leave.

#### **A.2.4 Prohibition of production by cottage factories**

Suppliers are prohibited from producing ANTA Sports' products by any types of cottage factories.

#### **A.2.5 Record Retention**

List of factory documents: Employee register, registration form for temporary workers, registration form for foreign employees, recruitment policies and procedures of suppliers, employee handbook, etc.

#### **A.3 Recommended Practices**

- To establish a comprehensive and compliant recruitment system, the following steps should at least be taken:
- Formulate a comprehensive recruitment policy, which should cover all aspects from recruitment, appointment, probation to employment;
- Review the recruitment and employment system on a regular basis according to the recruitment policy.
- Make timely improvements based on the non-conformity items identified in the review.
- Establish an optimized communication channel for effectively receiving feedbacks and complaints from employees on the recruitment and employment procedures.

#### **A.4 References**

- *Universal Declaration of Human Rights*
- *OECD Guidelines for Multinational Enterprises*



## **1.7 Working Hours (A)**

### **A.1 Codes:**

Suppliers shall not require workers to work beyond the normal and overtime hours stipulated by the laws of the country in which they are employed. Suppliers shall allow workers a minimum of 24 consecutive hours off in every seven-day period. Overtime shall not be frequently requested, all overtime work shall be voluntary, and all overtime work shall be compensated with overtime pay.

### **A.2 Requirements:**

#### **A.2.1 Normal Working Hours**

- Suppliers shall use a reliable timekeeping system to record the time when the employees go on and off duty each day in a timely and accurate manner (usually no more than 15 minutes before or after work). Normal and overtime hours shall be kept in the same record. The working hours shall include the time spent on all work done (including the time spent attending meetings or training) and shall be paid accordingly. To ensure accuracy, reliability and transparency, an electronic timekeeping system shall be used in general.
- At least 24 hours' notice is required for any change in working hours.

#### **A.2.2 Limits on Overtime/Working Hours**

- Suppliers shall observe local provisions regarding limits on daily, weekly, monthly and annual working and overtime hours.
- Employees are not allowed to work consecutive shifts to ensure their health and safety.
- Suppliers must pay the correct amount of wages for working overtime, on weekends or holidays in accordance with local laws.
- Employees shall work overtime on public holidays or rest days on a voluntary basis.

#### **A.2.3 Guaranteed Rest**

- Suppliers shall comply with the requirements of local laws and regulations regarding leave and rest days.
- Employees shall be allowed to take at least 24 consecutive hours of rest (one rest day) every seven days, except in special circumstances or in accordance with the shift policy.
- Shift policy: Subject to local laws or at least 24 hours' notice to employees (whichever is greater) and consultation with any relevant labour union or worker representative.

#### **A.2.4 Voluntary Overtime**

Suppliers shall comply with the requirements of local laws regarding the voluntary nature of overtime work.

#### **A.2.5 Annual Leave and Statutory Holidays**

- Suppliers must set up an annual leave system. The system shall include the procedures for employees to take annual leave. An employee is entitled to take annual leave to the extent permitted by the laws.
- In the event of a swap between a statutory holiday and a normal working day as allowed by local laws, the consent of the relevant employee shall be obtained, and the relevant record shall be made.
- An employee's full-attendance bonus or other rewards shall not be affected due to taking annual leave.





- If an employee resigns or the relevant supplier terminates the employment contract, the supplier may dispose of the outstanding leave of the employee in accordance with applicable laws or regulations.

#### **A.2.6 Record Retention**

List of factory documents: The factory’s working hour policy, production planning and scheduling, capacity schedule, working hour records, payroll, pay stub, overtime approval form, monthly overtime summary report, annual leave balance tracking form, leave system, procedures and leave application form, and working hours-related training records.

#### **A.3 Recommended Practices**

- Establish a working hour monitoring system to ensure compliance with laws and the code of conduct for suppliers.
- Accurately record working hours: Suppliers shall maintain a system for recording working hours in a comprehensive and accurate manner. The system shall record standard and overtime hours and breaks, and shall apply to all employees: permanent, contract and agency workers; piece-rate or hourly paid workers;
- Review the status quo of overtime: Analyse the status quo of overtime by department and employee type. Mark any department or employee type that tends to work long hours. Use a fishbone diagram to identify the root causes of long overtime hours and determine work priorities. Formulate action plans and make improvements;
- Review the existing working hour policy, which shall include provisions on voluntary overtime;
- Monitor working hours every day. Give a timely warning and make adjustment if working hours exceed a limit.

#### **A.4 References**

- *Universal Declaration of Human Rights*
- *International Covenant on Civil and Political Rights*
- *International Covenant on Economic, Social and Cultural Rights*
- *Holidays with Pay Convention (Revised)*
- *Night Work Convention*



## **1.8 Remuneration and Benefits (A)**

### **A.1 Codes:**

Wages and benefits are determined in accordance with the laws of the countries/regions where suppliers operate or through collective bargaining agreements. They include the minimum wage and relevant statutory benefits such as annual leave, sick leave, maternity leave and social security obligations. The minimum wage policy is intended to protect employees against excessively low pay. It is also a governmental tool to reduce poverty and inequality. Suppliers shall confirm that: Each employee is entitled to remuneration for normal work not lower than the local minimum wage standard, and to relevant statutory benefits. ANTA Sports encourages its suppliers to pay their employees remuneration not lower than a living wage. Wages shall be based on work performance and all employees shall enjoy equal pay for equal work.

### **A.2 Requirements:**

#### **A.2.1 Basic Wage**

- Employees shall get paid at a rate not lower than the local minimum wage. Wages and benefits shall be paid or provided on a regular and timely basis.
- Wages shall be paid in cash or by bank/electronic transfer.
- Suppliers shall be responsible for making up for the unpaid part of employees' wages due to miscalculation of basic wage and/or overtime pay or other benefits. In case there is any special provision on back pay in local laws, such provision shall prevail.
- All employees, regardless of gender, shall receive wages according to work performance and enjoy equal pay for equal work.
- The employees on probation shall receive the same benefits as regular employees.

#### **A.2.2 Wage Mechanism**

- The wages shall be determined directly with employees in a transparent manner, preferably through negotiation or collective bargaining, or through other legal means (e.g., workers' council or welfare committee).
- The basic wage shall not be lower than the local minimum wage.
- An improving wage mechanism shall be part of the human resource management system.
- The benefits specified in local laws shall be provided.

#### **A.2.3 Deduction**

- Employees do not have to pay for the tools they need to carry out the work. To the extent permitted by local laws, if any employee is found to be responsible for the loss of or damage to the supplier's tools or property, the relevant employee may be held liable for the direct replacement or repair cost, but the cost shall not be higher than that required by local laws (if any).
- No disciplinary penalty shall be deducted from the wages of employees. Performance or behavior issues shall be addressed as per other performance management methods.
- The factory shall bear the fees to be paid by migrant workers as its business cost and cost of employing the migrant workers. The factory shall not charge separate fees for work permits or visas, or for annual health examinations as required by laws.
- No penalty shall be imposed on the employees or no amount shall be deducted from their wages due to their failure to meet production targets.
- Suppliers shall not deduct labour union fees or other fees from the wages of employees without their express written consent, unless otherwise specified in a valid collective bargaining agreement.

#### **A.2.4 Wages during Probation and Training**

- Suppliers shall not pay probationary wage lower than the statutory minimum standard, including wage paid for overtime.



- The probation period must comply with the requirements of local laws.

#### **A.2.5 Payroll**

- Employees shall receive training to learn about the payment method. Suppliers shall provide each employee with a record of payment for the entire wage period in the local language at the time of each payment. The payment record shall include at least the wage period, date of wage payment, total number of normal working hours, number of overtime hours, total remuneration for normal and overtime work, all other remunerations (e.g. performance bonus and reward), all insurance deductions and/or other legal mandatory deductions.

#### **A.2.6 Leave Policy**

- Suppliers shall develop clear written policies and procedures for statutory holidays, sick leave, annual leave, maternity leave, paternity leave, leave for family emergencies, and other leave required by local laws. Suppliers shall effectively inform the employees of the leave policy. Suppliers shall provide their staff responsible for implementing the leave policy with training on their roles and responsibilities.

#### **A.2.7 Retirement/ Severance**

- Suppliers shall make full contributions to all social security, unemployment and pension insurances as required by laws and maintain adequate records of contribution payment.

If any supplier needs to conduct a redundancy exercise due to bankruptcy reorganization or serious difficulties in production and operation, the relevant supplier shall make explanations in advance to the labour union or all employees and report to the relevant departments in accordance with the laws. Financial compensation shall be paid to employees being made redundant, in accordance with the laws. If the applicable local laws have different provisions, such provisions shall prevail.

#### **A.2.8 Record Retention**

List of factory documents: Payroll, bank transfer records, performance evaluation records, employment contracts, remuneration system, deduction records (e.g. social security contribution payment), medical records, welfare benefit records, leave system procedures and relevant application forms, disciplinary system and records, up-to-date employee status reports (e.g. turnover rate, number of workers by type of employment, rosters, job posts, onboarding date and ID numbers), and training records for remuneration and benefits.

#### **A.3 Recommended Practices**

- To establish a comprehensive and improving wage system, at least the following steps must be taken:
- Review the existing wage payment structure of suppliers to ensure compliance with local laws. Examine the wage differences between male and female employees performing the same tasks;
- Review the employment contracts to ensure that wage and benefit terms are clearly explained and in compliance with the laws.
- Ensure the accuracy of all time records.
- Ensure a control and checking system of payroll in place to accurately calculate wages and benefits.
- Train employees on the payroll, wage payment method and ways to give feedback on/consult abnormal wage conditions.
- Suppliers shall formulate a wage policy. The policy shall include the wage system (hourly wages, piece wages, hybrid wages, etc.), statutory wages and benefits, time and method of payment, statutory deductions, basis for disciplinary punishment, channel of appeal against the punishment, and procedures to ensure that wages are properly paid in accordance with the laws.
- Regularly check the wage system.

#### **A.4 References**

- *Universal Declaration of Human Rights*
- *International Covenant on Civil and Political Rights*



- *Protection of Wages Convention*
- *Social Security (Minimum Standards) Convention*
- *Maternity Protection Convention*
- *Equality of Treatment (Social Security) Convention*
- *Employment Injury Benefits Convention*
- *Invalidity, Old-Age and Survivors' Benefits Convention*
- *Medical Care and Sickness Benefits Convention*
- *Minimum Wage Fixing Convention*
- *Maintenance of Social Security Rights Convention*
- *Employment Promotion and Protection against Unemployment Convention*
- *Protection of Workers' Claims (Employer's Insolvency) Convention*



## 2. Health and Safety

### 2.1 Health and Hygiene - Prevention and Control of Occupational Diseases (A)

#### A.1 Codes:

Suppliers shall provide employees with a working environment and condition that meet occupational health standards and hygiene requirements in accordance with relevant laws, regulations and applicable standards to eliminate or reduce occupational hazards and protect the health of employees.

#### A.2 Requirements:

##### A.2.1 Risk Assessment

- Suppliers shall conduct risk assessment of occupational hazards in the workplace and identify and analyse the occupational hazards that may arise or exist in the workplace, including but not limited to chemical, physical and biological occupational hazards. The risk assessment should include:
  - 1) Assessment of the risk of occupational hazards that may arise from the launch of new projects or change of projects
  - 2) Regular assessment of the risk of occupational hazards in the workplace
- In the event of any occupational hazard identified in the workplace that fails to meet the occupational health standards and hygiene requirements upon assessment, the suppliers shall immediately take corresponding treatment measures. Failing to meet such standards, the suppliers shall stop the operations with occupational hazards. After the occupational hazards meet the occupational health standards and hygiene requirements upon treatment, the suppliers may resume the operations.
- Assessment of the risk of occupational hazards shall be in the charge of qualified and capable institutions or individuals.

##### A.2.2 Prevention and Control

- Suppliers shall give priority to the use of new technologies, new processes, new equipment and new materials conducive to the prevention and control of occupational diseases and protection of employee health, to gradually replace those with serious occupational hazards.
- While meeting the requirements for establishment provided by laws and regulations, the workplace shall also meet the following requirements for occupational health:
  - 1) The intensity or density of the occupational hazards shall meet the requirements for occupational health
  - 2) There are facilities fit for the protection against the occupational hazards
  - 3) The production layout shall be reasonable, and be in accordance with the principle of separating hazardous operations and non-hazardous operations
  - 4) There are supporting sanitation facilities, such as dressing rooms, bathrooms and rest rooms for pregnant or lactating women
  - 5) The equipment, tools, appliances and other facilities shall meet the requirements for the protection of the physical and mental health of employees
- The plans on prevention and control of occupational hazards and implementing schemes shall be developed to establish and improve the following occupational health management system and operating procedures:
  - 1) Full-time or part-time occupational health management personnel shall be assigned as required by laws to be responsible for prevention and control of occupational diseases in the factory.
  - 2) No juvenile workers shall be assigned to conduct operations with exposure to occupational hazards; no female employees who are pregnant or lactating shall be assigned to conduct operations causing hazards to them and their fetuses or babies.

##### A.2.3 Tips and Notices

- Suppliers shall set up a bulletin board in a conspicuous position to disclose its rules, regulations and operating procedures relating to the prevention and control of occupational diseases, emergency rescue measures in response to



occupational hazard accidents, and testing results of occupational hazards at workplaces.

- Warning signs shall be conspicuously placed at the entrance to the workplaces and near the operation posts or equipment that generate occupational hazards
- Suppliers shall truthfully inform employees of the occupational hazards that may arise in the work process and their consequences, the protective measures and treatment against occupational diseases, etc.

#### **A.2.4 Protective Articles and Equipment**

- Suppliers shall provide employees with occupational disease protective articles that meet occupational health standards and supervise and guide employees to wear and use them correctly according to the rules of use.
- For the protective equipment against occupational diseases, emergency rescue facilities, and the protective articles for personal use against occupational diseases, the suppliers shall conduct frequent maintenance and repair, regularly check their performance and effect to ensure that they are in normal state and may not demolish or stop using them without authorisation.
- For the poisonous and harmful workplace where acute occupational injuries are likely to occur, the suppliers shall set up alarming equipment, and allocate on-spot emergency treatment articles, washing equipment, emergency withdrawal passages and necessary risk relief zones. On-spot emergency treatment articles and washing equipment, etc. shall be put in the workplace where acute occupational injuries are likely to occur or its vicinity, with a clean sign in a conspicuous position.

#### **A.2.5 Occupational Health Examination**

- Suppliers shall regularly arrange the occupational health examination for the employees that are engaged in the operations contacting occupational hazards, at the expense of the factory:
  - 1) Suppliers shall arrange the occupational health examination of the employees before they take the posts, during their service and before their departure, and inform the employees in writing of the examination results
  - 2) Suppliers shall not assign the employees without going through the pre-post occupational health examination to undertake the operations involving occupational hazards
  - 3) Suppliers shall not assign the employees that have occupational contraindications to undertake the operations that they shall avoid
  - 4) The employees that are found to have the health injuries related to their posts during the occupational health examination shall be transferred from their former posts and be settled appropriately
  - 5) Suppliers shall not cancel or terminate the employment contracts signed with the employees without going through the occupational health examination before their departure
  - 6) Suppliers shall establish occupational health monitoring and protection archives for the employees, and shall keep the archives properly within the prescribed period

#### **A.2.6 Employee Training**

- The occupational health management personnel must possess occupational health knowledge and management ability appropriate for the factory's production and business operations and receive occupational health training.
- Suppliers shall provide pre-job occupational health training and periodical on-the-job occupational health training for employees, promote occupational health knowledge, and urge employees to abide by the requirements and rules on the prevention and control of occupational diseases.
  - 1) Suppliers shall provide special occupational health and safety training for employees in the posts with serious occupational hazards, and the employees may take the posts only after they pass the training
  - 2) Where there is a change in any occupational disease hazard to which employees are exposed due to the modification of processes, technologies, equipment or materials or post adjustments, the factory shall provide pre-job occupational health training to employees once again

#### **A.3 References**

- *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*
- *Provisions on the Administration of Occupational Health at Workplaces*
- *Measures for the Supervision and Administration of Employers' Occupational Health Surveillance*
- *Warning Signs for Occupational Hazards in the Workplace - GBZ158*





## **2.1 Health and Hygiene - Management of Work-related Injuries and Occupational Diseases (B)**

### **B.1 Codes:**

Suppliers shall formulate and implement processes and procedures for management of accident reporting, work-related injuries and occupational diseases.

### **B.2 Requirements:**

#### **B.2.1 Accident Report**

- Suppliers shall have systems and processes in place to train and encourage employees to:
  - 1) Immediately report to their immediate supervisors any situation that may pose a risk to their life or health
  - 2) Promptly report any work-related injuries and occupational diseases that have occurred, as well as dangerous accidents
- Promptly report work-related injuries and occupational diseases, as well as dangerous accidents, to the competent authorities in accordance with local laws and regulations.
- All deaths or serious injuries (e.g., loss of body parts) shall be notified to ANTA within 24 hours of the accident.

#### **B.2.2 Records of Work-related Injuries and Occupational Diseases**

- Suppliers shall keep timely, accurate and detailed records of all work-related injuries and occupational diseases, as well as dangerous accidents, as required by local laws and regulations.
- Records of work-related injuries shall be properly managed and maintained and shall be accessible for the prescribed periods. Records shall contain at least the following information:
  - 1) Name, age, gender, department and position of the employee
  - 2) Body part and condition of the injury
  - 3) Time and place of the accident and details of its occurrence
- In addition to the above information, the records of occupational diseases shall also include:
  - 1) The time when the occupational disease is diagnosed, as well as its name and nature
  - 2) Harmful factors and processes leading to occupational diseases
  - 3) Length of time employees serve in the factory and are exposed to harmful factors
- Records of work-related injuries and occupational diseases shall be completed as required within the prescribed period and it is recommended that they be completed within six days of reporting the accidents. If more than one employee is involved in a single incident, a record shall be created for each employee.

#### **B.2.3 Investigation of Work-related Injuries and Occupational Diseases**

- Suppliers shall conduct investigations into all work-related injuries, occupational diseases and dangerous accidents.
- Where suppliers lack relevant in-house capacity, investigations shall be conducted with the assistance of external third parties. The investigation shall be as detailed as possible to include details of occurrence and the causes of the accident, and effective measures to prevent a recurrence.
- The results of the investigation shall be made public and employees shall be trained and educated in order to prevent similar accidents from happening again.

#### **B.2.4 Analysis and Improvement**

Suppliers shall regularly summarize and analyse the data on work-related injuries and occupational diseases, including the frequency and severity of accidents and actual losses, for systematic health and safety risk assessment, so as to promote continuous improvement in internal health and safety management.

### **B.3 References**

- *ILO Code of Practice for Health and Safety*
- *ILO Recording and Reporting of Occupational Injuries and Diseases*



## 2.1 Health and Hygiene - Medical and First Aid (C)

### C.1 Codes:

Suppliers shall formulate and implement relevant processes and procedures to provide first aid and medical assistance to employees in case of emergency, according to laws, regulations and applicable standards.

### C.2 Requirements:

- Suppliers shall have in-house first aid equipment and staff in accordance with the requirements of local laws and regulations.
- A significant portion of staff in each shift should have received basic training on first aid, including trauma management, cardiopulmonary resuscitation (CPR), etc. and their contact details shall be available. If chemical poisoning, smog, insect bites or other specific hazards are present in the workplace, appropriate trainings shall be extended after consultation with qualified agencies or individuals.
- First aiders shall attend regular trainings to ensure that they update and remember their first aid knowledge and techniques.
- First aiders shall be skilled in CPR and related life-saving skills when there is a risk of drowning, asphyxiation or electric shock in the workplace.
- Suppliers shall have appropriate first aid and resuscitation equipment such as stretchers, defibrillators etc. as required, and shall inform staff where such equipment is stored.
- All workplaces shall be equipped with first aid kits containing the required items, which items shall be protected from moisture and dust. The location of the first aid kit shall be clearly marked and no items other than medicines shall be stored inside. The first aid kit must not be locked and must be accessible to staff in need.
- The first aid kit shall be posted with simple but clear instructions. The first aid kit shall be kept by someone with first aid skills and be checked regularly to ensure that the medication is adequate and effective.
- The safety data sheets used in production shall be easily accessible for use in first aid applications.
- If the number of employees on any shift reaches a set number, at least one first aid room or station shall be provided for personnel or nurses with first-aid skills to deal with minor injuries or as a place of rest for seriously injured or ill persons.
- Unless there is a hospital or medical facility nearby, the factory shall have a suitable premises with adequate beds and necessary equipment and items for the initial treatment of injuries and temporary use of wounded persons.
- A first aid register shall be established to record the name and gender of the sick or injured person, as well as details of first aid and treatment. First aid registers shall be properly kept for the analysis of accidents and injuries.
- A sufficient number of staff shall be trained in first aid and first aiders shall hold valid certificates in accordance with national/regional laws and regulations.

### C.3 References:

- *ILO Code of Practice for Health and Safety*



## **2.1 Health and Hygiene - Personal Protective Equipment (PPE) (D)**

### **D.1 Codes:**

Suppliers shall provide employees with the correct and effective PPE in accordance with relevant laws, regulations and applicable standards to prevent injuries to employees in the workplace.

### **D.2 Requirements:**

#### **D.2.1 Selection of PPE**

- Suppliers shall provide PPE that matches the risks in workplace in accordance with laws, regulations and applicable standards, including but not limited to:
  - 1) Employees exposed to dust, toxic and harmful substances shall be equipped with respirators, protective clothing, protective gloves and protective shoes according to the type and concentration of dust, free silica content, and the type and concentration of toxic substances
  - 2) Employees, when exposed to noise in a workplace with an equivalent sound level of  $80 \text{ dB} \leq 8 \text{ hours} < 85 \text{ dB}$  or  $\geq 85 \text{ dB}$ , shall be provided with suitable hearing protectors according to their needs;
  - 3) Employees working in an environment with falling objects, splashing debris, rotating machinery and sharp instruments shall be provided with protective hats, protective glasses, etc.
- The PPE with applicable protection features and effects shall be selected according to the procedures for identification, evaluation and selection, taking into account the way and conditions in which employees work, as well as their personal characteristics and labour intensity.
- The PPE provided shall comply with the technical standards set by the competent authorities or be accredited by relevant authorities at home and abroad.
- The PPE shall not restrict the users' movement or vision, hearing or other sensory functions, and its use shall not pose an additional hazard.

#### **D.2.2 Use of PPE**

- Suppliers shall provide PPE to their employees free of charge.
- Brand new PPE shall be distributed to staff and PPE shall not be exchanged for use without proper maintenance and disinfection.
- PPE that may have been contaminated with hazardous substances must not be taken home by employees for washing, cleaning or storage. Where the working environment requires using protective clothing, it is necessary to set up a special place for changing and storing such clothing.
- Protective clothing or equipment that may have been contaminated with hazardous substances shall be washed, cleaned, disinfected and inspected before being redistributed to staff for use.
- Disposable PPE shall not be reused.
- Suppliers shall supervise and educate staff on:
  - 1) Use and storage of their PPE correctly
  - 2) Use of PPE throughout the process of exposure to risk
  - 3) Regular inspection of the PPE to ensure they are in good condition, and make free replacement or repair if necessary
- In toxic and hazardous workplaces where acute occupational injuries may occur, emergency labour protective equipment shall be provided in close proximity to the site and be clearly marked.
- Suppliers shall designate an ad hoc manager for PPE-related management, including but not limited to the relevant selection, storage, maintenance, cleaning, inspection and replacement.



### **D.2.3 Employee Training**

- Training and guidance shall be provided to all staff who are required to wear PPE to ensure that they can use, care for and store it correctly. Suppliers shall provide relevant trainings to employees before they start work and regular trainings shall be provided during their employment.
- Prior to commencing work, each employee shall demonstrate that he/she understands the relevant trainings and can use the PPE correctly. If any employee does not have the relevant knowledge and competence, he/she must get retrained. Employees are also required to undergo retraining when:
  - 1) There are changes in the working environment, e.g., equipment or materials
  - 2) Using a completely new category of PPE
  - 3) Accident records or health checks reveal deficiencies in the use of PPE by employees

### **D.3 References**

- *ILO Code of Practice for Health and Safety*
- *Work Safety Law of the People's Republic of China*
- *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*
- *Management Rules for Labour Protection Products of Employers*



## **2.1 Health and Hygiene - Ergonomics (E)**

### **E.1 Codes:**

Suppliers shall formulate and implement processes and procedures to eliminate or reduce risks associated with ergonomic hazards.

### **E.2 Requirements:**

#### **E.2.1 Risk Assessment**

- Suppliers shall assess the ergonomic hazards and risks posed to employees by internal work layouts, work practices, operating procedures and equipment and tools. The main factors to be assessed include:
  - 1) Features of the workplace layout and its impact on employees
  - 2) Design of workbenches, equipment and workflows
  - 3) Weight of materials, products, machines or tools operated by employees
  - 4) Force, time and frequency required for working with materials, products, machines or tools
  - 5) Postures used by employees when working with materials, products, machines or tools
  - 6) Physical characteristics of the operator such as height, size, gender, age, etc.
  - 7) Working environment factors, especially wet or cold environment
- Risk assessments shall actively involve employees and their representatives, and take into account the special needs of vulnerable employees (e.g., pregnant women).
- Risks shall be reassessed when there is any change in the working environment, the way or method of working, or when an ergonomic hazard event occurs.
- Suppliers shall acquire relevant measures to eliminate, prevent and control risks from applicable codes or guidelines; and seek guidance from relevant authorities, experts or other businesses.

#### **E.2.2 Management and Control**

- Suppliers shall select appropriate tools, equipment and workbenches to eliminate or reduce ergonomic hazards such as heavy lifting, bending over, repetitive movements, excessive force, etc. Control measures shall also consider various factors that affect the risks of manual operation by employees, including the size, shape and nature of the object.
- Suppliers shall ensure that the equipment, materials and protective devices supplied by them are maintained in good condition and repaired if damaged, including but not limited to:
  - 1) The wheels of the trolley are not broken, misaligned or flat, and there are no items stuck on the wheels or entangled with other things
  - 2) Bearings are well maintained
  - 3) The seat has a backrest and the pad is not missing or broken
  - 4) Hand tools are well maintained, and handles are not broken
  - 5) Height-adjustable equipment works properly and is used correctly
  - 6) The lighting function overhead or at work is normal
- The following combinations of administrative controls may be considered:
  - 1) Formulate plan to arrange workers for rest
  - 2) Acclimatise staff to the pace and intensity of the work in the early stages of the job
  - 3) Do a good job rotation between employees
  - 4) Clarify in writing the duties, tasks, outcomes and consequences of relevant work
  - 5) Develop production process designs and incentive systems to promote harmless work
  - 6) Provide staff with skills training and protection



- Personal Protective Equipment (PPE)
  - 1) Employees who are potentially exposed to ergonomic hazards at work shall wear PPE such as hand protection, gloves, load transfer devices, wrist or ankle straps or sweatbands as required
  - 2) Ensure that PPE address the identified hazards and risks and apply to both male and female employees
  - 3) Clearly identify the areas where PPE is to be worn and monitor that staff wear it correctly
- Suppliers shall continue to upgrade their levels of automation and technology.

### **E.2.3 Employee Training**

- Employees who are potentially exposed to ergonomic hazards at work shall receive adequate training in safe working practices prior to commencing work, including but not limited to:
  - 1) Understand common musculoskeletal diseases and their signs and symptoms
  - 2) Know the need to work in a comfortable body position
  - 3) Know and be encouraged to appropriately adjust seating and working positions and safe workstation settings
  - 4) Know the risks involved in repeated lifting of tools, materials and other objects
  - 5) Know the risks involved in pushing and pulling heavy objects
  - 6) Know the risks involved in the repetitive and forceful use of unhealthy hands or wrists and their rapid movement
  - 7) Know how to use PPE correctly
  - 8) Actively report any pain or discomfort without fear of reprimand
- Conduct regular staff training, which shall also cover protection against ergonomic hazards.

### **E.3 References**

- *ILO Code of Practice for Health and Safety*





## 2.1 Health and Hygiene - Dormitory Management (F)

### F.1 Codes:

If suppliers have staff dormitories, the installation and operation of the dormitories shall comply with the requirements of relevant laws and regulations, so as to ensure that employees are provided with a sanitary, healthy and safe living environment.

### F.2 Requirements:

#### F.2.1 Buildings and Facilities

- Dormitories shall be designed and constructed in accordance with the relevant building safety and fire safety requirements and, if applicable, be inspected and approved by the competent authorities upon completion.
- Dormitories shall have a good outdoor environment with natural light and ventilation, free from noise and pollution sources.
- Where dormitories have open and airy verandahs and outdoor staircases, rain barriers and slip resistant flooring measures shall be taken.
- Enclosed stairwells shall be used in dormitory buildings, with the exception of those directly connected to open verandahs. Smoke-proof stairwells shall be used when the height of the building exceeds 32m.
- The number of escapes exits on each floor of the dormitory shall comply with the relevant legal requirements.
- Dormitories shall be equipped with fire safety evacuation diagrams and obvious safety evacuation signs, and the evacuation walkways shall be equipped with evacuation lighting and lighting evacuation indicator signs.
- Dormitories shall be equipped with appropriate fire warning and fire extinguishing equipment, e.g. smoke detectors, fire hydrants, fire extinguishers, etc.
- Dormitories shall not be located in the same building of a factory or warehouse, nor shall living quarters be located in the basement.
- Male and female dormitories shall be separated.

#### F.2.2 Living Condition

The living conditions of the dormitory shall comply with the provisions of the laws or competent authorities or, in the absence of such provisions, with the following requirements at least:

- The living space per person is not less than 4 square metres.
- Each worker shall have a separate bed, the arrangement of which shall meet following provisions:
  - 1) The distance between the long sides of two single beds shall not be less than 0.6m
  - 2) The distance between the heads of the two beds shall not be less than 0.1m
  - 3) The width of the walkway between two rows of beds or between the beds and the wall shall not be less than 1.2m
- There shall be adequate ventilation and light in the dormitories, with fans or air-conditioning facilities in hot areas and heating facilities in cold areas.
- The dormitory shall have separate lockable cabinets for personal belongings, with a net storage space of 0.5 cubic metres to 0.8 cubic metres per person.
- There shall be adequate sanitary and washing facilities in the dormitories, such as public toilets, washrooms, bathrooms, shower facilities, etc., and note that such facilities of both sexes be provided.
- There shall be sufficient drinking water in the dormitories, and boiling water facilities or rooms shall be provided on each floor.
- First aid kits and medicines shall be available in the dormitory.



### **F.2.3 Daily Management**

- There shall be a dedicated caretaker for the day-to-day management of the dormitory.
- The sanitary facilities of the dormitory shall be regularly inspected and maintained to ensure proper functioning.
- Firefighting equipment in the dormitory shall be regularly checked and maintained to ensure that, for example, smoke detection systems, fire alarm systems, emergency lights, fire extinguishing equipment, escape exits, etc. are in good condition.
- All escape exits must not be locked from the outside if the dormitory is occupied.
- Resident staff in the dormitory shall be arranged to attend fire safety training, as well as regular evacuation drills.
- Where possible, day and night shift staff shall be accommodated in separate dormitories or rooms if there are shifts.

### **F.3 References**

- *Code for Design of Dormitory Building* - JGJ 36
- *Code for Fire Protection Design of Buildings* - GB 50016



## **2.1 Health and Hygiene - Canteen Management (G)**

### **G.1 Codes:**

If the supplier has a staff canteen, the set-up and operation of the canteen shall comply with the requirements of relevant laws and regulations to ensure that employees are provided with the sanitary, healthy and safe catering services.

### **G.2 Requirements:**

#### **G.2.1 Buildings and Facilities**

- Canteens shall comply with the building, firefighting and health and safety-related requirements and, if applicable, obtain acceptance and approval from the relevant competent authorities.
- Canteens shall not be located in areas susceptible to contamination and shall be kept clean, sanitary and tidy.
- The building shall be constructed of suitable durable materials that are sturdy and easy to maintain, clean or disinfect.
- Food-handling areas shall be located indoors, and effective measures shall be taken to prevent contamination of food during storage and processing.
- Canteens shall be equipped with washing, disinfection and cleaning facilities, as well as personal hygiene facilities such as hand washing facilities.

#### **G.2.2 Daily Management**

- Food suppliers shall be evaluated and managed, and safety checks shall be carried out on purchased ingredients.
- Ingredients shall be stored in accordance with safety requirements (including storage conditions and shelf life of ingredients, etc.).
- During the processing and preparation of food, measures shall be taken to avoid cross contamination of food receipts.
- Tableware shall be washed promptly after use and disinfected before use.
- Food waste shall be sorted into containers as required and cleaned up promptly.
- Pest control measures shall be formulated and implemented to avoid the invasion and stay of pests.
- Samples of finished food products shall be retained and recorded in accordance with legal requirements. The retained food products shall be stored in refrigerated equipment for more than 48 hours, and the number of samples retained for each variety shall meet the needs of inspection and testing and be not less than 125 grams.

#### **G.2.3 Personnel Requirements**

- A food safety manager should be designated for the canteen and should receive relevant food safety training.
- Canteen staff shall obtain a health certificate before working and undergo regular health checks.
- The health of canteen staff shall be checked every day before work.
- Canteen staff shall maintain good personal hygiene and wear hygienic items such as gloves, masks, work caps, overalls etc. as required.

### **G.3 References**

- *Food Safety Law of the People's Republic of China*
- *Operation Rules on Food Safety in Catering Service*



## 2.2 Fire Safety (A)

### A.1 Codes:

Suppliers shall ensure that all buildings comply with local laws and regulations on fire safety and implement effective fire prevention and control measures to eliminate or reduce the hazards posed by fire risks so as to provide a safe working environment for employees.

### A.2 Requirements:

#### A.2.1 Risk Assessment

Suppliers shall conduct and regularly review fire risk assessment to formulate action plans against fire. Risk assessment should:

- Identify the fire risk source and consider the three basic fire-causing conditions: combustible, comburent, and combustion source.
- Identify people inside and outside the factory who may be exposed to fire risk, with particular attention to special groups such as disabled workers or children in children's facilities.
- Assess the risk of fire and the risk to employees from fire, including inhalation of dense smoke or toxic fume, and heat or burn brought by fire.
- Inspect the existing control measures to eliminate or reduce fire risk, such as:
  - 1) Emergency evacuation routes and exits
  - 2) Fire detection and alarm system
  - 3) Fire extinguishing equipment
  - 4) Transport and safe storage of hazardous substances
  - 5) Protection of special persons such as disabled workers
  - 6) Education and fire training for all employees

#### A.2.2 Firefighters

- Suppliers shall designate a senior management member to be responsible for fire management matters and formulate fire safety management plans.
- The person in charge of fire protection shall acquire and know well fire safety-related laws, regulations, standards and suggestions of the competent authorities.
- It is necessary to designate a fire services officer in each area and provide them with training related to their duties. The fire services officers shall be responsible for:
  - 1) Assisting such person in charge in formulating and implementing fire safety management plans
  - 2) Regularly inspecting fire control in the workplace, including:
    - ✓ Inspecting fire escape routes to ensure they are unobstructed and unlocked
    - ✓ Inspecting whether flammable substances are safely stored
    - ✓ Inspecting the control over combustion sources
    - ✓ Inspecting the effectiveness and availability of firefighting equipment
  - 3) Ensuring the safe evacuation of all employees in the area in the event of any emergency, with particular attention to the assistance for special groups such as disabled workers or children in children's facilities

#### A.2.3 Control of Flammable Materials

- For transporting, storing and using flammable materials, employees shall receive relevant education and training and act accordingly. The management personnel shall also supervise the implementation.
- Flammable materials shall be safely stored in designated areas or places and the quantity stored shall not exceed the minimum limit permitted.
- Flammable materials such as papers, fabrics, woods, plastics, packing materials, and chemicals shall not be stored under the stairs or in the stairwells, and shall not be near such areas as heating equipment, electrical equipment, power distribution boxes, high-temperature operation places and smoking areas.
- Flammable liquids and gas tanks not in use shall be safely stored in ventilated exterior buildings, and flammable



liquids and gas tanks used in the buildings shall be controlled below the minimum quantity permitted (e.g., the amount for a day) and be stored in marked fireproof containers.

- Good 6S management and regular inspection help effective control of flammable materials in the workplace.
- The exterior of buildings must be kept away from any material that may be combustible in hot weather (e.g., dry vegetation).

#### **A.2.4 Control of Combustion Sources**

- It is necessary to set up and mark the special smoking areas, which shall be away from flammable materials, be well ventilated and furnished with fire extinguishing equipment.
- No smoking is allowed in the workplace.
- Strict control of the entry and exit of people shall be taken to prevent intentional arson.
- Good 6S management shall be exercised in the workplace, especially in high temperature operation areas, and regular inspection of the workplace shall be conducted after the operations to protect materials against fire.
- It is important to reduce and monitor the risks associated with the accumulation of explosive dust.
- If the laws allow the burning of waste, the relevant safety procedures shall be followed.
- Monitoring of heat sources during kitchen work shall be kept.
- Effective electrical maintenance and inspection shall be conducted: Faulty wires and poor power maintenance may cause sparks, overheating, arcing and other issues, thus leading to fire. Special attention must be paid to the following preventive measures:
  - 1) Electrical equipment should be grounded to minimise the possibility of sparks or arcing arising from static electricity
  - 2) Each circuit should be equipped with a fuse or circuit breaker and placed in a fireproof cabinet
  - 3) Fixed lines instead of extension cords should be used to avoid damage to the lines or circuit overload caused by connecting multiple plugs
  - 4) Isolators should be configured to ensure quick isolation of electrical equipment in case of emergency
- In confined spaces or other areas where flammable gases, vapors or dusts are present and likely to cause hazards:
  - 1) Only suitable electrical device or equipment with protection, including portable lamps, are allowed
  - 2) Open flames or other similar ignition methods are prohibited
  - 3) There should have signs banning fireworks
  - 4) Tarpaulins, wastes or clothing, and other spontaneously flammable substances should be moved immediately to a safe place and kept in non-flammable containers
  - 5) Employees shall not wear static electricity-prone clothes and spark-prone shoes, and shall be provided with anti-static personal protective equipment
  - 6) Good ventilation shall be provided

#### **A.2.5 Rapid Identification and Notification of Fire or Smoke**

- Suppliers shall install fire detectors and alarm system in accordance with the requirements of local laws and regulations.
- Fire detectors should be inspected and tested periodically in accordance with legal requirements or manufacturer's guidelines.
- The following information shall be posted in the conspicuous area of the workplace:
  - 1) The nearest fire alarm
  - 2) Evacuation routes and emergency exits
  - 3) Telephone numbers and addresses of emergency relief agencies
  - 4) The nearest first aid station

#### **A.2.6 Evacuation Setting**

- In general, there should be no less than two escape routes in the workplace, and escape exits should be added according to the number of employees, factory area and other factors affecting evacuation, so as to evacuate all employees in a timely manner.



- All escape routes should be clearly marked and free of obstructions, with their widths up to the requirements for timely evacuation of the maximum number of employees.
- Multi-story factory buildings shall be equipped with no less than two escape stairs as required by laws and regulations and taking into account the floor area, number of employees, internal layout, etc. It is better to set the stairs at both ends of the buildings. Stairwell doors shall be closed at all times to prevent entry of fire and dense smoke.
- The escape routes should be equipped with emergency lights to provide emergency lighting, and all escape routes should lead to external safe places.
- It is necessary to check the escape routes every day to ensure that they are free from obstruction, with easily opened emergency exits.
- For safety reasons, if there is a need to close the terminal emergency exit, it shall ensure such exit doors must open outwards with a push rod device or a device that can be easily opened from the inside without a key.

#### **A.2.7 Fire Extinguishing Setting**

- Fire extinguishers should be provided as per the potential fire type, including fires arising from combustible solids, flammable liquids/gases, metals and electrical equipment.
- Fire extinguishers should be placed in all workplaces and ensure that they are available at any point within a specified distance. If necessary, fire extinguishers should be placed close to the fire risk source.
- Fire hydrants and sprinklers should be installed according to legal requirements, and fire water supply and pressure should meet the firefighting requirements.
- Firefighting equipment should be properly placed, clearly marked and unobstructed.
- Fire extinguishing equipment should be regularly inspected to ensure proper functioning.

#### **A.2.8 Accident Risk Management**

- Evacuation training should be provided to employees, contractors and visitors: evacuate immediately and not to use elevators when hearing the alarm.
- Before leaving, each fire services officer should ensure that all personnel in his/her area have been evacuated, and then report to the said person in charge or his/her delegate.
- After evacuating from the building, all personnel must stay in a designated safe area until they receive a notice from the person in charge. Under no circumstances can they re-enter the building unless instructed to do so by such person in charge.
- Vehicles with flammable liquids or gas tanks should be moved to a site at a safe distance from the building without increasing the risk.
- Fire lanes free from any obstruction should be provided to facilitate fire rescue workers to enter the site.

#### **A.2.9 Employee Training**

- Suppliers shall provide appropriate training, guidance and information sharing to make employees aware of fire risk sources, relevant precautions and the use of fire extinguishing equipment.
- All employees shall receive training and guidance on fire escape procedures during induction training.
- All employees shall attend fire training (including fire drills) on a regular basis. All employees shall participate in at least two fire drills every year, or as often as required by laws (whichever is greater).
- Fire drills shall be organised by the said person in charge of fire protection, who shall write fire drill reports, record deficiencies and make improvements in time.
- Once entering the factory, visitors shall be aware of the instructions and information regarding the fire alarm system, evacuation routes and fire assembly points.

#### **A.3 References:**

- *ILO Code of Practice for Health and Safety*
- *Fire Protection Law of the People's Republic of China*
- *Code for Fire Protection Design of Buildings* - GB 50016





## 2.3 Electrical Safety (A)

### A.1 Codes:

Suppliers shall comply with laws, regulations and standards related to electrical safety, and formulate and implement relevant systems and processes to eliminate or reduce the risks associated with electrical hazards.

### A.2 Requirements:

#### A.2.1 Risk Assessment

Suppliers shall analyse the factory's electrical power system and assess the potential risks to workers in close proximity to or operating electrical equipment.

#### A.2.2 Installation and Setup

- Electrical equipment, conductors and wiring should be installed and maintained in good condition in accordance with relevant laws, regulations or acceptable standards. Modifications to electrical power system and electrical equipment are subject to inspection to ensure compliance with relevant laws, regulations or acceptable standards.
- Maintenance of electrical equipment and power-related operations should be carried out by qualified and capable personnel in accordance with relevant laws or acceptable standards.
- All electrical equipment and circuits should be fitted with specific switches for easy control and be fitted with isolation or locking device if necessary. The main power switches and terminal blocks should be properly labeled to show the units they control.
- All power distribution boards, circuit breakers, switches and junction boxes should meet the relevant protection requirements to avoid moisture or dust accumulation.
- All wires and cables should be adequately insulated. No cable can be connected to the equipment with metal shells, junction boxes and power distribution boxes unless through proper connectors. There should be ground-fault circuit-interrupters in wet areas.

#### A.2.3 Management and Control

- Suppliers shall formulate and implement a corresponding electrical safety control plan based on the results of risk assessment. The plan shall include but is not limited to:
  - 1) Inspecting and testing all electrical equipment before use or after installation, reassembly or repair
  - 2) Regularly and systematically inspecting the system and testing all electrical equipment to ensure that they are properly maintained, e.g., no dust accumulated on the equipment
- Electric power facilities and distribution areas should be properly guarded to avoid accidental damage, fences or locked facilities should be set up to prevent unauthorised entry, and appropriate warning signs should be posted.
- Notices should be posted in relevant areas of the workplace:
  - 1) Prohibiting any unauthorised personnel from operating electrical equipment
  - 2) Guidelines for rescue and first aid of employees suffering from electric shock or burns
- Trailing cables should be properly secured to the machines to protect them from damage and to prevent damage from electrical connections.
- Damaged cables should be replaced immediately. Any cables that require repair should be disconnected from the distributing point and any remaining power should be released.
- The current in all systems should be strictly controlled. When the current in any circuit exceeds a specific limit, the relevant circuit should automatically cut off. All fuses and circuit breakers should be calibrated by the manufacturers and should indicate rated current. It is prohibited to use unmarked or uncalibrated fuses and circuit breakers or damaged fuses and network bridges.
- Professional electrical safety officers should be deployed for the daily electrical management within the factory,



including regular electrical safety inspections.

#### **A.2.4 Employee Training**

- Suppliers shall provide all employees with the training in electrical safety, including but not limited to:
  - 1) Knowledge about the prevention of electrical fires
  - 2) Electrical defect reporting procedures
  - 3) Guidelines for rescue and first aid in case of electric shock or burns
- Electrical safety officers must receive relevant training and hold valid certificates required by the job.

#### **A.3 References**

- *ILO Code of Practice for Health and Safety*
- *Electricity Safety Guidelines* - GB/T 13869



## 2.4 Chemical Safety Management (A)

### A.1 Codes

Suppliers shall formulate and implement uniformly applicable chemical management system and procedures in compliance with laws and regulations. The management methods shall include measures for the procurement, storage, use and engineering control of chemicals to prevent and reduce the risks posed by chemicals to the environment, employees and consumers.

### A.2 Requirements

#### A.2.1 Chemical Procurement

Suppliers shall complete all the registrations, licensing and filings required for the procurement, storage, use and disposal of chemicals in accordance with applicable laws.

#### A.2.2 List of Chemical Inventory

Suppliers shall prepare an up-to-date list of all chemicals used in the factory and update it regularly. The list shall contain at least name of chemicals, suppliers, main ingredients, CAS number, place of storage, use process, approximate quantity in stock, PPE requirements and hazard identification requirements.

### A. 2.3 RSL Requirements

Suppliers shall comply with the requirements of the latest version of *J01 Technical Specification for Chemical Safety of Clothing, Footwear and Accessories* of ANTA, especially the test requirements therein. Chemicals, materials and products that do not pass the test shall be segregated.

### A.2.4 Material Safety Data Sheet

- Suppliers shall maintain the current Safety Data Sheet (SDS) for all chemicals possessed and used in the factory.
- Employees in the chemical storage and use areas shall speak local language and have ready access to SDS.
- SDS shall contain detailed information about the nature, hazards and safety of chemicals.
- The SDS for chemicals stored and handled at a supplier's facility shall contain the following 16 sections:

Section 1 Chemical and Manufacturer Identification	Section 9 Physical and Chemical Properties
Section 2 Hazards Summary	Section 10 Stability and Reactivity
Section 3 Composition/Information on Ingredients	Section 11 Toxicological Information
Section 4 First Aid Measures	Section 12 Ecological Information
Section 5 Firefighting Measures	Section 13 Disposal Considerations
Section 6 Emergency Measures of Accidental Release	Section 14 Transport Information
Section 7 Handling and Storage	Section 15 Regulatory Information
Section 8 Exposure Controls/Personal Protection	Section 16 Other Information

### A.2.5 Chemical Storage

Chemicals in use shall be stored in a well-ventilated chemical storage space in accordance with SDS.

Requirements for chemical storage shall include:

- The storage area shall be safe and access shall be restricted.
- The storage area shall be sheltered to protect the contents therein from weather and animal influences and unauthorized access.



- The storage area shall be properly marked with a signage.
- The storage area shall have suitable temperature and humidity and be well-ventilated.
- The storage area shall be equipped with emergency eyewash and/or sprinkler stations, which shall be regularly inspected and maintained.
- The storage area shall have appropriate fire-fighting equipment and facilities and fire extinguishers.
- Eating, smoking and drinking is prohibited in the storage area.
- There shall be a secondary container for chemical storage and the volume shall be at least 110% of the maximum container volume.
- Adequate aisle space shall be maintained between containers.
- Flammable and explosive materials shall be stored away from sources of ignition.
- Incompatible materials shall be segregated from each other.
- The leakage response equipment (including necessary PPE) shall be placed near the storage area.
- Workers shall use appropriate PPE in the storage area.
- If necessary, all electrical devices shall be explosion-proof or protected and installed with lightning protection system.
- Metal containers containing flammable and explosive chemicals shall be grounded.
- The storage area shall be checked regularly for leaks, condition of the containers and expiration date of the chemicals.

#### **A.2.6 Container Requirements**

- Containers shall be in a good condition and shall always be kept tightly closed when not in use.
- There shall be a clear chemical information label on the surface of the containers.
- Containers of hazardous chemicals shall be clearly labeled with their hazardous properties and their ingredients and related hazards.
- The materials of a container shall be compatible with the nature and usage of the chemicals.
- Containers shall be stacked safely.
- Containers shall be stored on secondary containers.
- Chemicals shall not be placed in containers or receptacles normally used for food/beverage.

#### **A.2.7 Requirements for Use**

- Exposure to any chemicals shall be avoided.
- The quantity of hazardous chemicals stored at the production site shall not exceed the quantity used in a day.
- Appropriate devices shall be used for transport to avoid spillage.
- Leakage of chemicals shall be avoided in the production area.
- SDS and operation procedures shall be posted near each workstation.
- The factory shall organize training on the proper use and handling of hazardous chemicals at least once a year.
- Eating and drinking is prohibited in areas where chemicals are used.
- Flammable chemicals shall be kept away from open flames, sparks and other sources of ignition.
- "No smoking" signs shall be posted in areas where flammable chemicals are used.
- Emergency eyewash and/or sprinkler stations shall be provided within 15 metres from the workplaces where chemicals are used and regular inspection and maintenance shall be conducted.



- Effective protection and segregation measures shall be taken for the chemical mixing or sub-packaging areas.
- Appropriate personal protective equipment (PPE) shall be provided to workers.

#### **A.2.8 Leakage Control**

- Suppliers shall have a written leakage response plan and have appropriate equipment in the places where chemical substances are used and stored.
- Suppliers shall ensure that leaks are cleaned up immediately.
- Leakage control equipment shall be sufficient to contain and segregate all hazardous substances stored or transferred.
- Leakage control equipment used for cleaning up hazardous chemical leaks shall be disposed of as hazardous waste.

#### **A.2.9 Organization & Training:**

- Suppliers shall designate managers with chemical management skills to manage chemicals in the factory.
- All workers (involved in disposal, use, storage and procurement) shall receive training on chemical management at the time of employment, every year and when there is any change to any hazards, processes or procedures. The training shall at least include chemical disposal, risks of relevant substances, RSL compliance issues, personal protection and emergency procedures.

#### **A.3 References**

- *Chemical Safety Data Sheet* GB/T 17519
- *Regulation on the Safety Management of Hazardous Chemicals* (Order No. 344 of the State Council)
- *Convention concerning Safety in the use of Chemicals at Work* (Convention No. 170)
- *Rule for Storage of Chemical Dangers* GB15603
- *Specifications for Storage and Preservation of Combustible and Explosive Goods* GB 17914



## **2.5 Structural Safety of Buildings (A)**

### **A.1 Codes**

Suppliers’ buildings and bearing structures shall be built in accordance with local laws, certified construction permits for civil or structural engineering, or international standards. Suppliers shall formulate and implement relevant policies and procedures to reduce or eliminate safety risks relating to the design, construction, use and maintenance of buildings.

### **A.2 Risk Assessment**

Suppliers shall conduct a risk assessment on buildings to determine whether the buildings are safe for use. The assessment shall include the following:

- Identify hazards associated with building design, construction, and other factors that may weaken the structural integrity of the buildings, such as potential natural and man-made hazards including snow loads on the roof, earthquakes, machine vibrations and risks from neighboring buildings.
- Assess risks associated with the identified hazards.
- Identify and implement control measures to reduce risks. These measures include regular inspections, training, structural reinforcement and seismic retrofitting.

### **A.3 Procedure Management and Control**

Suppliers shall implement the processes and procedures for building design and structural safety, which shall include:

- Buildings shall be designed in compliance with the building codes of the local government.
- Suppliers shall seek the permission from the local government if they need to change the usage of the buildings. It is strictly prohibited to change the usage of the buildings without permission from the local government.
- The building design shall be subject to approval by the local building authority, and all kinds of relevant permits required by the local building authority shall be obtained, including construction land planning permit, real estate ownership certificate, planning permit for building projects, construction permit for building projects, and record certificate for construction project completion and acceptance.

### **A.4 Design of Building Load**

- Buildings, mezzanines and mezzanine structures shall be designed and built to support all loads within the allowable stress or specified strength of the construction materials in the structural members and connections.
- The load ratings of buildings shall be provided by the building owners or their agents and fixed in a conspicuous position on the buildings.

### **A.5 Design of Buildings in Workplaces**

Suppliers shall provide sufficient workspace to enable workers, on-site contractors and on-site sub-contractors to carry out their work without suffering from health, safety and other hazards. The per capita usable area of the buildings shall not be less than the standard per capita usable area of a building specified by the local government.

### **A.6 Design of Emergency Exit of Buildings**

Suppliers shall provide safe means of escape at each site in case of a fire and other emergencies.

- The escape route shall be clearly indicated in design.
- If the door or passage does not lead to an Emergency Exit, it shall be marked as “Not an Emergency Exit”
- In design, suppliers shall ensure that the evacuation distance of the pocket walkway does not exceed 15 metres
- Suppliers shall ensure that each workplace (which may include buildings, structures, sections or areas) is designed with at least two different paths available so that there is an alternate means of escape if the exits are blocked in case of a fire or other emergencies.



### **A.7 Lighting Design of Buildings**

When designing and renovating buildings, suppliers shall provide adequate lighting and ensure that the lighting in each site meets the illuminance standards of local government, so as to provide safe working conditions.

### **A.8 Stair and Step Design**

Suppliers shall provide safe access to stairs and steps, as well as standard railings and stairs that meet evacuation requirements. Non-slip steps and stairs shall be designed with a uniform step height/width.

### **A.9 Change in the Purpose of Buildings and Additions or Modifications to Buildings**

- When the purpose of an existing building is changed, the architectural design shall meet the requirements for the new purpose. If the purpose of the building is changed, the permission from the local government shall be obtained; it is strictly prohibited to change the purpose of the building without permission from the local government.
- Additions or modifications to existing buildings shall comply with local building codes and be subject to a structural analysis by a third party to ensure that the existing buildings and any additions or modifications meet building codes.

### **A.10 Maintenance and Inspection of Buildings**

- The buildings shall be inspected according to local law. The inspection shall cover all bearing structures such as roofs, mezzanines and walls, and applicable soil tests.
- Suppliers shall check/maintain the completeness and validness of their applicable qualification certificates before carrying out any maintenance work.

### **A.11 Training and Education**

- Workers responsible for building maintenance shall receive training on local laws, building hazards affecting the building structure, natural and operational hazards, load limits of structural components, etc.
- All persons associated with building safety shall receive training on prohibition from placing, causing or allowing loads that exceed the designed capacity of any floor or roof of a building or other structures to be placed on the floor or roof.

### **A.12 File Management**

- Latest risk assessment for structural safety of buildings
- Architectural drawings of buildings, and various permits and certificates for buildings
- Records of interior and exterior inspection/maintenance of buildings
- Training records for structural safety of buildings

### **A.13 References:**

- *Construction Law of the People’s Republic of China*





## 2.6 Safety Maintenance – Lockout/Tagout Control (A)

### A.1 Codes

Suppliers shall formulate and implement lockout/tagout (LOTO) processes and procedures for machinery and equipment to ensure the control of hazardous energy and protect employees from being injured by energy stored in machines.

### A.2 Management Procedures

- Suppliers shall carry out the annual LOTO risk assessment to identify machinery and equipment and work tasks (e.g., equipment installation/maintenance/check) involving hazardous energy and their associated hazards, assess the risks associated with hazardous energy and formulate control measures to reduce or eliminate the risks.
- Suppliers shall formulate and implement LOTO control procedures to reduce or eliminate risks associated with the control of hazardous energy, control hazardous energy, and protect employees from being injured by energy stored in machines.

### A.3 Definition

- **LOTO:** A method used to prevent unexpected release of energy during the maintenance of equipment, in which valves, electrical switches, energy storage accessories are secured in the proper position with safety locks so that they cannot operate, with tags attached to ensure energy isolation.
- **Energy source:** Energy that may cause danger to the employees, including electrical, mechanical, hydraulic, compressed air, steam, gravitational, chemical, nuclear, thermal, kinetic or other energy.
- **Energy isolation device:** A device that physically prevents the release or transmission of energy, including but not limited to the following devices: a manually operated electrical circuit breaker, a manually operated safety switch which disconnects parts of the equipment from the electrical circuit, a line valve, a block, and any other similar device that can block or isolate power sources.
- **Safety lock:** A safety apparatus used to lock an energy isolation device. Safety locks used in explosion-proof areas must meet explosion-proof requirements.

### A.4 LOTO Procedures

#### A.4.1 Identifying Energy Sources:

Identify energy sources of the machine or equipment to be operated (maintained, inspected, cleaned) and evaluate and select the proper energy isolation devices.

#### A.4.2 Notifying the Potentially Affected Personnel

Notify the affected employees and other personnel, such as operators, cleaners, subcontractor working in the area of the equipment.

#### A.4.3 Isolating and Turning off the Equipment:

- Turn off or shut down the engine or motor that provides power to the mechanical system.
- Disconnect electrical circuits by disconnecting or locking out power.
- Block the flow of gas or liquid in the pipeline system.
- Stop gravitational movement of machine parts.

#### A.4.4 Releasing the Residual Energy in the System:

Ensure that all potential or residual energy is under control, such as discharging gas or liquid from a pressure vessel, storage tank, or accumulator, discharging a capacitor by grounding, releasing or blocking a stretched or compressed spring and stopping the system completely after shutdown and isolation to eliminate inertial forces.

#### A.4.5 Determining Isolation and Power Cut:



Conduct checks again to make sure the energy is isolated and the equipment has been turned off.

#### **A.4.6 Performing LOTO:**

- After isolating and releasing the energy source, authorised personnel shall use a special LOTO device at each energy isolation point to indicate that someone is working here and equipment power-on is prohibited.
- When the isolation process involves more than one worker, multiple lockout devices and signs shall be used.

#### **A.4.7 Performing Service/Maintenance:**

Keep the equipment locked out when performing service and avoid conducting any activity that could potentially restore power of the equipment.

#### **A.4.8 Removing LOTO and Restoring Power**

- When workers are not at the dangerous site, check the work, remove the lock, safely start and restore power of the equipment.
- Adequate protection shall be provided for workers when the LOTO devices are temporarily removed to test or place machines or equipment.
- The site manager may personally unlock operation only after making sure that the machine is safe and all workers are outside the dangerous area.

#### **A.5 Training Management**

LOTO operators shall receive comprehensive LOTO training at least once a year. The training shall cover:

- Where and how to isolate all energy sources.
- Use of locks and tags on the controlled equipment.
- Verification of isolation.
- Safe start and restart procedures.
- Hazard identification and control.

All workers shall be aware of the risks and hazards of hazardous energy and receive training on LOTO basics.

#### **A.6 Document Management**

- LOTO Risk Assessment List
- List of LOTO Locks
- List of Authorised LOTO Operators
- LOTO Use Records



## **2.6 Safety Maintenance - Work at Heights (B)**

### **B.1 Codes:**

Suppliers shall formulate and implement processes and procedures related to work at heights and relevant operators shall have appropriate qualifications to work at heights to reduce or eliminate the risks associated with falling onto or off the workbench and protect workers or suppliers from being struck by falling objects.

### **B.2 Management Procedures:**

Suppliers shall conduct an annual risk assessment on work-at-height operation to identify where workers or objects are at risk of falling from height, assess the risks associated with work at heights, and determine and implement control measures to reduce the risks.

Suppliers will implement work-at-height procedures to reduce or eliminate the risk of falling from height or being struck by falling objects, which shall at least include:

- Workers shall wear a full-body harness while working at heights of 2m and above without safety measures.
- Fall protection equipment shall be inspected before and after each use.
- Fall protection equipment shall be inspected on a monthly basis.
- Fall protection equipment shall be properly used, maintained, cleaned and stored.
- Tools and materials required in operations shall be properly handled, stored and fastened.
- Unauthorised access to areas with fall risks or falling objects is strictly prohibited.
- Emergency response procedures shall be provided in written form.

### **B.3 Ladder Safety:**

Suppliers shall formulate policies and procedures for safe use of ladders to regulate the use and storage of ladders, protect personnel safety and reduce the risk of falls from ladders, which shall include:

- A list of all ladders, regular inspection of the condition of ladders, and strict prohibition on the use of ladders with potential safety hazards.
- Regulations of safe use of different types of ladders.
- Inspection requirements and standards for different types of ladders.
- A safety cage to be installed more than 2.1m above ground for any fixed ladder at a height of above 2.1m.
- Special matters relating to safe use, maintenance and inspection of scissor and aerial lifts or scaffolds.

### **B.4 Opening Area of the Working Platform:**

- Standard railings and skirting boards shall be installed at the opening of any platform at a height of more than 1.2m, except for ramp, stair or fixed ladder entrance.
- If there is a risk that the materials or equipment may fall off an opening in a wall or floor, the opening shall be guarded by a skirting board or fence.

### **B.5 Training Management:**

Work-at-height safety training shall be provided to all relevant workers at the time of initial induction and conducted at least annually thereafter. The training shall at least include:

- Anyone who may be exposed to the risk of falls from height.
- How to identify and minimise the risk of falls from height.
- Hazards relating to falls from height in the work area



- Proper procedures for maintaining and inspecting systems.
- Use and operation of fall protection equipment (e.g., safety harnesses and helmets).
- Maximum load limits for fall protection equipment.

Ladder safety training shall be provided for all relevant workers who may use ladders, covering safe use of ladders and inspection requirements.

#### **B.6 Documentation:**

Inspection records of fall protection equipment, ladder lists and ladder safety inspection records, and instructions for safe operation and use of different types of ladders.

#### **B.7 Reference Standard:**

- *GB/T 3608-2008 Classification of Work at Heights*



## **2.7 Safe Working Environment - Contractor Safety (A)**

### **A.1 Codes**

Suppliers shall formulate and implement processes and procedures to reduce or eliminate environment, health and safety (EHS) risks associated with on-site contractor activities.

### **A.2 Management Procedures**

Suppliers shall conduct and record annual contractor safety risk assessments to reduce or eliminate risks, identify hazards and risks associated with the contracted tasks, and determine risk control measures.

### **A.3 Contractor Qualification Review**

Suppliers shall implement a qualification review process for any on-site contractor performing activities such as equipment or site maintenance to ensure that the licenses, permits and approvals required in the work are in place. The qualification review process shall at least include:

- Completion of the contractor pre-qualification form.
- Qualified contractor assessment procedures.
- Documented list of qualified contractors and annual assessments on listed qualified contractors.

### **A.4 Pre-construction Safety Inspection Training**

Suppliers shall carry out pre-construction safety inspection training for on-site contractors, which shall at least include:

- Emergency exits, alarm identification and measures to be taken against any emergency.
- Examining on-site contractors and any required training and/or certificates.
- Examining safety data sheets for any chemical substances brought to the site.
- Inspecting whether the equipment brought to the site complies with regulatory requirements.
- General operation safety rules, cleaning and disposal requirements and incident reporting process.

### **A.5 Construction Supervision and Management**

- Suppliers shall formulate supervision procedures for on-site contractors. The level of supervision shall be determined by the level of risk associated with the task.
- Suppliers shall have a process in place to deal with violations of any part of the contractor contract security policies and procedures.

### **A.6 Training Management**

- All personnel (workers and managers) relating to the contractor's construction shall be provided with training on the contractor safety policies and procedures.

### **A.7 Document Management**

Annual contractor safety risk assessments, lists of qualified contractors, contractor pre-qualification/qualification review forms, supervision and inspection records relating to on-site contractors.

### **A.8 Reference:**

- *Standards for Qualification Levels for Construction Enterprises*



## **2.7 Safe Working Environment - Machine Safety and Protection (B)**

### **B.1 Codes**

Suppliers shall formulate and implement relevant processes and procedures to reduce or eliminate the risk of injury from unsafe machinery and equipment.

Machine safety is a measure of the integral security of machines, including conformity of machines, facility risk assessment, job hazard analysis, safety standards and job instruction training/certification. The said areas involve operation and maintenance.

### **B.2 Management Procedures**

Suppliers should implement relevant procedures to reduce or eliminate the risk of injury from unsafe machinery and to reduce the impact of construction machinery on the environment and the safety and health of employees.

Suppliers shall conduct an annual assessment on machine safety risk, which shall at least include the following:

- Check all machines and equipment for hazards.
- Assess risks associated with the identified hazards.
- Identify and implement control measures to reduce risks. For example: fixed guards, interlocking devices, two-hand controls.

### **B.3 Purchase of Machines**

Suppliers should assess new machines at least in the following principles:

- The mechanical risk assessment shows that the machine accords with ISO 12100 Safety of machinery.
- A functional test report is required.
- Newly purchased or substitute motors should meet IE3 (Premium Efficiency) standards or higher.
- A documented design review of all safety aspects of the machine designed in-house is required. A documented machine risk assessment is required.
- Suppliers are encouraged to use server type or better motors in various machines (e.g., sewing machines).

### **B.4 Machine Installation**

Suppliers should have a machine installation plan in place to reduce health and safety risks associated with machine installation. The plan should at least include the following:

- Assessment of the machine to be installed (including: size, weight, dimensions, risk assessment review)
- Assessment of the building structure of the installation area.
- Assessment of required facilities and installation needs.
- Assessment of fire protection, chemical management requirements or other health and safety hazards during the installation.
- Set-up of a protective perimeter to separate workers from the installation area.

### **B.5 Machine Protection**

- Elimination of hazards should be a first priority in assessing new and/or modified equipment, followed by prevention of hazards.
- Safety guards should be in good working condition and fastened in place.
- Safety guards will not cause other hazards.
- Machines with rotating parts should be equipped with guards that interlock with an automatic switch-off mechanism.
- Machines or equipment that will slide or move in operation should be fastened.
- Safety guards should be inspected on an annual basis.
- Preventive maintenance and repairs that follow lockout/tagout procedures are necessary.

### **B.6 Special Machines - Elevators, Escalators and Material Lifts**

Suppliers will implement at least the following procedures for elevators, escalators and material lifts:



- Post a sign indicating the safe working load and whether the equipment is intended for carrying cargo or people.
- Installation position should avoid injury. Install interlocks, barriers and safety devices where appropriate to avoid injury.
- Carry out preventive maintenance on a regular basis.
- Follow lockout tagout procedures for repair and maintenance.
- Prohibit access to inoperable equipment with barriers and signs.
- Formulate procedures for using elevators, escalators, and material lifts in emergencies.
- Conduct periodic third-party inspections and certifications that comply with local laws.

#### **B.7 Machine Operation/Machine Maintenance**

- Suppliers shall conduct “machine operation” and “machine maintenance” related job hazard analysis on all machines, formulate safe operating standards, provide training to employees, and establish lockout and tagout procedures for all energy sources and machines.
- Prior to any installation, disassembly or maintenance, suppliers shall assess potential safety hazards and have safety measures (e.g., warning signs, lockout and tagout) in place before on-site operations and maintenance.
- After the installation, disassembly or maintenance is completed, suppliers should conduct an acceptance inspection and confirm that there are no safety hazards before their serviceman leaves.

#### **B.8 Machine Disassembly**

Suppliers shall formulate a machine disassembly plan to reduce the health and safety risks associated with machine disassembly. The plan should at least include the following:

- Assessment of disassembled machine (including: size, weight, dimensions, risk assessment review).
- Safety assessment of the building structure of the disassembly area.
- Assessment of required facilities and dismantling needs.
- Set-up of a protective perimeter to separate workers from the disassembly area.
- Compliance with the local regulations for scrapping and disposal of machines.

#### **B.9 Training Management**

All operators (including temporary workers) should be trained/qualified to operate the machine. The training should at least cover:

- Machine hazards and how to prevent these hazards.
- Safe operating procedures.
- Maintenance personnel should be trained/qualified in the maintenance of specific machines.
- Workers involved in machine design/development should be provided with training on machine safety standards and procedures and safe design practices.

#### **B.10 Documentation**

Machine safety incident records, machine safety risk assessment, analysis of work hazards related to machine operation and maintenance, and machine safety operating procedures.

#### **B.11 References**

- *ISO 12100 Safety of machinery — General principles for design*
- *Machinery Directive 2006/42/EC of the European Union*





## **2.7 Safe Working Environment - Pressure Vessels (C)**

### **C.1 Codes**

Suppliers shall formulate and implement processes and procedures related to pressure vessels to eliminate existing and future risks associated with pressure vessels and systems.

### **C.2 Management Procedures**

Suppliers shall conduct an annual risk assessment on pressure vessel and compressed air, which shall at least include the following:

- Identify hazards associated with pressure vessels and systems, assess the risk of such hazards and decide on control measures to reduce the risk.
- Conduct risk assessments when there are new pressure vessels or when there is a change in the material and design of existing systems.
- Formulate and implement pressure vessel management procedures to reduce or minimize the risks associated with each process and/or work area, prevent and reduce accidents, and protect employees.

### **C.3 Installation of New Equipment**

- Pressure vessels and systems shall be installed, calibrated, and tested as instructed by the manufacturer. Steam distribution system should be properly maintained and insulated prior to operation.
- Centralized steam boilers should be phased out, and such type of boiler should not be installed.

### **C.4 Safe Operation**

- All pressure vessels and systems should be used for designed purposes, and the monitoring system will give early warning of abnormal pressure levels or other abnormalities.
- Pressure vessels should not be loaded (pressure boosting or heating) and unloaded (pressure relief or cooling) too quickly in order to prevent any damage to the vessels resulting from rapid changes.
- The pressure vessel operator should supervise the working condition of the vessel on an on-going basis. Any abnormality in the operation of the vessel should be promptly identified and handled to ensure safe operation.
- A pressure vessel operator should be authorised and trained for their job and shall obtain a work permit issued by the local government before taking up their posts.

### **C.5 Maintenance Program**

There is an ongoing preventive maintenance program for pressure vessels and systems to avoid failures of safety valves and alarm systems. The program shall at least cover the following:

- A periodic inspection by an external agency in accordance with local regulations.
- An internal inspection program to be formulated and implemented based on the type of pressure vessel and risk assessment of air compression system.
- A technical test for pressure regulators, switches and safety valves of all pressure vessels.
- A non-destructive test for aging equipment, such as ultrasonic testing (UT), to identify corrosion, fatigue, and remaining service life.
- Steam boiler system: formulate appropriate inspection and maintenance procedures for boiler rooms, steam pipelines and condensate recovery systems (including insulation layer, steam traps, and adequate water storage tanks).
- Air compression system: formulate inspection and maintenance procedures; examine the compressed air distribution system, pressure adjustment as well as system-wide leakage rates on a regular basis to identify and minimize air leaks.

### **C.6 Training Management:**



Before taking up their posts, all workers authorized to operate pressure vessels, steam boilers, and compressed air systems should be trained and pass the examination, followed by annual training and assessment. Training shall at least cover:

- Potential hazards of equipment and systems, safe operation and maintenance procedures, and emergency response procedures.
- Operators for operating pressure vessels, boilers and compressed air systems shall obtain an operation certificate before starting work.

#### **C.7 File Management:**

Piping plan of steam system and compressed air system, the quantity, location, type, external calibration records and internal maintenance records of various safety accessories; list of pressure vessels, steam boilers and compressed air lines; name list, certificates and training and assessment records of authorised operators.

#### **C.8 Reference Standard:**

- *Law on Safety of Special Equipment of the People’s Republic of China*
- *Regulations on Safety Supervision over Special Equipment*



## **2.7 Safe Working Environment - Confined Space (D)**

### **C.1 Codes:**

Confined spaces are enclosed or partially enclosed, relatively isolated from the outside world, with narrow entrances and exits, where the operator cannot work inside for a long time because of poor natural ventilation, which can easily cause the accumulation of toxic, flammable and explosive substances or insufficient oxygen content.

### **C.2 Management Procedures:**

Suppliers need to formulate and implement processes and procedures related to operation at confined spaces to reduce or eliminate the risk of entering confined spaces.

Suppliers should carry out annual risk assessment of confined spaces, which should include at least:

- Identify all confined spaces and their associated hazards.
- Assess the risks associated with each hazard.
- Identify control measures to reduce or eliminate risks, e.g., access control procedures, PPE, communication and training.

### **C.3 Identify List of Confined Spaces:**

- A permit is required to enter confined spaces with moderate or high risk identified in the risk assessment.
- Unauthorised workers are not allowed to enter confined spaces where a permit is required.
- Post a warning sign at the entrance to the confined space, "Danger - permit required, entry strictly prohibited".

### **C.4 Permits for Operations at Confined Spaces:**

The permit for operations at confined spaces shall contain the following:

- Name and location of the confined space;
- Purpose, date and time of entry;
- The person in charge of the operation, the supervisor and operator;
- Hazards associated with confined spaces and control measures;
- The conditions under which access is permitted and the results of air testing and continuous monitoring;
- Rescue and emergency equipment: walkie-talkies, tripods and winches, full-body harness.

### **C.5 Safety of Operations at Confined Spaces:**

- All monitoring and testing equipment used in confined spaces should be calibrated annually in accordance with local legal requirements.
- Place warning signs outside the confined spaces to inform their locations and hazards.
- Provide relevant occupational safety and health training to personnel involved in operations at confined spaces.
- Clearly identify the person in charge of the operation, the supervisor and the operator and their duties, and do not work without a supervisor.
- Provide qualified safety protection facilities, PPE and warning instruments for operations at confined spaces.
- Before entering a confined space for relevant operation, assess the possible occupational hazards of the confined space to determine if access to it for the operation is possible.
- Regarding operations at confined spaces, ventilation measures should be taken to keep air flowing in the workplace.
- Regarding operations at confined spaces, operators should conduct regular testing or continuous monitoring of



hazardous and harmful factors in the workplace.

- Take effective measures to prevent unauthorised workers from entering confined spaces.

#### **C.6 Emergency Plan of Confined Spaces:**

Suppliers should formulate accident emergency response plans and emergency drill plans for operations at confined spaces, clarify personnel responsibilities, determine the accident emergency response process, put in place rescue equipment and relevant internal and external emergency resources, and improve emergency response capabilities for operations at confined spaces.

#### **C.7 Training Management:**

All workers involved in confined space work (e.g., persons in charge of operations, supervisors and operators) should receive training at least once a year and prior to each operation, which should include:

- Hazards associated with entry into confined spaces and control measures.
- Entry permit requirements.
- Use of all equipment.
- Communication needs to be maintained during operation.
- Rescue and emergency response requirements.

#### **C.8 Documentation:**

List of confined spaces, permit for entry into confined spaces.

#### **C.9 References:**

- *Interim Provisions on Administration and Supervision of Operational Safety in Confined Spaces at Industrial and Trading Enterprises*
- *Instruction Manual on Operational Safety in Confined Spaces*



## **2.7 Safe Working Environment - Traffic and Vehicle Management (E)**

### **E.1 Codes**

Suppliers shall formulate and implement processes and procedures to reduce or eliminate risks associated with passenger motor vehicles and pedestrian traffic.

### **E.2 Management Procedures**

Suppliers should conduct and document annual risk assessment on the management of traffic and passenger motor vehicles, which should include:

- Identify passenger motor vehicles and associated hazards, and assess the risks associated with passenger motor vehicles;
- Identify control measures to eliminate or reduce risks.

Suppliers should implement procedures for the management of traffic and passenger motor vehicles, which should address the following:

- No drunk driving, no driving without a license, no tired driving.
- Comply with safety requirements of passenger motor vehicles and report unusual and attempted incidents in a timely manner.
- Conduct regular preventive maintenance of passenger motor vehicles, and inspections required by local laws.
- Check before use of the passenger motor vehicles to ensure such vehicles meet the requirements for safe driving.

### **E.3 Traffic Management:**

Suppliers shall implement traffic management procedures which shall cover at least the following aspects of passenger motor vehicles:

- Develop a scheme for the traffic routing of the factory and recommend a one-way system to reduce or eliminate U-turns.
- Enforce speed limits for motor vehicles in the factory and install convex mirrors at the corners of junctions and wear reflective vests with high visibility and safety shoes.
- Management of external drivers, e.g., parking areas, driving routes, smoking and waiting arrangements.
- Passenger motor vehicles should be in good working condition (e.g., lights, brakes and tyres).
- Safety of drivers and workers during loading and unloading: drivers shall be licensed by the competent local authorities or, if the drivers are not required by laws to hold a licence, the supplier shall certify that the drivers can safely operate the passenger motor vehicle and issue a driving permit.

### **E.4 Traffic Safety Education and Training Programme**

Suppliers shall implement traffic safety-related education and training programme to reduce or eliminate traffic accidents related to transportation to and from the premises. The programme shall include the following provisions:

- Wearing of safety harnesses and other necessary safety equipment (e.g., helmets, safety shoes).
- Safety of people entering and leaving the premises.
- Speed control for motor vehicles in the factory. No drunk driving, no driving without a license, no tired driving.

### **E.5 Medical Physical Assessment**

All operators of motor vehicles should be physically fit to operate passenger motor vehicles safely.

### **E.6 Documentation**

Records of pre-use inspections of passenger motor vehicles; maintenance and repair records; retention of record on vehicle inspection by third parties.

### **E.7 References**

- *Regulations on the Safety Management of Motor Vehicles in the Factory*



### 3. Environmental Responsibility

#### 3.1 Hazardous Waste Management (A)

##### A.1 Codes:

Suppliers should formulate and implement hazardous waste-related management procedures to minimise the generation of hazardous wastes, select qualified hazardous waste disposal organisations (transportation, recycling and disposal) and minimise the risks to human health and the environment associated with the management and disposal of hazardous wastes.

##### A.2 Risk Assessment:

Suppliers should carry out and document annual risk assessment for hazardous wastes, which should include at least:

- All potentially hazardous wastes generated.
- Amount and location of hazardous wastes generated.
- Risks to human health and the environment.
- Necessary precautions.

##### A.3 Policy Procedures:

Suppliers who generate or store hazardous wastes should all implement relevant procedures to reduce or eliminate the risks associated with hazardous wastes, which should include the following:

- Obtain all relevant permits to generate, store and dispose of hazardous wastes in accordance with local laws and regulations.
- Formulate and implement an annual waste reduction plan to reduce the generation of hazardous wastes.

##### A.4 Requirements for Areas Where Hazardous Wastes Are Stored:

- Signboards indicating hazardous waste information should be posted.
- Such areas should be protected from wind, rain and sun, and the ground should be leak-proof.
- There should be emergency eyewash and/or spray stations, as well as appropriate fire protection and firefighting equipment.
- Eating, smoking and drinking in the storage area is prohibited.
- Secondary protection should be used and should be at least 110% of the maximum container volume.
- Adequate aisle space should be maintained between containers, flammable and explosive materials should be stored away from fire source and incompatible materials should be isolated from each other.
- Hazardous and solid wastes should be segregated from each other and stored in separate, non-adjacent areas.
- Leakage emergency response equipment should be located near the storage area, and workers should use appropriate labour protective equipment in storage areas.
- Wastes should be stored on a leak-proof surface.
- The hazardous waste storage areas should be inspected and recorded weekly.

##### A.5 Requirements for Hazardous Waste Container:

- Containers with dangerous goods or chemical substances should be stored on a leak-proof surface.
- The container and substances stored in it should be compatible without reacting with each other.
- Containers should be in good condition (free from breakage and leakage) and should always be closed when not in use.



- Containers made of flammable materials should be secured and earthed to eliminate static electricity.
- Containers should be stacked safely and secured to prevent falls.
- Containers should be clearly labelled with their hazardous nature and to indicate the substance stored and the associated hazards.

#### **A.6 Treatment and Disposal of Hazardous Wastes:**

- Hazardous wastes should be disposed by qualified agencies of transporting, treating and disposing of hazardous wastes, within a reasonable period of time as defined by local laws.
- The disposal agencies on hazardous waste should be reviewed and required to provide a written rectification report for any problems identified with the disposal operation.
- It is prohibited to dispose of hazardous wastes without complying with regulations (e.g., burning hazardous wastes on site or discharging hazardous wastes into the environment).

#### **A.7 Training Management:**

People working with hazardous wastes should receive training after onboarding and at least once a year thereafter, and whenever there is a change in hazard, process or procedure. The training shall include:

- All potentially hazardous wastes and information on the hazards and safety precautions for hazardous wastes.
- The correct method of sorted collection, transport and temporary storage of hazardous wastes.
- Formulate and implement emergency response plan for hazardous waste spills (sorted collection, transport and storage).

#### **A.8 Documentation:**

Hazardous waste disposal records, current list of hazardous wastes, list of agencies engaged that are qualified to dispose of hazardous wastes, emergency response plan for hazardous waste spills, annual risk assessment for hazardous wastes.

#### **A.9 References:**

- *Directory of National Hazardous Wastes (Version 2021)*
- *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*





## **3.2 Solid Waste Management (A)**

### **A.1 Codes :**

Suppliers shall formulate and implement relevant processes and procedures to minimise and manage solid wastes, select qualified waste transporters, recycling and disposal sites, and check that responsible environmental management activities are implemented in accordance with regulations.

### **A.2 Policies and Procedures:**

Suppliers shall formulate and implement procedures for managing solid wastes, prepare list of solid wastes, classify wastes into reusable, recyclable and non-recyclable categories, and document and implement plans to reduce and minimise wastes.

Suppliers shall manage solid wastes according to the waste treatment hierarchy and shall adhere to the hierarchical treatment and step-by-step utilisation concept of emission reduction at source, then recycling and utilization of energy, and finally incineration and landfill disposal, fully leveraging the functions of various waste treatment methods.

### **A.3 Risk Assessment:**

Suppliers shall conduct and document annual risk assessment for solid wastes to identify the environmental, health and safety hazards associated with the handling, storage, transportation, recycling and disposal of solid wastes, and formulate preventive measures.

### **A.4 Requirements for Areas Where Solid Wastes Are Stored:**

- Signboards indicating hazardous waste information shall be posted.
- Such areas shall be protected from wind, rain and sun.
- Appropriate fire-fighting equipment shall be installed and equipped in accordance with regulatory requirements.
- Eating, smoking and drinking is prohibited.
- Flammable and explosive materials shall be stored away from fire source, and incompatible materials shall be isolated from each other.
- Workers shall use appropriate labour protective equipment in storage areas.

### **A.5 Requirements for Solid Waste Container:**

Solid waste containers shall be compatible with the materials, in good condition, clearly labelled with the relevant information and be safely stacked.

### **A.6 Treatment and Disposal of Solid Wastes:**

- Agencies qualified to carry out solid waste transportation, recycling and disposal shall be used.
- On-site burning or disposal of solid wastes is prohibited.
- Discharge of solid wastes into the environment is prohibited.

### **A.7 Solid Waste Management Training:**

People working with solid wastes shall receive training after onboarding and at least once a year thereafter, and whenever there is a change in hazard, process or procedure. The training shall include:

- Distinguish between solid wastes and hazardous wastes.
- Reduce emissions at source and prevent contamination of recycled materials.
- Transport, store, record and dispose of solid wastes correctly, and take labour protection measures.

### **A.8 Documentation:**

Current list of solid wastes, list of agencies engaged that are qualified to dispose of solid wastes, solid waste disposal and recycling records (which shall be maintained), annual risk assessment of solid waste.



#### **A.9 References:**

- *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*



### **3.3 Wastewater Management (A)**

#### **A.1 Codes**

Suppliers shall minimise the use of fresh water in their production and operation, minimise the discharge of wastewater or not discharge wastewater at all, discharge wastewater in accordance with local laws and regulations, carry out water conservation activities and improve water efficiency, prevent water pollution, protect and improve the environment, and ensure the effective use of water resources.

#### **A.2 Management Procedures**

Suppliers shall formulate wastewater management procedures, which shall include at least:

- Obtain discharge permits and/or agreements as required by regulations.
- Discharge of untreated wastewater into the environment is strictly prohibited.
- The list of wastewater treatment equipment shall be reviewed annually and such review shall indicate the local regulatory standards to be met, and the analytical test results required by local regulations.
- Checklists and maintenance schedules for wastewater treatment equipment.
- Sampling & testing programme for wastewater and wastewater-related sludge.
- Carry out water reuse and maximize other discharge reduction efforts to reduce the amount of wastewater.

#### **A.3 Risk Assessment**

Suppliers shall carry out annual risk assessment of wastewater, which shall include at least:

- Identify all sources of wastewater, including domestic (dormitory, kitchen, shower and toilet) wastewater, industrial wastewater, wastewater from other discharge reduction systems (e.g., pickling unit and boiler chimney cleaning device) and rainwater.
- Identify the EHS hazards of each type of wastewater discharge and determine control measures (e.g., training, inspections and wastewater treatment plant controls).

#### **A.3 Wastewater Testing and Analysis**

- Sample and test wastewater and sludge according to the sampling frequency required by local regulations to determine if the sludge is hazardous waste.
- Using sludge as fertiliser or for other land uses is prohibited without specific permit from the local environmental authorities on how to use the sludge.
- Use a qualified analytical testing laboratory for sludge and wastewater analysis.
- Formulate processes for dealing with violations, which shall include: root cause analysis of the violation and corrective action plan to ensure that violations do not recur.
- Keep wastewater testing records and abnormal analysis & disposal records.

#### **A.4 Maintenance Inspection**

- People responsible for operating and maintaining wastewater control equipment shall receive training on such operations.
- Formulate and observe operating procedures for wastewater control equipment, perform routine maintenance, servicing and operational management, and keep records of equipment operation.
- When wastewater control facilities and equipment need to be shut down for maintenance or overhaul, practical measures shall first be taken to avoid environmental pollution arising from the shutdown of facilities.



### **A.5 Training Management**

Suppliers shall provide basic training on water conservation and wastewater awareness and include it as part of new staff orientation/induction trainings. The training shall include:

- Types, sites and sources of wastewater discharges.
- Consequences of untreated wastewater being discharged into the environment.

In addition to the above basic trainings, workers responsible for operating wastewater treatment systems shall also receive the following trainings:

- Use of PPE.
- Correct wastewater sampling process.
- Operation and maintenance of wastewater treatment systems, troubleshooting, root cause analysis and corrective action to address wastewater violations and deviations.

### **A.6 Documentation**

Training records for wastewater, lists of wastewater risk assessment and pollution control equipment, wastewater discharge permits, inspection and maintenance records for wastewater pollution control equipment, analytical results of wastewater test results and documentation of sludge disposal.

### **A.7 References**

- *Water Pollution Prevention and Control Law of the People's Republic of China*



### **3.4 Air Emissions (A)**

#### **A.1 Codes**

Suppliers shall comply with all legal requirements regarding air pollutant emissions and are required to routinely monitor all processes and equipment that generate air pollutant emissions (e.g., volatile organic compounds, hazardous air pollutants, particulates, ammonia, ozone-depleting chemicals and combustion by-products). For air pollutant emissions generated throughout the site and work processes, suppliers shall minimise indoor and outdoor air pollution through formulating programmes and carrying out policies and trainings.

#### **A.2 Management Procedures:**

Suppliers shall implement procedures to reduce or eliminate risks of air pollutant emissions, which shall at least include the following:

- Comply with local laws on air pollutant emissions.
- Assess the effectiveness of all ventilation/exhaust systems and all air pollution control equipment at least annually.
- Test all point sources (organised emissions) at least annually to ensure that emissions comply with legal requirements.
- Test all non-point sources (unorganised emissions) as required to ensure that emissions comply with legal requirements.
- Establish procedures to record and investigate any incidents or system failures that affect the sites or air pollutant emission processes.

#### **A.3 Risk Assessment:**

Suppliers shall conduct and document annual risk assessment of air pollutant emissions, which shall include:

- Identify all air pollutant emissions, including the location of emission sources, and characteristics of pollutants.
- Determine air pollution control equipment and test and/or calculate the impact on emissions.
- Identify potential emissions and test and/or calculate actual pollutant emissions.
- Compare the tested and/or actual level of pollution with the relevant legal requirements.

#### **A.4 Maintenance Inspection**

- Workers responsible for the operation and maintenance of pollution control equipment shall receive training on such operation and maintenance.
- Comply with the operating procedures of atmospheric environmental protection equipment, perform routine maintenance, servicing and operational management, and keep records of equipment operation.
- When air pollution control facilities need to be shut down for maintenance or overhaul, practical measures shall first be taken to avoid environmental pollution arising from the shutdown of facilities.

#### **A.5 Training Management:**

All personnel involved with air pollutant emissions shall receive training after onboarding and at least once a year thereafter, and whenever there is a change in hazard, process or procedure. The training shall include:

- How to identify sources of air pollutant emissions, their location and any pollution control equipment.
- How to implement air pollutant emissions-related policies and procedures.
- How to formulate and implement contingency plans to respond to unplanned air pollutant emissions or ventilation and pollution control failures.

#### **A.6 Documentation:**

Up-to-date annual list of sources of air pollutant emissions and pollution control equipment, SDS for chemical substances related to air pollutant emissions, annual test reports on exhaust emissions, updated emergency plan for air



pollutant emissions.

## A.7 References

- *Emission Standards of Air Pollutants*

## 3.5 Greenhouse Gas Emissions (A)

### A.1 Codes

Suppliers shall take uniformly effective measures to manage greenhouse gas (GHG) emissions from their sites. Quantification, tracking and reporting of GHG emissions shall comply with the best practices and international standards.

### A.2 Definition of GHG:

Some gases in the atmosphere that can absorb long-wave radiation reflected from the ground and re-emit radiation, such as water vapor, carbon dioxide, most refrigerants, etc. They make the Earth's surface warmer similar to trapping solar radiation in the greenhouse and heating the air inside the greenhouse. General greenhouse gases include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>).

### A.3 Management Procedures:

Suppliers shall conduct and document annual risk assessment of GHG emissions, which shall include at least:

- Identify all potential EHS hazards associated with GHG emissions.
- Identify risks to human health and the environment.
- Determine the necessary measures to guard against the identified risks.

Suppliers shall have procedures in place for GHG emissions and management control and shall formulate plans and actions to reduce GHG emissions.

- Set organisational and operational boundaries
- Identify sources of GHG emissions
- Choose how to calculate GHG emissions
- Collect activity data and select emission factors
- Prepare GHG inventories of Scope 1 and Scope 2 emissions with reference to the *GHG Protocol* or the *ISO 14064 GHG Certification*.

### A.4 Methods for Accounting of GHG Emissions

There are three main methods: the emission factor method, the mass balance method and the actual measurement method. The emission factor method is one of the most widely applicable and commonly used approaches to carbon accounting.

### A.5 Use of Fossil Energy and Refrigerants

- The installation of new coal-fired heat systems on any site is prohibited.
- The installation of any new thermal system using heavy fuel oil as a fuel source is prohibited on any site.
- The use of hydrochlorofluorocarbons (HCFCs) in newly purchased equipment at any site (including materials and finished goods) is prohibited.

### A.6 Environmental Attributes of Green Power

- Power purchase contracts are divided into open-ended direct (direct supply) or virtual power purchase agreement (PPA) regulatory frameworks.
- Where the renewable-energy power plants and the sites using the power are on the same grid or interconnected grid in the same country/region, the power procured by such sites shall have the environmental attribute of GHG emission





reduction from electricity, with clear documentation about the relationship between generation, environmental attribute and power consumption.

- Where the power generating equipment is owned by an independent power producer or developer, the sites using the power shall require that the ownership of the environmental attributes of the purchased power be clearly stated in the power purchase contract.

#### **A.7 Renewable Energy Certificate**

- Renewable energy certificate refers to a certificate issued by a specific government authority or third-party agency according to the green electricity traceability system and standards to prove that the corresponding electricity comes from renewable energy power generation projects, with a unique serial number for identification.

#### **A.8 Training and Education**

- Those who maintain records and analyse information on GHG emissions need to receive specific trainings, which shall include how to formulate a GHG emissions inventory in accordance with internationally recognised standards.

#### **A.9 File Management**

GHG emissions inventory and relevant supporting documents, inventories of GHG emissions sources and list of pollution control equipment, training records or certificates for GHG verification.

#### **A.10 References**

- *GHG Protocol*
- *ISO 14064 GHG Certification*



## 4. Sustainability Management System

### 4.1 Sustainability Management System (A)

#### A.1 Codes:

Suppliers shall establish a sustainability management system (environment, health, safety and labour) that covers such key elements as policy, organisation, planning and implementation, review and enhancement. The system is intended for systematic and all-round management and improvement of internal working environment and conditions, protecting employees against work-related injuries or health damage, and safeguarding their rights and interests.

#### A.2 Sustainability Policy:

Suppliers shall formulate a written policy on sustainability (environment, health, safety and labour) in consultation with employees and employee representatives and have the policy signed by a senior manager or general manager. Employee participation is critical to the success of the sustainability management system. Suppliers shall provide their employees and employee representatives with time and resources to enable them to actively participate in all links of the sustainability management system.

#### The sustainability policy should:

- match the production capacity and activities at the factory.
- be known to employees and accessible in the workplace.
- be reviewed regularly to keep it relevant and appropriate.
- be communicated to external parties, if required.

#### The sustainability policy should at least include the following principles and objectives:

- Protect employees against work-related injuries or health damage.
- Comply with relevant laws, regulations, industry standards, relevant collective contracts and other requirements.
- Ensure the participation of and consultation with employees and employee representatives.
- Improve the sustainability management system on an on-going basis.

#### A.3 Sustainability Plan:

Suppliers shall make a written sustainability plan, and the implementation of such plan shall be led by a designated person-in-charge, and it shall include the following aspects:

- , High risks (identified in risk assessment), legal and other requirements, technical options, financial, operational and business requirements, and the opinions of stakeholders shall be considered in formulating the plan.
- The objectives must be specific, measurable, achievable, and time-bound.

#### A.4 Risk Assessment:

Suppliers shall conduct a comprehensive risk assessment according to the requirements of the Sustainability Manual of ANTA Sports. Through the risk assessment, suppliers will identify the major threats, major risks and impacts associated with sustainability management and make a systematic and forward-looking analysis of these threat, risks and impacts. A risk assessment should cover:

- Potential health and safety risks in existing or planned work environment and work organisation.
- Existing laws, regulations, guidelines, standards and other requirements associated with health and safety.
- Whether existing or planned control measures can eliminate hazards or control risks.
- Analysis of other relevant data, especially those related to employee health examinations or working environment monitoring, if applicable.



#### **A.5 Risk Control:**

- Suppliers should manage activities that pose or may pose EHS risks and control the risks in order of priority.
- Suppliers should regulate and review existing control measures, and revise the measures if necessary, especially when there is a change in the environment, risks or applicability of control measures.

#### **A.6 File Management:**

Suppliers shall have a written management plan for all files related to sustainability. The plan shall meet the following requirements:

- Files shall be clear, with version numbers and an effective date for each version (version control).
- Files shall be reviewed and revised as necessary by authorised personnel at least every two years or when significant changes occur.
- Outdated files shall be deleted in a timely manner to prevent accidental use and shall be destroyed or archived based on written record retention procedures.

#### **A.7 Internal Assessment:**

Suppliers shall formulate a written internal assessment procedure to evaluate all aspects of their sustainability management system. Internal assessments are conducted at a frequency depending on the supplier's overall risk profile.

#### **A.8 Non-conformance:**

Suppliers shall have procedures in place to identify, prioritise, investigate and resolve non-conformances with any aspect of the sustainability management system. The procedures shall at least include:

- A method for assigning responsibilities for corrective and preventive actions.
- A description of the measures required to resolve and prevent non-conformances.
- Deadline of the actions to be taken.

#### **A.9 Management Review:**

Suppliers shall have an annual review procedure in place for their sustainability management system. The management shall conduct a critical review of:

- Progress of the sustainability strategic plan.
- Roles and responsibilities for implementing the sustainability management system and strategic plan.
- Sustainability policy (every two years).
- Assessment results, recommendations, non-compliances, corrective and preventive actions.
- Key performance indicators or indicators.
- Adequacy and effectiveness of the sustainability management system.

#### **A.10 Communication and Training:**

- Suppliers shall publish sustainability-related information on the bulletin board or website on a monthly basis.
- Suppliers shall provide all relevant employees with training on all chapters of the Sustainability Manual and formulate a written training plan to ensure effective operation of the management system.

#### **A.11 Documentation**

Sustainability policy, sustainability strategy plan, records of internal assessments and non-conformances, management review records and related documents



## **A.12 References**

*ILO Code of Practice for Health and Safety*

## **4.2 Sustainability Committee (A)**

### **A.1 Codes:**

The Sustainability Committee serves as a channel of communication between workers and the management, through which workers can lodge a complaint and make recommendations to the management on environmental, health, safety, efficiency or other issues associated with suppliers. The Committee aims to promote two-way communication and safeguard the rights and interests of employees in all aspects.

### **A.2 Management Procedures:**

Suppliers shall formulate and implement processes and procedures for the Sustainability Committee, put the sustainability policy in practice, set sustainability goals, and hold sustainability management review meetings on a regular basis, so as to ensure the applicability, effectiveness and sustainability of the sustainability management system and to improve the sustainability plan and major safety matters.

### **A.3 Committee Members**

- The Committee will maintain a balanced composition where the number of management members and worker representatives will be close to equal.
- There must be a senior manager with decision-making power in the Committee.
- Worker representatives shall be elected by workers through open or anonymous elections.
- Whenever possible, Committee members will serve for at least one consecutive year.
- Whenever possible, temporary workers may work for the Committee for at least one year.
- Individuals may join the Committee on a voluntary basis following an application/selection process.

### **A.4 Functions and Powers of the Committee:**

Functions and powers of the Committee shall at least include:

- Elect a chairperson annually, and ascertain and elect other positions (e.g., vice chairperson) to facilitate the exercise of Committee functions.
- Convene Committee meetings at least every three months, or preferably, every month.
- Record and maintain meeting minutes, including a list of participants, issues discussed, actions open for discussion and problems solved, and the date of the next meeting.
- Determine an effective way of communication for the Committee and make the minutes available to all employees.
- Create a system for Committee members to receive and report on suggestions from the entire workforce.
- Create a procedure whereby the management will respond to all recommendations from the Committee.

### **A.5 Committee Meetings:**

#### **Before the Meeting:**

- Meetings should be held during working hours so to ensure full attendance of committee members without the need to stay for the meeting after working hours.
- The Committee should prepare an agenda before each meeting, collect feedbacks from employee representatives, and give replies on the feedbacks. Before making a proposal, the Committee should gather facts and consider possible solutions or action plans that can be proposed at the meeting.
- The Committee should fulfill its duties before the deadline as agreed at the last Committee meeting and be prepared



to report progress at the Committee meeting.

**During the Meeting:**

- Roll call and attendance.
- The Committee shall examine all uncompleted action items starting with those determined at the last meeting.
- Committee members should not talk in generalities about the matters proposed or discussed at the meeting. Instead, they should be well-prepared with the relevant facts and information before the meeting and propose solutions to the problems at the meeting.
- The meeting should be action oriented, namely that the Committee should come up with action plans or solutions for each topic discussed and assign a person-in-charge to carry out the action plan agreed upon by the management and workers.

**After the Meeting:**

- Minutes of Committee meetings should be signed by each Committee member and a copy should be made available to each Committee member.
- Minutes should be posted in an area frequently visited by workers. It is important to communicate the results of Committee meetings to employees, and there are a variety of means of communication.

**A.6 Training Management**

Members of the Sustainability Committee should receive training on the following aspects:

- The purpose of the Sustainability Committee.
- Meeting procedures of the Committee.
- Contents under all chapters of the Sustainability Management Manual.
- How to detect hazards in the workplace.
- How to effectively investigate accidents and incidents.

**A.7 Documentation:**

- Records of Committee elections, minutes of Committee meetings



## V. Appendix

### 1. Terms and Expressions

**ANTA Sports/the Company/the Group:**

ANTA Sports Products Limited

**ESG:**

Environmental, Social and Governance

**Independent Non-executive Directors:**

Independent Non-executive Directors of the Company

**Sustainability Committee:**

Sustainability Committee of the Company

**Social Responsibility Audit:**

A tool to assess a supplier’s compliance with the social responsibility requirements set forth in the buyer’s Supplier Code of Conduct.

**Forced Labour:**

Forced labour is defined by the International Labour Organization as involuntary labour under threat or duress. Forced labour refers to situations in which persons are coerced to work against their will by their recruiter or employer through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity documents or threats of denunciation to immigration authorities. Such situations may also constitute human trafficking, bonded labour or slavery.

**Child Labour:**

Employment of children under the age of 16 is referred to as using child labour in China. In other countries/regions, child labour is defined according to local laws.

**Juvenile Workers:**

In China, juvenile workers are workers who have reached the age of 16 but under the age of 18. In other countries/regions, juvenile worker is defined according to local laws.

**Discrimination:**

Due to any distinction, exclusion or preference made on the basis of personal characteristics, people are denied equal opportunity or equal treatment in employment process.

**After Employment:**

Any employment-related procedure, process, activity, term or condition after a person is employed, including training, promotion, transfer or disciplinary sanction.

**Organisation Members:**

Members of labour unions, workers’ committees, or any other group or organisation in the workplace.

**Health Monitoring:**

Regular health examinations and related testing to track the health conditions of employees and the impact of any occupational risks, such as frequent exposure to noise or chemicals.

**Migrant Workers:**

Individuals who move from one place to another in search of work (or to find better opportunities than working in their hometowns). They consist of domestic and international migrant workers: Domestic migrant workers move within different administrative areas (such as districts, provinces or cities) of the same country/region; international migrant workers move across one or more national/regional borders, which results in a change in their legal status.

**Harassment:**

Unwelcome conduct against an individual without permission. Such conduct may occur once or repeatedly.

**Harm:**

Inappropriate or excessive use or treatment.

**Retaliation:**

An employee is threatened or assaulted for sincerely reporting problems to the management, participating in workers' interviews during factory audit, or assisting in the investigations of workers' complaints.

**Minimum Wage:**

The minimum wage paid by the employers or employing units under the precondition that the workers have provided normal labour service within the statutory working hours. The minimum wage generally does not include overtime pay and allowances under special working environment and special conditions, nor does it include labour insurance, benefits and various non-monetary incomes. The minimum wage shall be paid on time in legal tender and is generally set by legislation in a country/region or region.

**Temporary Workers:**

Generally, workers employed informally in the workplace. They are usually paid by the day. Unlike permanent worker, they are not entitled to a pension and a monthly minimum wage. Temporary workers are further divided into contract employees and dispatched workers.

**Labour Dispatch:**

Labour dispatch, or labour leasing, is an arrangement in which a dispatching agency enters into a labour contract with a worker, pays him/her remuneration and dispatches him/her to work for another entity, which in turn pays the dispatching agency a service fee. A dispatched worker is a worker who is dispatched.

**SDS:**

Safety data sheet for chemical product (SDS) provides information on chemicals (substances or mixtures) in safety, health and environmental protection, and recommends protective measures and emergency response measures.

**Statutory Benefits:**

Benefits as required by laws to be provided to employees. For example, annual leave, social insurance, medical insurance, etc.

**ILO:**

The International Labour Organization (ILO) is a specialised agency of the United Nations that deals with labour-related issues in accordance with international labour standards.

**Defibrillator:**

A portable medical device that can diagnose specific arrhythmias and give electric defibrillation, and that can be used by non-medical people to rescue patients in cardiac arrest.

**Personal Protective Equipment (PPE):**

Protective equipment and clothing for the eyes, face, head and extremities, and protective shields and barriers used to prevent personal injury from inhalation or physical contact.

**Ergonomics:**

Ergonomics is the science of studying the relationship between human, machine and environment in a "human-machine-environment" system and providing theories and methods to solve the problems of human effectiveness and health in the system.



**Building Structure:**

A skeleton structure composed of slabs, beams, columns, walls, foundations and other building components with certain spatial functions and able to safely withstand various normal loads on the building.

**LOTO:**

A method used to prevent unexpected release of energy during the maintenance of equipment, where valves, electrical switches and energy storage accessories are secured in the proper position with safety locks so that they cannot operate, with tags attached to ensure energy isolation.

**Safety Lock:**

A safety apparatus used to lock an energy isolation device. Safety locks used in explosion-proof areas must meet explosion-proof requirements.

**Work at Height:**

Work at height refers to any work at a height of 2m above (including 2m) the fall height datum where there is a possibility of falling.

**Contractor:**

A contractor is the organizer or equipment manufacturer which provides engineering service for the relevant project. The contractor shall design, implement and complete the project, provide operation services, and repair defects under contract to ensure that the project meets the intended purpose as defined in the contract during the contract period.

**Special Equipment:**

Boilers, pressure vessels (including gas cylinders, the same below), pressure pipelines, elevators, lifting appliances, passenger ropeways, large amusement devices, and special purpose motor vehicles in the field (factory), which relate to safety of human lives or have high risks. Specifically, boilers, pressure vessels (including gas cylinders) and pressure pipelines are special pressure equipment; elevators, lifting appliances, passenger ropeways and large amusement devices are mechanic-electrical special equipment.

**Pressure Vessel:**

A sealed equipment that holds gas or liquid and carries a certain pressure. Pressure vessels fall within the scope of safety management of special equipment. The design units shall have the pressure vessel design licence and qualification and the manufacturers shall have the pressure vessel production licence and qualification.

**Boiler:**

An energy conversion equipment. The energy input to the boiler includes the chemical energy in fuel and electric energy. The boiler outputs the steam, high-temperature water or organic heat carriers with a certain amount of heat energy.

**Safety Valve:**

A special valve whose opening and closing parts are normally closed under the action of external force, and which prevents the medium pressure in the pipe or equipment from exceeding the specified value by discharging the medium outside the system when the medium pressure in the equipment or pipeline rises above the specified value.

**Confined Spaces:**

Confined spaces are enclosed or partially enclosed, relatively isolated from the outside world, with narrow entrances and exits, where the operator cannot work inside for a long time because of poor natural ventilation, which can easily cause the accumulation of toxic, flammable and explosive substances or insufficient oxygen content.

**Motor Vehicles in the Factory:**

Motor vehicles driving and operating within the factory area (including docks, goods yards and other production operation areas and construction sites).

**Hazardous Wastes:**

Solid wastes that are included in the local government's list of hazardous wastes or identified to be dangerous according to the criteria and methods of identification for hazardous wastes as prescribed by local government.

**Solid Wastes:**

Articles and substances in solid, semi-solid state or gaseity in containers that are produced in the production, living and other activities and have lost their original use values or are discarded or abandoned though haven't yet lost use values, and articles and substances that are included into the management of solid wastes on the strength of laws and administrative regulations.

**Wastewater:**

A general term for the water discharged during resident activities and runoff rainwater. It includes domestic sewage, industrial wastewater and primary rainfall runoff into drainpipes and other useless water. It generally refers to water that cannot be recycled after certain technical treatment or cannot be purified to a certain standard after class I pollution.

**Industrial Wastewater:**

It includes production wastewater, production sewage and cooling water, and refers to wastewater and waste streams generated from industrial processes that contain drained industrial production materials, intermediate products, byproducts, and pollutants generated during the production process.

**Domestic Sewage:**

Wastewater discharged in residents' daily life, mainly from residential buildings and public buildings, such as toilets of residential houses, institutions, schools, hospitals, stores, public places and industrial enterprises.

**Reclaimed Water**

It is also known as recycled water whose quality is between sewage and tap water. It is undrinkable water that can be used in a certain range after municipal sewage and wastewater are purified to meet national/regional standards and can be used in many aspects of urban landscape and people's life.

**Waste Gases:**

Poisonous and harmful gases emitted by human beings in production and life. In particular, the odorous waste gases from the chemical plants, iron and steel plants, pharmaceutical factories, coking plants and oil refineries and human life seriously pollute the environment and affect human health.

**Greenhouse Gases:**

Some gases in the atmosphere that can absorb long-wave radiation reflected from the ground and re-emit radiation, such as water vapor, carbon dioxide, most refrigerants, etc. Greenhouse gases make the Earth's surface warmer, which is similar to the air in a greenhouse becoming warmer because of the solar radiation trapped in it. General greenhouse gases include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>).

**Fossil Energy:**

Fossils that can be used as energy sources, which are the remains of plants and animals left over from ancient times that have evolved under the ground over tens of thousands of years, such as coal (converted from plant bodies), oil and natural gas (converted from animal bodies), etc.

**Non-fossil Energy:**

Energy sources other than fossil energy, such as nuclear energy, wind energy, solar energy, hydro energy, biomass energy, geothermal energy, ocean energy, etc.

**Renewable Energy:**

A general term for energy resources in nature that can be renewed repeatedly and are thus inexhaustible. Renewable energy is characterized precisely by its renewability and environmental friendliness.

**Renewable Energy Certificate:**

Renewable energy certificate refers to a certificate issued by a specific government agency or third-party organisation according to the green electricity traceability system and standards to prove that the corresponding electricity comes from renewable energy power generation projects, with a unique serial number for identification.



## 2. Anti-commercial Bribery Initiative

Integrity, a core value of ANTA Sports, is the basis for win-win development of ANTA Sports and its suppliers. ANTA Sports adheres to zero-tolerance for any corrupt acts. Accordingly, it has taken a series of effective measures to prevent and fight against bribery, including but not limited to setting up Audit and Supervision Department of ANTA Sports to independently conduct integrity investigations, carrying out internal and external anti-corruption and anti-fraud publicity campaigns, resolutely dismissing employees who have solicited or accepted bribes and promoting anti-bribery cooperation in our industry. However, as more advanced technologies are used to facilitate solicitation and acceptance of bribery and the relationship network becomes more complex, ANTA Sports needs to work together with its suppliers to effectively strengthen anti-bribery efforts, protect suppliers' long-term and fundamental interests, and establish a positive, healthy, honest and open business ecological environment.

To further effectively prevent and crack down solicitation or acceptance of bribery by any business personnel during cooperation, ANTA Sports hereby proposes to jointly fight against bribery by intensifying mutual trust and cooperation between ANTA Sports and its suppliers, establishing an anti-bribery and anti-retaliation consultation mechanism to protect suppliers and stepping up cooperation in anti-bribery investigation and evidence collection.

ANTA Sports has taken the following measures to effectively boost and achieve the mutual trust and cooperation above:

resolutely dismissing any personnel found to have integrity problems with zero tolerance and pursuing their relevant legal responsibilities in accordance with the law;

providing suppliers with safe and reliable whistleblowing channels, abundant integrity information, and flexible and diversified interactive means to create a broad platform for in-depth anti-bribery cooperation between ANTA Sports and suppliers;

We accept anonymous whistleblowing and keep whistleblower information in strict confidence.

You can contact us by

email: [Jc@ANTA.com](mailto:Jc@ANTA.com)

mobile hotline: 180 3031 1272 (available 24 hours a day, seven days a week)

"Integrity ANTA" WeChat Account

WeChat account of Audit and Supervision Department of ANTA Sports



ANTA Sports grants immunity right and business development guarantee right to suppliers that actively assist ANTA Sports in anti-bribery and other integrity work. ANTA Sports will adopt multiple commercial protection measures for suppliers that actively report any violations of law and discipline, and accordingly, offer a reward of not more than RMB1 million and order guarantee pursuant to the Whistleblowing *Reward System of ANTA Sports*.

ANTA Sports will actively listen to integrity opinions and suggestions from suppliers in a more open-minded manner, endeavor to explore diversified and mutually beneficial ways of cooperation with suppliers, gradually build up mutual trust and extensive cooperation with suppliers and jointly promote anti-bribery to provide suppliers with fair, credible, honest and authoritative factory inspection and goods inspection services.



ANTA Sports believes that, with the strong support and collaboration of suppliers, it will open up a broader development space with better development opportunities for suppliers and itself in a cleaner business environment!

*Amendment 11.07*



### 3. Code of Conduct for Auditors of ANTA Sports



#### Code of Conduct for Auditors of ANTA

ANTA auditors are a critical part of ANTA supply chain's on-site assessment of suppliers. As ANTA auditors, our responsibility is to provide the Group with impartial and professional audit reports. We promise that we are aware of, sign and strictly comply with the Code of Conduct for Auditors before, during, and after the audit:

1. we shall not be involved in conflicts and competing interests or conceal from the company any relationship that may affect impartial judgment;
2. we shall not discuss or disclose any information about the Company that is irrelevant to the audit;
3. we shall conduct audit in strict accordance with the audit plan, and shall not arbitrarily adjust the audit plan, shorten the audit time, miss the audit, or arrange a separate audit;
4. we shall not engage in activities unrelated to the audit during the audit process, such as answering mobile phones at the opening/closing meeting;
5. we shall strictly follow the relevant regulations of the audited party during the audit process, such as completing relevant form for any examination at the factory and no smoking.
6. **fair expression:** Audit findings, audit conclusions and audit reports issued by the auditors shall give a true and accurate reflection of the audit activities; The report shall set out significant obstacles encountered in the audit process and unsolved disagreements between the audit team and the audited party.
7. **integrity:** Auditors are not allowed to solicit any direct or indirect benefits or money or accept kickbacks, gifts and any other form of benefits from the audited party or any related parties, nor shall they knowingly allow colleagues to accept the same;
8. **confidentiality:** All on-site audit information that auditors access and collect serves as reference only in the audit and business transactions, and shall not be duplicated, distributed or sublicensed in whole or in part;
9. **meals:** Auditors shall not eat with the audited party's representatives in any restaurant outside the workplace;
10. **transportation:** Auditors shall not request or accept any transportation service to the workplace from the audited party (approval is required in any special circumstances);

Signature of auditor:

Date:



#### 4. On-site Signing of "Anti-bribery Announcement" during ANTA Corporate Social Responsibility/Environmental Audit

### Anti-bribery Announcement



Date of inspection/audit:	
Factory/company name:	
Address:	

Dear suppliers,

As an international sporting goods company advocating integrity, ANTA Sports believes that giving gifts during on-site audits and inspections is unnecessary and may even impair the friendly and mutually beneficial business relationship between the two parties.

Therefore, we do not allow our auditors or inspectors to solicit or accept any form of business benefits from our customers, including but not limited to

- Gift (including product samples);
- Money (e.g., red packets, cash);
- Discount;
- Entertainment, overly expensive dinners/lunches;
- Others.

We reserve the right to investigate suspicious issues and pursue legal liability and compensation against the persons involved.

To better ensure the audit quality and integrity, our staff may videotape the following processes (if applicable): the opening meeting, the employee interview process, the audit process, and the closing meeting. We will do our best to avoid videotaping any details irrelevant to the audit, but if you have any doubt about how we will handle such information, you may refer to our code of ethics.

Please sign and seal below to confirm that you understand and support the above announcement, thanks!

\_\_\_\_\_  
Signature and corporate seal      Arrival and departure time of the inspector/auditor (date-hour-minute)

\_\_\_\_\_  
Name/position of the signatory      Notification time

Other opinions (optional):

-----  
(This part is kept by the supplier)

Contact methods of Audit Monitoring Department of our Company:

Email: [JC@anta.com](mailto:JC@anta.com), or telephone number: +86 18030311272, thanks!





## 5. Contact Persons for the Sustainable Supply Chain of ANTA Sports

Name	Position	Email	Responsibilities
Pan Xiaoqing	Supplier management personnel Senior engineer	panxiaoqing@anta.com	Coordinate social responsibility audit, training, audit technical support and content development of the shoe supply chain
Jiang Qunqun	Project manager	jiangqunqun@anta.com	Coordinate environmental audit, training, audit technical support and content development of the shoe supply chain
Chen Qiulong	Supplier management personnel Senior engineer	chenqiulong@anta.com	Coordinate social responsibility audit, training, audit technical support and content development of the apparel and accessories supply chain
Yu Xiaofen	Project manager	YuXiaofen@anta.com	Coordinate environmental audit, training, audit technical support and content development of the apparel and accessories supply chain

You can contact us through the sustainable procurement email of ANTA Sports ([ESG-S@ANTA.COM](mailto:ESG-S@ANTA.COM)) in addition to the above emails of contact persons.





## 6. Social Responsibility/Environment Audit Institutions Recognized by ANTA Sports

ANTA Sports recognizes the audit services provided by the social responsibility/environmental audit organizations listed in the table below. If suppliers have social responsibility audit reports produced by other monitoring institutions, they may directly confirm with the corporate social responsibility/environmental officer in the Procurement and Supplier Management Department of ANTA Sports.

Monitoring Institutions	Websites
Intertek	<a href="https://www.intertek.com.cn/">https://www.intertek.com.cn/</a>
ELEVATE	<a href="https://www.elevatelimited.com/">https://www.elevatelimited.com/</a>
SGS	<a href="https://www.sgsgroup.com.cn/">https://www.sgsgroup.com.cn/</a>
BV	<a href="http://www.bureauveritas.cn/wps/wcm/connect/bv_cn/Local">http://www.bureauveritas.cn/wps/wcm/connect/bv_cn/Local</a>
UL	<a href="https://china.ul.com/">https://china.ul.com/</a>
SCSA	<a href="http://www.scsagroup.com">http://www.scsagroup.com</a>
TUV Rheinland	<a href="https://www.tuv.com/cn/greater_china/home.jsp">https://www.tuv.com/cn/greater_china/home.jsp</a>
APCER	<a href="https://www.apcergroup.com/">https://www.apcergroup.com/</a>
ALGI	<a href="https://www.algi.net/zh/">https://www.algi.net/zh/</a>
OEKO-TEX	<a href="https://www.oeko-tex.com/zh/">https://www.oeko-tex.com/zh/</a>



## 7. Audit Standards Recognized by ANTA Sports

ANTA Sports recognizes the social responsibility/environmental audit standards listed in the table below. If suppliers have other social responsibility/environmental audit reports, they may directly confirm with the corporate social responsibility/environmental officer in the Supplier Management Department of ANTA Sports about the validity of such reports.

Audit Standards	Relevant Description
SLCP	<a href="https://slcp.zendesk.com/">https://slcp.zendesk.com/</a>
SMETA	<a href="https://www.sedexglobal.com/zh-hans/">https://www.sedexglobal.com/zh-hans/</a>
Higg FSLM	<a href="https://apparelcoalition.org/the-higg-index/">https://apparelcoalition.org/the-higg-index/</a>
Higg FEM	<a href="https://apparelcoalition.org/the-higg-index/">https://apparelcoalition.org/the-higg-index/</a>
WCA	<a href="https://www.intertek.com.cn/service/WCA.html">https://www.intertek.com.cn/service/WCA.html</a>
Amfori BSCI	<a href="https://cn.amfori.org/zh-hans/content/amfori-bsci-platform">https://cn.amfori.org/zh-hans/content/amfori-bsci-platform</a>
WRAP	Worldwide Responsible Accredited Production (WRAP) <a href="http://www.wrapcompliance.org/zh/home">http://www.wrapcompliance.org/zh/home</a>
DISNEY ILS	<a href="https://thewaltdisneycompany.com/app/uploads/2020/01/Disney_ILSManual-Chinese-Simplified.pdf">https://thewaltdisneycompany.com/app/uploads/2020/01/Disney_ILSManual-Chinese-Simplified.pdf</a>
SA8000	<a href="http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&amp;pageId=1689">http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&amp;pageId=1689</a>
RBA	<a href="http://www.responsiblebusiness.org/">http://www.responsiblebusiness.org/</a>
ERSA	ELEVATE Responsible Sourcing Assessment Report



## 8. Collection Form of Supplier Basic Information



### Collection Form of Supplier Basic Information

Basic Information about the Factory	
Business license No.:	
Chinese name on the business license:	
Detailed physical address:	
Address in the business license (if it is different from the physical address):	
Type of factory address:	(Please choose)
Date of commencement of business:	
Number of buildings and floors and gross floor area:	
Is there a dormitory? :	(Please choose)
Is the dormitory in or outside the factory:	(Please choose)
Whether the building is shared with other factories or institutions:	(Please choose)
Whether the building is owned by the factory:	(Please choose)

Employee Information	
Contact person for corporate social responsibility of the factory:	
Position:	
Tel.:	
Email:	
Total number of employees (including agency workers and outsourced workers):	
Number of male employees:	
Number of female employees:	
Number of managers (such as those engaged in finance, operations, R&D and HR and administration):	
Number of direct production employees (workers who are directly engaged in production):	
Number of indirect production employees (workshop managers, such as production team supervisors, warehouse workers/quality control personnel):	
Number of local production workers:	
Migrant workers at home:	
Foreign workers:	
Average monthly employee turnover rate:	

Freedom of Association	
Whether the factory has a labour union:	(Please choose)
Name of the labour union (if any):	
Name of the labour union representative:	
Whether there is any worker representative:	(Please choose)
Whether there is a collective agreement (collective contract):	(Please choose)
Validity period of the collective contract (if any):	
Whether the factory has a committee for interaction between the employees and the management:	(Please choose)
Whether the factory has other forms of employee committees:	(Please choose)
If there are committees of the aforementioned two forms, please give a brief description:	

Production Information	
Cooperative brand:	
Main production process of the factory:	
Average weekly output:	
Total output in the last three months:	
Expected output in the next three months:	
Main product types:	
Quantity of machines and equipment:	
Type of machines and equipment:	



Information about Outsourcing Operation					
Whether the factory needs to outsource process for production:					
Are the following documents obtained in accordance with the law?					
No.	Certificates/permits	Yes	No	Partially obtained	Notes
1	Business license				
2	Construction completion acceptance report				
3	Fire safety inspection/filing				
4	EIA registration form/report				
5	EIA approval				
6	EIA acceptance inspection				
7	Pollutant discharge permit				
8	Evaluation of occupational health regarding "Three Simultaneities" (the facilities for the prevention and control of occupational diseases of a construction project must be designed, constructed and put into production and use with the principal project at the same time) and evaluation of current status				
Fire Safety Status					
No.	Certificates/permits	Yes	No	Partially covered	Notes (status)
1	Automatic fire alarm system				
2	Automatic sprinkler system				
3	Firefighting water storage status				
4	Regular firefighting training				
5	Regular fire drills (at least twice a year for all employees)				
Occupational Disease Medical Examination Status					
No.	Status	Yes	No	Partially covered	Notes (status)
1	Before onboarding				
2	During employment				
3	Before departure				
Existing Certification/Independent Audit Reports					
Certification, Project Name		Certification Authorities	Date of Audit		
<input type="checkbox"/> SLCP					
<input type="checkbox"/> Better Work					
<input type="checkbox"/> SA8000					
<input type="checkbox"/> Sedex					
<input type="checkbox"/> BSCI					
<input type="checkbox"/> WCA					
<input type="checkbox"/> FWF					
<input type="checkbox"/> WRAP					
<input type="checkbox"/> Disney ILS					
<input type="checkbox"/> STeP by OEKO-TEX					
<input type="checkbox"/> HIGG FEM (third-party certification)					
<input type="checkbox"/> Other modules of HIGG (please state the name of modules)					
<input type="checkbox"/> GRS					
<input type="checkbox"/> ISO14001					
<input type="checkbox"/> ISO45001					
<input type="checkbox"/> GHG-ISO14064					
<input type="checkbox"/> ISO50001					
<input type="checkbox"/> Audited by other auditors or owners of the brand (state the name of the auditors)					



## 9. Information List for Corporate Social Responsibility/ Environmental Audit for Suppliers

Labour				
	Document name	Provided	Reviewed	Notes (review)
1	Original and copy of the factory's business license	<input type="checkbox"/>	<input type="checkbox"/>	Is the factory name consistent with that in the customer and system information? <input type="checkbox"/> Is the factory address consistent with the actual street address and that in the customer and system information? <input type="checkbox"/> Is the scope of business consistent with the actual operations of the factory? <input type="checkbox"/>
2	Attendance records for the past 12 months, or (from _____ to _____)	<input type="checkbox"/>	<input type="checkbox"/>	
3	Overtime application form (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
4	Overtime approvals, such as comprehensive working hour approval and irregular working hour approval	<input type="checkbox"/>	<input type="checkbox"/>	
5	Payroll-related records for the past 12 months, or (from _____ to _____)	<input type="checkbox"/>	<input type="checkbox"/>	
6	Documents for minimum wage standards of local governments	<input type="checkbox"/>	<input type="checkbox"/>	
7	Employee files (including copies of ID cards), employee rosters	<input type="checkbox"/>	<input type="checkbox"/>	
8	Recruitment policy and procedure documents	<input type="checkbox"/>	<input type="checkbox"/>	
9	Employment contract	<input type="checkbox"/>	<input type="checkbox"/>	
10	Dispatch and outsourcing agreements, qualifications of dispatching companies, internship agreements (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
11	Contracts for agency workers, agreements for apprentices, interns and other temporary workers; management procedures for agency workers, apprentices, interns and other temporary workers	<input type="checkbox"/>	<input type="checkbox"/>	
12	Information relating to foreign workers (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
	1) Factory policies and guidelines for foreign worker protection;			
	2) Agreements with recruitment agencies and qualification documents of such agencies;			
	3) Approval documents from the local competent authority for the use of foreign workers by the enterprise;			
	4) Work permits of foreign workers;			
	5) Copies of the foreign workers' visas and residence permits;			
	6) Proof of payment of foreign worker recruitment fees;			
	7) Induction training documents and training records for foreign workers;			
	8) Roster of foreign workers;			
	9) Policies and procedures for management of recruitment agencies of foreign workers;			
	10) Recruitment agency screening and assessment records;			
	11) Recruitment agency monitoring records;			
	12) Advertisements for overseas recruitment;			
	13) Others			
13	Juvenile worker management procedures; Job identification list for juvenile workers	<input type="checkbox"/>	<input type="checkbox"/>	
14	Medical examination for juvenile workers; Registration records of labour bureau (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
15	Receipts for social insurance contributions (for the last three months); list of participants in social insurance program (for the last month); method for calculation of local social insurance contributions; provident fund payment records (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
16	Employee handbook; leave policy of the factory (paid annual leave, maternity leave, paternity leave, sick leave, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	
17	Leave records (paid annual leave, maternity leave, sick leave)	<input type="checkbox"/>	<input type="checkbox"/>	
18	Records of induction and on-the-job training for employees	<input type="checkbox"/>	<input type="checkbox"/>	
19	Policy on disciplinary sanctions	<input type="checkbox"/>	<input type="checkbox"/>	
20	Reward and punishment records (the last 3 months)	<input type="checkbox"/>	<input type="checkbox"/>	
21	Records of employee departure and dismissal records (the last 3 months)	<input type="checkbox"/>	<input type="checkbox"/>	
22	Anti-forced labour policy	<input type="checkbox"/>	<input type="checkbox"/>	
23	Anti-discrimination policy	<input type="checkbox"/>	<input type="checkbox"/>	
24	Integrity/anti-bribery policy	<input type="checkbox"/>	<input type="checkbox"/>	
25	Organizational chart/election records/collective contracts (if applicable) of the labour union	<input type="checkbox"/>	<input type="checkbox"/>	
26	Grievance procedures; employee complaint records	<input type="checkbox"/>	<input type="checkbox"/>	
27	Latest third-party audit report (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
28	Production reports and other information, etc.	<input type="checkbox"/>	<input type="checkbox"/>	Specify the documents that have been reviewed and the time periods that have been reviewed:



Health, Safety and Environment				
	Document name	Provided	Reviewed	Notes (review)
29	Floor plan of the factory	<input type="checkbox"/>	<input type="checkbox"/>	
30	Production process flow diagram	<input type="checkbox"/>	<input type="checkbox"/>	
31	List of chemicals	<input type="checkbox"/>	<input type="checkbox"/>	
32	Chemical safety management system			
33	Work injury records (last 12 months)	<input type="checkbox"/>	<input type="checkbox"/>	
34	First aid certificate or training records (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
35	Fire and emergency evacuation drill records	<input type="checkbox"/>	<input type="checkbox"/>	
36	Fire safety inspection acceptance certificate or filing record	<input type="checkbox"/>	<input type="checkbox"/>	
37	Reports and records of construction project acceptance upon completion	<input type="checkbox"/>	<input type="checkbox"/>	
38	Occupational health and safety training records (use of personal protective equipment, chemical handling)	<input type="checkbox"/>	<input type="checkbox"/>	
39	Evaluation and testing report on workplace-related occupational hazards (if applicable) (such as chemical substances, dust and noise)	<input type="checkbox"/>	<input type="checkbox"/>	
40	Occupational disease health examination report	<input type="checkbox"/>	<input type="checkbox"/>	
41	List and maintenance records of machines and equipment	<input type="checkbox"/>	<input type="checkbox"/>	
42	Registration and inspection documents of special equipment (cranes, elevators, boilers, air compressors, electric forklifts, etc.) and induction certificates of special equipment operators	<input type="checkbox"/>	<input type="checkbox"/>	
43	Certificates for special operators (such as electricians and welders)	<input type="checkbox"/>	<input type="checkbox"/>	
44	Kitchen food business license; health certificates for cooks	<input type="checkbox"/>	<input type="checkbox"/>	
45	Environment management procedures	<input type="checkbox"/>	<input type="checkbox"/>	
46	Operating license for hazardous waste disposal companies. Duplicate forms for the transfer of hazardous wastes; duplicate forms for the transfer of hazardous wastes	<input type="checkbox"/>	<input type="checkbox"/>	
47	Environment-related approval and licensing documents (EIA documents, approval documents, documents for environmental protection acceptance upon construction completion, and pollutant discharge permits)	<input type="checkbox"/>	<input type="checkbox"/>	
48	Monitoring report of wastewater, exhaust gas and plant boundary noise (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
49	Carbon emission indicators: 1) Carbon emissions tCO <sub>2</sub> e, or energy consumption data (such as fossil fuels and purchased electricity); 2) Carbon emission indicators for produced and purchased raw materials during the production phase (if applicable); 3) Certification of low-carbon raw materials produced or purchased (if applicable) 4) Energy and carbon reduction plans or projects in the production link (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	
50	Sustainable product/material certification (if any): such as Global Organic Textile Standard (GOTS), certification of Leather Working Group (LWG), Responsible Down Standard (RDS), Global Recycled Standard (GRS), Recycled Claim Standard (RCS), Forest Stewardship Council (FSC), Bluesign, Green leaf regeneration certification.	<input type="checkbox"/>	<input type="checkbox"/>	