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**Appendix C: ETHICAL AND ENVIRONMENTAL POLICY**

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## **Section 1: Policy Statement**

Oxfam recognises the importance of sustainable development for people living in poverty, and the long term benefits of becoming a more sustainable organisation. Oxfam takes responsibility for and is committed to managing the labour and environmental standards in its operations and supply chains. In order to embed appropriate management of these standards, the associated framework must be adopted.

Qualifications to the policy

The humanitarian imperative is paramount. Where speed of deployment is essential in saving lives, Oxfam will purchase necessary goods and services from the most appropriate available source.

## **Section 2: Policy Details**

### **2.1 Labour and Environmental Standards**

Oxfam is committed as a minimum to complying with all applicable labour and environmental legal requirements in its both operations and supply chains.

In addition, Oxfam is committed to meeting the labour and environmental standards below and applying a continuous improvement approach within an agreed timeframe where it is known that standards are not met.

When Oxfam sources from small producer groups, it applies the principles of Oxfam International's Values Based Approach to Fair-Trade.

### **Labour Standards**

Oxfam has adopted the [Ethical Trading Initiative Base Code](#) for its labour standards:

#### **Employment is freely chosen:**

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

#### **Freedom of association and the right to collective bargaining are respected:**

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

#### **Working conditions are safe and hygienic:**

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

#### **Child Labour shall not be used:**

- There shall be no new recruitment of child labour.
- Companies shall develop or participate in and contribute to policies and programmes, which provide for the transition of any child found to be performing child labour to enable her/him to attend and remain in quality education until no longer a child.
- Children and young people under 18 years of age shall not be employed at night or in hazardous conditions.
- These policies and procedures shall conform to the provisions of the relevant International Labour Organisation (ILO) standards.

**Living wages are paid:**

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmarks, whichever is higher. In any event wages should always be high enough to meet basic needs and to provide some discretionary income.
- All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment, and about the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express and informed permission of the worker concerned. All disciplinary measures should be recorded.

**Working hours are not excessive:**

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

**No discrimination is practised:**

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

**Regular employment is provided:**

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

**No harsh or inhumane treatment is allowed:**

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

**Environmental Standards**

Oxfam is committed to reduce its reliance on finite/scarce resources and to minimise the environmental impact of its operations including its supply chain, and will work to achieve the standards listed in this section.

**Climate change:**

Monitor and actively seek to reduce the Greenhouse Gas (GHG) emissions associated with its operations and:

- Set absolute GHG reduction targets for operations in industrialised countries or Economies in Transition, such as those identified in Annex I of the United Nations Framework Convention on Climate Change below

- Set and report on targets for improved efficiency in countries where Oxfam runs programmes, such as those that may be regarded as non-Annex I countries under the UNFCCC

**Waste:**

- Reduce waste to landfill.
- Monitor operations, including procurement, to ensure waste minimisation and high product and process efficiency.
- Effective controls of waste in respect of ground, air, and water pollution are adopted.

**Materials:**

- Reuse, recycling and the use of recycled and recyclable materials are strongly encouraged.
- Avoid where practicable reliance on materials that are heavily dependent on finite resources.

**Packaging:**

- Actively avoid undue and unnecessary packaging wherever practicable and use recycled and recyclable materials wherever appropriate.

**Wood and forest products:**

- Ensure that all forest products purchased are as a minimum legal in origin and provide evidence of due diligence to ensure this if requested by Oxfam
- Suppliers of paper products sourced from Oxfam affiliate home country offices and retail products carrying the Oxfam Brand must source forest products from recycled sources or well managed forests which have been certified to a credible standard. Exceptions will be made for products which are Fairtrade marked or produced by members of the World Fair Trade Organisation as appropriate. Oxfam views the Forestry Stewardship Council (FSC) as the most credible certification for the sustainable sourcing of wood and forest products.
- Suppliers must never knowingly become involved in, collude with or purchase timber from illegal logging operations.

**Energy:**

- Work to reduce energy consumption and where practicable use energy from renewable resources.
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**Transport and travel:**

- Reduce staff travel wherever practicable.
- Monitor and reduce transport logistics to ensure efficient distribution and delivery of products and services.

**Conservation of biodiversity:**

- Seek to minimise the impact of operations on fauna, flora and land to ensure the conservation of biodiversity and habitats.

**Water:**

- Develop a better understanding of its impact on water use and develop management processes where appropriate

**Annex I countries, United Nations Framework Convention on Climate Change**

Australia, Austria, Belarus, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America.

**2.2 Oxfam Procurement Integrity Principles**

Oxfam is committed to ensure that its procurement processes are run with integrity and to further this commitment Oxfam actively promotes principles for suppliers and staff as detailed below.

**Procurement Integrity Principles for Oxfam Suppliers**

Oxfam expects suppliers as a minimum, to follow the below-mentioned principles:

- Accept responsibility for labour and environmental conditions under which products are made and services provided. This includes all work contracted or sub-contracted and that conducted by home or other out-workers.
- Be open and transparent about the labour and environmental standards in their supply chains. To provide information requested by Oxfam to enable our assessment of labour and environmental standards in their supply chains.
- Support workers to realise their rights and minimise the barriers which prevent workers from achieving them.
- Demonstrate ability to meet local labour and environmental laws.
- Demonstrate commitment to achieve conformance with the Labour and Environmental Standards in section 2.1 above and commitment to continuous improvement of their labour and environmental standards as agreed with Oxfam.
- Suppliers importing from small scale producer groups facilitate trade in-line with Oxfam's values based approach.

Oxfam will seek alternative sources where the conduct of suppliers demonstrably violates the basic rights of Oxfam's intended beneficiaries, and there is no willingness to address the situation within a reasonable time period.

Oxfam will not knowingly enter into contract or partnership with suppliers that participate in the activities outlined below:

**List of activities that Oxfam suppliers should not be involved in:**

Oxfam will seek alternative suppliers if we identify the following activities:

- Actively lobby to undermine public policies to tackle climate change or push for continued expansion of fossil fuel use
- Arms manufacture;
- The sale or export of arms or strategic services to governments which systematically violate the human rights of their citizens, or where there is internal armed conflict or major tensions, or where the sale of arms may jeopardise regional peace and security.
- Tobacco production and sale;
- The sale of baby milk outside the World Health Organisation (WHO) Code of Conduct;
- Pesticide sales outside the Food and Agriculture Organisation (FAO) guidelines for pesticide retailing
- Extractive industries
- Production or publication or broadcast of adult entertainment
- Knowingly become involved in, collude with or purchase timber from illegal logging operations.
- Any other activities which violate the basic rights of Oxfam's intended beneficiaries.
- Activities which contravene the Procurement Integrity Principles listed in section 2.2

Suppliers must declare any formal party political involvement or activity.

**Procurement Integrity Principles for Oxfam Staff**

To ensure we procure with Integrity, Oxfam staff will:

- Recognise that our suppliers may not be able to achieve all the labour and environmental standards laid out in sections 2.1 immediately and we will support suppliers to work toward conformance within a reasonable timeframe.
- Recognise the impact of all supply decisions on meeting the labour and environmental standards outlined in section 2.1 of this policy. We will involve our suppliers in addressing issues that may arise and expect them to assist us in minimising any negative effects.
- Ensure that our supply requirements are adequately defined and specified in sufficient time to allow the supply market to react to our demand.
- Ensure that our supply activities comply with all applicable international and national laws, regulations, conventions and agreements that are in force in the countries from where our requirements are being procured, and ensure that the specific supply related requirements of our donors are adhered to.

- Not engage in any activity with suppliers, or buyers from other organisations, which might be deemed to be anti-competitive or in breach of any statutory requirements in any country or trading region.
- Not terminate purchase arrangements or relationships without due regard to all material circumstances, appropriate communication and notification to the supplier. We will however terminate supplier relationships where serious breaches of Oxfam's labour and environmental standards persist after reasonable attempts have been made to work with the supplier to implement improvements, and where there is no reasonable prospect of securing improvements. Such terminations will be carried out in a responsible way.
- Act impartially and objectively in all their purchasing activities and to keep written records where appropriate to demonstrate that their actions have been fair and above reproach.
- Declare in advance any interest commercial or otherwise, they may have with a supplier to Oxfam and to be prepared to withdraw from those dealings if required.
- Maintain an unimpeachable standard of integrity in all their business relationships and to foster the highest possible standards of professional competence in all their supply activities.
- Not accept any personal gifts or other inducements, as individually or cumulatively these will be adjudged as an attempt to influence a purchasing decision.
- Seek the views of its suppliers over their ability to meet Oxfam's labour and environmental standards given existing buying practices, and assists them to meet their concerns.

Recognise the contribution that stable business relationships can make to the observance of the labour and environmental