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STANDARD

As a condition of doing business with Nike, the supplier shall implement and integrate this Code and accompanying *Code Leadership Standards*, and applicable laws into its business practices, including the development of effective management systems, and submit to verification and monitoring. The supplier shall post this Code, in the language(s) of its employees, in all major workspaces; train employees on their rights and obligations as defined by this Code and applicable country law; and ensure the compliance of any sub-contractors producing Nike branded or Nike affiliate products.

DEFINITIONS

- **Document or documentation** is printed, written or electronically stored information. It includes, but is not limited to, records, reports, notices, complaints, computer files, personnel files, payroll and timekeeping records, emails and other correspondence.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **APPLICABILITY OF CODE AND CODE LEADERSHIP STANDARDS**
 - a. The Nike and Nike Affiliate Codes of Conduct (Code) and Code Leadership Standards (CLSs) apply to all contract manufacturers, including sub-contractors, making Nike or Nike Affiliate product.
 - b. All applicable provisions of country law regarding workers and the workplace as well as Nike's Health and Safety Code and Environment standards and CLSs apply to all individuals lawfully on supplier's premises.
 - c. To the extent the Code and/or CLSs set higher labor standards than what is required by country law, such standards apply to all production line workers within any building in which Nike or Nike Affiliate product is being made. This includes production line workers employed through a third party or some other employment/contractual relationship.
 - d. **Licensee and Agents.** Licensees and Agents shall ensure compliance with the Code, CLSs and applicable requirements of country law in connection with the manufacture of Nike or Nike Affiliate branded product, and comply with the other requirements set forth in the current Licensee and Agent Manual/policy.
3. **INTEGRATION OF STANDARDS INTO SUPPLIER'S BUSINESS PRACTICES**
 - a. Supplier shall adopt and adhere to rules and conditions of employment that respect its employees and, at a minimum, safeguard their rights under country and international labor and social security laws and regulations.

- b. **Policies and procedures.** Supplier shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruiting, hiring, discipline, through to retrenchment and termination processes.
- c. Supplier shall assign responsibility for administration of human resources to a clearly defined and adequately qualified staff member(s).
- d. Please refer to the applicable CLSs for further clarification of requirements and recommended good practices for policies and procedure regarding hiring, non-discrimination, grievance systems, compensation, harassment and abuse, hours of work, etc.

✓ **As a recommended good practice, supplier is encouraged to implement a regular review process of policies, procedures and their implementation and amend when warranted.**

4. MONITORING AND REMEDIATION

- a. Supplier shall submit to and cooperate with Nike, Nike Affiliates and/or designated third-party representatives, to verify compliance with the Code Standards, CLS Requirements and applicable country law with or without prior notice.
- b. Submission to verification and monitoring includes:
 - i. Granting physical access of auditors or other designated representatives to supplier's manufacturing premises and premises where pertinent documents are located. If needed for determining the actual status of working conditions on the premises, this may include areas of the workplace usually restricted from visitors for safety or intellectual property reasons.
 - ii. Facilitating unrestricted access to supplier's employees for purposes of confidential verification interviews. Suppliers shall not 'coach' employees with respect to potential auditor questions or interfere with or retaliate against employees in connection with audits or verification visits; and
 - iii. Making available documentation required to be maintained by the CLSs or otherwise needed to demonstrate compliance with the Code or applicable country law.
- c. **Document Retention**
 - i. The supplier is required to maintain all documentation needed to demonstrate compliance with the Code and applicable laws and specifically required to maintain those documents identified in the CLSs. Such documentation must be maintained on supplier's premises and organized so as to be readily identifiable and easily accessible by Nike or Nike's designated representatives.

- ii. Documents are to be retained for at least 12 months or as required by country law, whichever period of time is longer.
- d. **Transparency.** Supplier is to be fully transparent (open and honest) regarding its implementation of and compliance with the Code and CLSs. Documentation must be maintained in an original/unaltered condition. Information and documents are not to be falsified or misrepresented.

For example, supplier is prohibited from maintaining and showing to auditors “double books” containing false or misleading information on wages or hours worked.
- e. **Remediation.** Supplier shall exercise its best efforts to timely address and remediate any issues of non-compliance identified during an audit. Failure to do so may result in sanctions within the framework of the sourcing agreement, including a reduction in orders or possible divestment.

5. UNAUTHORIZED SUB-CONTRACTING IS PROHIBITED

The supplier may not sub-contract out the production of Nike or Nike Affiliate product to third-parties or supplier owned facilities not previously approved without the prior written approval of Nike or Nike Affiliate.

6. COMMUNICATION AND TRAINING

- a. The Supplier shall post the Code in all major workspaces, translated into the language(s) of its employees.
- b. **Employee orientation and training.** Supplier shall provide an orientation to new employees at the time of hiring, which includes explanations of the supplier's rules, benefits, and other entitlements and human resources policies, industrial relations, including respect of the right to freedom of association, and health and safety. Training should be updated on a regular basis, and in particular, when any policies and procedures are revised.
- c. Workplace rules, policies, and practices shall be communicated to employees in the language(s) spoken by its employees if different from the local language.
- d. **Supervisor training.** Supplier shall ensure that supervisors are trained in applicable country laws, Code and CLS standards.
- e. **Training Documentation.** Supplier must document such training including topic(s), date(s) and attendee name(s).

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.



STANDARD

The supplier does not use forced labor whether in the form of prison labor, indentured labor, bonded labor or otherwise. The supplier is responsible for payment of employment eligibility fees of all workers, including recruitment fees.

DEFINITIONS

- **Forced Labor** is any work or service obtained under the threat of penalty or for which the person concerned has not offered himself or herself voluntarily. Examples include involuntary servitude and bonded labor.
- **Human Trafficking** is obtaining labor or services through force, fraud, or coercion, or equivalent conduct that would reasonably overbear the will of the person for the purposes of forced labor or commercial sex.
- **Involuntary Servitude** is actions intended to cause a person to believe that if they did not continue to provide labor or services, they would suffer serious harm or physical restraint or the abuse or threatened abuse of the legal process.
- **Bonded labor** is a form of indenture in which a loan or debt of the worker, or their family, is repaid by direct labor and the value of labor provided as reasonably assessed is not applied toward the liquidation of the debt, or the length and nature of the labor is not appropriately limited or defined.
- **Employment eligibility fees** are those fees and costs associated with employment, including recruitment agency/placement firm fees, visas, health checks, work permit and work registration fees.
- **Foreign workers** are production line employees hired, either directly or through a third-party, employed by the supplier and whose nationality or country of origin is *different* than that of the country in which the supplier's facilities/worksites is located.
- **Labor agents** mean private employment agencies (PEAs), recruitment agencies, labor recruiters, dispatch agencies, labor brokers, and any other third parties involved in the recruitment, selection, hiring, transportation, and/or management of workers.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.

2. USE OF PRISON LABOR PROHIBITED

The supplier must not use prison labor or subcontract work to prisons. This includes procurement of any materials, goods or services used to manufacture products.

3. FORCED LABOR PROHIBITED

- a. The supplier must not use or participate in recruitment or employment practice that indentures or bonds an employee to the workplace or which obtains labor or services through the use of force, fraud or coercion.

**b. Retention of Documents**

- i. Employees shall not be required to turn over their original identity papers (such as passports, travel or residency permits, national IDs or school certificates) to their employer, labor agent or another party as a condition of employment, nor shall they be required to make 'deposits' to gain access to their documents.
 - ii. **Safekeeping of Documents.** At the employee's request, the supplier may provide for the safekeeping of identity documents. The supplier must provide immediate access to these documents and return them upon the employee's request with no restrictions at all times. The deposit of identity documents for safekeeping and the return of those documents must be documented and signed by the employee and the supplier. Labor agents or other third parties may not hold worker personal documentation.
- c. Employees shall not be required to make deposits, post bonds, or participate in mandatory savings schemes as a condition of employment.
- d. **Workers Shall Not Pay for Employment.** Neither the supplier, nor labor agents, may charge workers, or deduct from wages (by way of garnishments, levies, deposits, guarantee monies or otherwise) costs or fees associated with employment eligibility, including required visas, health checks, employment registration, work permit or recruitment agency/placement firm fees. See *Compensation and Benefits Code Leadership Standard*.

4. FREEDOM OF MOVEMENT

- a. The supplier must allow employees to move freely within their designated work areas during work hours, including being allowed access to drinking water and toilet facilities. Employees must be allowed to leave the facility during meal periods or after work hours.
- b. Those suppliers with dormitories for employees must communicate security practices, including curfew policies, to applicable employees. Curfews must be reasonable and allow employees sufficient time to relax and participate in personal activities during non-working hours. Where curfews exist, they should apply equally to both national employees and foreign workers.

5. SPECIAL PROVISIONS FOR "FOREIGN WORKERS"

In addition to all the requirements above, where a supplier has hired foreign workers the supplier shall:

- a. **Foreign Worker Policy.** Have a written policy regarding its treatment of foreign workers. The policy should, at a minimum, include the requirements of fair treatment, payment of employment eligibility fees, payment of transportation costs, repatriation and any requirements under country law. The supplier must effectively communicate its foreign worker policy to its foreign worker employees so that they are aware of their rights under the policy. And the supplier shall train its staff responsible for implementing and enforcing its foreign worker policy regarding their roles and responsibilities.
- b. **Fair Treatment.** Treat such employees fairly and provide the same terms and conditions of employment as national employees including compensation, holidays and leaves of absence and any employer provided housing except where country law requires different benefits (for example with respect to payment of social security benefits).



- c. Ensure all job related and safety training is conducted in the language of the employee.

✓ **As a recommend good practice, supplier is encouraged to employ or make available an on-site coordinator who speaks the language of both the foreign worker and the employer.**

d. **Payment of Employment Eligibility Fees**

- i. Except as provided below, directly pay all legally allowed employment eligibility fees associated with employment (either by the sending or receiving country), including recruitment or placement agency fees as a cost of doing business. Such fees may not be deducted from wages by way of garnishments, levies, deposits, guarantee monies or otherwise. See *Compensation and Benefits Code Leadership Standard*.
- ii. Where it is not possible to directly pay agency and other employment eligibility fees in advance, or if any of the above fees are legally required to be paid by the foreign worker, the supplier shall promptly and fully reimburse the employee for those fees. Such fees should be reimbursed within one month of the employee's arrival within the host country unless the supplier has a valid and verifiable reason not to reimburse the expense.
- e. **Payment of Transportation Costs.** In addition to the employment eligibility/recruitment fees noted above, where the supplier has hired foreign workers from another country, the supplier shall be responsible for in-bound airfare/transportation costs including departure taxes and fees. Related inbound transportation costs are not required to be paid for foreign workers already within the country with valid working documents.
- f. **Insurance Costs.** The supplier shall be responsible for any insurance costs required to cover foreign workers in either the sending or receiving country, including medical insurance.
- g. **Labor Agents.** The supplier must use legally approved/registered labor agencies in accordance with country law (where applicable).

✓ **Management of Labor Agents**

- **Where feasible suppliers are encouraged to hire and employ foreign workers directly, minimizing the use of labor agents and other third parties in the recruitment and management of workers.**
- **Suppliers are encouraged to conduct thorough due diligence on any labor agents, including sub-agents, used in the recruitment and employment of foreign workers. Such diligence should include a review of the labor agent's ethical practices and any complaints lodged against them as well as regular audits to make sure they meet at a minimum the requirements contained in these Code Leadership Standards.**

h. **Repatriation**

- i. In addition to any legal requirements of the host country and country of origin regarding repatriation of foreign workers, at the completion of the employment relationship, or earlier upon termination of employment, the supplier shall provide return air or land transport tickets to any



foreign worker hired or recruited by the supplier from another country. The supplier shall comply with this requirement irrespective of the terms of the employee's employment contract.

- ii. The requirement to pay for repatriation does not apply where the employee:
 - (1) Is terminated for illegal conduct;
 - (2) Obtains other legal employment within the country; or
 - (3) Voluntarily terminates his or her employment prior to the conclusion of the term of the employment contract.
 - (4) The supplier must still pay for repatriation, however, if the employee terminates the employment prior to conclusion of the employment contract because:
 - The supplier breaches a material term of the employment contract, or
 - The employee is subject to harassment or abuse that is not timely remedied upon complaint (see *Non-discriminatory Treatment* and *Harassment and Abuse is Not Tolerated Code Leadership Standards*).

✓ **The supplier is encouraged to provide return airfare prior to the conclusion of the employment contract in response to special circumstances such as serious illness or other family emergency.**

i. **Foreign Worker Contracts of Employment**

In addition to the general requirements regarding contracts of employment (see "*Regular Employment is Provided*" Code Leadership Standard), when employing foreign workers:

- i. The terms outlined in the employee's written employment contract must be fully explained prior to departure from their home country with adequate time for review. The explanation should be accurate, complete and in terms the employee would understand. This includes conditions of employment and reasons for termination.
- ii. The employment contract should be written such that it is legally enforceable in the receiving country and written in the employee's language.
- iii. The employee should receive a copy of the employment contract prior to leaving the country of origin. Contracts may not be provided for employee's signature at the airport.
- j. **Illegal Workers.** The supplier may not use foreign workers who are not legally authorized to work within the receiving country. Any illegal foreign workers knowingly hired by supplier or hired due to inadequate hiring practices are entitled to repatriation in accordance with paragraph 4h above.
- k. **Hiring of Foreign Workers within the Receiving Country.** The supplier must ensure that any foreign worker hired who is already within the Receiving Country is legally authorized to work. The supplier is responsible for any costs associated with changing the employment visa or other employment authorization documentation. The supplier also assumes the responsibility for repatriation in accordance with paragraph 4h above.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

References:

- *ILO Convention No. 29, Concerning Forced Labor (1930)*
- *ILO Convention No. 105, Abolition of Forced Labor Convention (1957)*
- *ILO Convention No. 181, Private Employment Agencies Convention (1997)*
- *Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children (Trafficking Protocol) (2000)*
- *The Trafficking Victims Protection Act, 22 USC §7101 (2000)*

STANDARD

Supplier's employees are at least age 16 or over the age for completion of compulsory education, whichever is higher. Employees under 18 are not employed in hazardous conditions.

DEFINITIONS

- **Night work.** In the absence of country law definition, unless justified by “extraordinary circumstances” (see definition in *Working Hours are Not Excessive Code Leadership Standard*), night work is any work carried out, in whole or in part, between the hours of 10:00 pm in the evening and 5:00 am in the morning.
- **Underage employee** is an employee whose age is below either the minimum legal working age established by country law or the minimum age required by this Standard.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable county law or these Code Leadership Standards.
2. **MINIMUM AGE REQUIREMENT**
 - a. Higher minimum age standards may be established by Nike and/or its affiliates within certain industries or countries, which will be communicated to the suppliers concerned.
 - b. The supplier shall put in place and maintain adequate human resource systems and practices to verify that an applicant meets the minimum age requirement. Such systems and practices include a written hiring policy, training of hiring personnel, and requiring ‘proof of age’ documentation at time of hire.
3. **PROOF OF AGE**

Suppliers must require “proof of age” at time of hire, which may include birth certificate, family book, personal registration (ID) card, driver’s license and voting registration card. Copies of these documents must be kept on file throughout the term of employment.

 - a. Supplier should take reasonable measures to ensure that such proof of age documents are accurate and complete. In those cases where proof of age documents are unreliable or unavailable, the supplier must find other ways to verify the employee’s age. Examples include an “official stamped” copy of a school certificate or affidavit from local government representative.
 - b. Because ‘proof of age’ documents can be easily forged or altered suppliers may need to utilize the services of a government-certified medical doctor to accurately verify an employee’s age through a physical examination. Documentation of exam results must be attached to at least one other “proof of age” document listed above.
4. **REMEDYING UNDERAGE EMPLOYMENT**
 - a. The supplier shall establish, document, maintain, and effectively communicate to its employees and other interested parties policies and procedures for remediation of underage employees found to be working in situations which are prohibited by country law or this Standard.

- b. Among other such policies and procedures, when a supplier is found to have employees who are under the minimum age standard, consistent with the overall best interests of the employee and within the requirements of the laws of the manufacturing country, the supplier will be required to take the following actions:
- i. Remove the underage employee from the workplace.
 - ii. Provide adequate, financial and other support to enable such underage employee to attend and remain in school or a vocational training program until age 16 or the minimum legal working age, whichever is higher.
 - iii. If the underage employee is able to provide documentation that he or she is enrolled and attending school classes or vocational training program, the supplier must continue to pay the underage employee the base wage until the time he or she either finishes school/training or reaches age 16 or the minimum legal working age, whichever is higher.
 - iv. When the underage employee reaches age 16 or legal minimum working age, whichever is higher, he or she must be given the opportunity to be re-employed by the supplier.
 - v. If the underage employee voluntarily chooses not to participate in a school education or vocational training program, he or she will forfeit the right to receive continued financial compensation from the supplier. This decision must be documented.
- c. The supplier and Nike or its designated representative may agree upon an additional or different program of remediation appropriate to the situation and the best interests of the employee.

5. PROTECTING YOUNG WORKERS FROM HAZARDOUS CONDITIONS

- a. The supplier shall not expose employees under the age of 18 to hazardous conditions, which are situations in or outside of the workplace that are likely to jeopardize the employee's health, safety or morals.
- b. The supplier is to have a process to identify work assignments that may be hazardous. Examples include working with or near hazardous chemicals, working with dangerous machinery, night work or as otherwise identified by country law.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

References:

- ILO Convention No. 138, Minimum Age Convention (1973)
- ILO Convention No. 182, Elimination of the Worst Forms of Child Labour Convention (1999)

STANDARD

The women and men employed by the supplier are not subject to discrimination in employment, including hiring, compensation, promotion or discipline, on the basis of gender, race, religion, age, disability, sexual orientation, pregnancy, marital status, nationality, political opinion, trade union affiliation, social or ethnic origin or other status protected by country law. Women and men shall receive equal pay for work of equal value.

DEFINITIONS

- **Blacklisting** is creating, maintaining, using and/or communicating lists of employees or potential employees for the purpose of denying employment or other penalty based on legally protected status or non-job related criteria.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **NON-DISCRIMINATION POLICY**
 - a. The supplier must have a written policy against discrimination.
 - b. The nondiscrimination policy should, at a minimum, include:
 - i. A statement prohibiting discrimination in employment consistent with the above Standard and the applicable laws of the manufacturing country;
 - ii. Method(s) for voicing internal grievance(s)/complaints regarding discrimination [*Refer to the Grievance provisions in the Freedom of Association and Collective Bargaining Code Leadership Standard*]; and
 - iii. A statement that no employee will be punished or retaliated against for reporting in good faith discriminatory treatment or behavior.
 - c. **Communication.** The supplier must effectively communicate its non-discrimination policy to employees so that employees are aware of their right to be free from discrimination. Effective communication includes:
 - New hire orientation training;
 - Supervisor/management training;
 - Posting of the policy on employee notification board(s) or other locations where they can be easily read by employees.
 - d. **Staff Training.** The supplier shall train its staff responsible for implementing and enforcing the non-discrimination policy regarding their roles and responsibilities.
3. **NON-DISCRIMINATORY EMPLOYMENT PRACTICES**
 - a. Employment decisions shall be made on the basis of employment related criteria. For example: the employees' qualifications, skills, ability, productivity and overall job performance.

- b. **"Blacklisting"** based on political affiliation, trade union status or any other legally protected status or non-employment related criteria is specifically prohibited.
- c. The supplier must comply with the laws of the manufacturing country regarding employment of designated categories of employees. Examples could include laws requiring preferential or special treatment of the physically impaired, veterans and protected minorities.

✓ **Even where not required by country law, the supplier is encouraged to provide reasonable accommodation to disabled employees, including facilitating access to bathrooms and other factory facilities.**

- d. **Equal Pay for Equal Work.** Women and men shall receive equal pay for work of equal value, equal evaluation of the quality of their work and equal opportunities to fill open positions.
- e. **Favoritism and Bribes.** Management personnel must not receive gifts, payments or other favors from employees or prospective employees in return for jobs or special treatment.

✓ **As a best practice supplier is encouraged to provide workers with reasonable accommodation for religious practices.**

4. WOMEN'S RIGHTS

- a. **Safe work.** The supplier shall provide appropriate and reasonable accommodations for women employees in connection with pregnancy, childbirth and nursing. The Supplier must comply with any working hour limits or other work restrictions for pregnant employees required by country law and take other reasonable measures to protect pregnant women from hazardous work including restricted work hours as recommended by a licensed physician.
- b. **Pregnancy testing.** Pregnancy tests will not be a condition of employment, nor shall they be demanded of employees, unless required by law. Voluntary pregnancy tests may be provided, but only at the request of the employee, and each such request must be documented.
- c. **Contraception.** Employees will not be forced or pressured by the supplier to use contraception.
- d. **Maternity Leave.** Women employees are entitled to maternity leave in accordance with the requirements of country law or Nike's *Compensation and Benefits Code Leadership Standard*, whichever is higher.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

References:

- ILO Convention No. 100, *Convention Concerning Equal Remuneration for Men and Women Workers for Work of Equal Value* (1951)
- ILO Convention No. 111, *Discrimination (Employment and Occupation) Convention* (1958).

STANDARD

Supplier shall recognize and respect the right of employees to freedom of association and collective bargaining. Where the right to freedom of association and collective bargaining is restricted under law, the supplier allows the development of parallel means for independent and free association and bargaining.

DEFINITIONS

- **Bargain in good faith** is to regularly meet and discuss with a willingness to reach an agreement.
- **Blacklisting** is creating, maintaining, using and/or communicating lists of employees or potential employees for the purpose of denying employment or other penalty based on legally protected status or non-job related criteria.
- References to **union** or **trade union** throughout this Code Leadership Standard also apply to other worker organizations as may be applicable.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **RIGHT TO FREELY ASSOCIATE**
 - a. In countries where country law recognizes employees' rights to form and join trade unions and other worker organizations of their own choosing without interference and to bargain collectively, supplier shall comply with country law and the requirements of this Code Leadership Standard. These rights continue through the course of employment, including eventual termination of employment.
 - b. Employees have the right to join or not to join trade unions or other worker organizations of their own choosing.
 - c. Where country law substantially restricts freedom of association, the supplier shall facilitate alternative means to individually and collectively engage with its employees and for employees to express their grievances and protect their rights regarding working conditions and terms of employment. At a minimum, this means having an effective grievance process (see paragraph 6 below).

✓ **In addition, to the extent permitted by law, the supplier is encouraged to support the establishment of worker committees freely chosen by its employees.**
 - d. **Union Dues.** The supplier shall not deduct union membership dues, fees, fines, or other assessments from employees' wages without the express and written consent of the individual employee, unless otherwise specified in a freely negotiated and valid collective bargaining agreement or when required by law
 - e. Union representatives should have access to their members under conditions established by country law or mutual agreement between the supplier and the union.

- ✓ The contractor is encouraged as a good practice to allow reasonable time off with pay for employee union representatives to carry out their duties, such as grievance handling and representing members, and provide such facilities as may be reasonably required to enable the representatives to function effectively. The facilities and time-off which may be appropriate will vary depending upon the number of represented employees, number of worker representatives, provisions in the collective agreement, etc.

3. NON-INTERFERENCE

- a. Employees have the right to elect leaders and representatives of their unions and to conduct activities without supplier interference, which includes acts that establish or promote the domination, financing or control of a trade union by employers.
- b. Consistent with country law, in cases where a single union represents employees, the supplier shall not attempt to influence or interfere in employees' ability to form other organizations that represent employees. The supplier will not interfere with the right to freedom of association by favoring one union over another.

4. HARASSMENT AND RETALIATION PROHIBITED

- a. The supplier must not threaten or use violence or the presence of police or military to intimidate employees or to prevent, disrupt or break up any activities that constitute a lawful and peaceful exercise of the right of freedom of association, including union meetings, organizing activities, assemblies and lawful strikes.
- b. No employee or prospective employee shall be subject to dismissal, discrimination, harassment, intimidation or retaliation for reason of membership in a union or worker association or participation in lawful trade union or other freedom of association activities, including exercising the right to form a union.
- c. **Blacklisting.** The use of "blacklists" to contravene the right to freely associate, for instance, blacklists based on union membership or participation in lawful union activity, is specifically prohibited.
- d. The supplier shall comply with all relevant provisions where country law provides special protection to employees or worker representatives engaged in a particular union activity (such as union formation) or to worker representatives with a particular status (such as union founding members or current union office holders).
- e. The supplier shall not impose any sanction on employees organizing or having participated in a lawful strike.
- f. Employees who have been found to have been unjustly dismissed, demoted or who have otherwise suffered a loss of rights and privileges at work due to an act of union discrimination shall, subject to the requirements of country law, be entitled to restoration of all the rights and privileges lost, including reinstatement to the same or similar job at the same wage and seniority, if the employee so desires.



- g. Employees and their union representatives shall be able to raise issues to management concerning compliance with a collective bargaining agreement without retaliation.

5. COLLECTIVE BARGAINING

- a. The supplier shall recognize the right of organized employees to engage freely in collective bargaining.
- b. The supplier shall bargain in good faith.
- c. The supplier shall honor, in good faith, the terms of any signed collective bargaining agreement for the duration of that agreement.
- d. Where country law specifies a certain union(s) as the exclusive bargaining agent, the supplier will not be required to engage in collective bargaining with other employee groups or organizations on matters covered by a valid collective agreement.

✓ **As a recommended good practice, where a collective bargaining agreement exists, the supplier is encouraged to make copies of the agreement available to all employees covered by the agreement.**

6. EFFECTIVE GRIEVANCE PROCESS

The supplier shall establish an effective grievance process that enables employees to address their concerns regarding working conditions and terms and conditions of employment. The specific grievance process will vary from factory to factory depending upon its size, local laws, culture, etc. But in general, an effective grievance process includes:

- a. A written grievance policy and implementing procedures. The policy should include:
 - i. Multiple channels for employees to raise concerns and provide input to management. For example: grievance/suggestion boxes; supervisors/team leaders; HR department/counselors; trade union/worker representatives; "open door" policy; company "hotlines"; third-parties, worker committees, meetings between management and worker's representatives, etc.; and
 - ii. The ability to raise concerns confidentially (and/or anonymously), subject to the requirements of country law, if the employee so desires without fear of retaliation.
- b. Effective communication of the grievance policy to employees so that employees are aware of the grievance process and their right to raise concerns.
- c. Training of staff responsible for responding to grievances regarding the policy and their roles and responsibilities; and
- d. A means to document and track grievances to ensure there is a timely response back to the employee.



✓ The supplier is also encouraged, as good practices, to:

- Identify and develop plans to respond to broader/systemic issues raised by employees through the grievance process;
- Involve worker representatives and employee participation in the resolution of grievances, where appropriate;
- Provide a process for appeal (especially in cases of discipline or termination); and
- Post details of worker representatives prominently in the workplace.

7. TRAINING

As part of the supplier's employee training practices (see *Implementation Code Leadership Standard*), all employees should receive training on the rights related to this standard, acknowledging that these rights may vary by location.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

References:

- ILO Convention No. 87, *Freedom of Association and Protection of the Right to Organize Convention* (1948)
- ILO Convention No. 98, *Right to Organize and Collective Bargaining Convention* (1949)
- ILO Convention No. 135, *Workers Representatives Convention* (1971)
- *Universal Declaration of Human Rights* (1948) (Articles 20(1) and (2) and 23(4)).



STANDARD

Supplier's employees are treated with respect and dignity. The Supplier does not engage in or tolerate physical, sexual, psychological or verbal harassment or abuse.

DEFINITIONS

- **Physical abuse** includes use or threat of physical discipline (corporal punishment).
- **Psychological and verbal abuse** includes screaming, threatening, or use of demeaning words toward employees and use of words or actions that attempt to diminish employee self-esteem.
- **Sexual harassment or abuse** includes:
 - Unwelcome sexual comments, including comments about a person's body, appearance, or sexual activity, and advances or propositions of a sexual nature.
 - Unwelcome physical conduct including assault, impeding or blocking movement or physical interference.
 - Offering preferential work assignments or treatment in actual or implied exchange for a sexual relationship.
 - Subjecting employees to prejudicial treatment in retaliation for refused sexual advances.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **HARASSMENT AND ABUSE POLICY**
 - a. The supplier must have a written policy against harassment and abuse.
 - b. The Harassment and Abuse policy should, at a minimum, include:
 - i. A statement prohibiting harassment and abuse consistent with the above Standard and the applicable laws of the manufacturing country;
 - ii. Method(s) for voicing internal grievance(s)/complaints regarding harassment and abusive behavior [*Refer to the Grievance provisions in the Freedom of Association and Collective Bargaining Code Leadership Standard*];
 - iii. A statement that offensive behavior may lead to discipline up to and including termination of employment or prosecution by legal authorities; and
 - iv. A statement that no employee will be punished or retaliated against for reporting in good faith harassment or abusive treatment or behavior.
 - c. **Communication.** The supplier must effectively communicate its harassment and abuse policy to employees so that employees are aware of their right to be free from harassment and abuse. Effective communication includes:

- New hire orientation training;
- Supervisor/management training;
- Posting of the policy on employee notification board(s) or other locations where they can be easily read by employees.

d. **Staff Training.** The supplier shall train its staff responsible for implementing and enforcing the harassment and abuse policy regarding their roles and responsibilities.

3. SECURITY PERSONNEL

On-site security personnel, whether they are full-time supplier employees or sub-contracted employees of an outside service provider, must conduct routine and emergency activities in such a way as to ensure the highest levels of safety and security, while also protecting the dignity of the employee. This includes following the requirements below.

- a. **Written Policy.** Supplier must have a written security policy that includes requirements for appearance, personal conduct, responsibility and knowledge of local laws. Security personnel must be trained on their roles and responsibilities.
- b. **Use of Force.** Security personnel must conduct their daily duties with courtesy and respect for all employees and visitors. No force should be used in routine job performance except in situations when self-defense is absolutely necessary (i.e., there is clear and present danger to themselves or other employees). The use of force in these limited circumstances should be proportional to the situation and within the boundaries of country law.
- c. **Crisis Management.** When a crisis situation involving violence or potential violence against personnel or property is identified, security personnel must immediately notify the supplier's management. Such crises situations must be documented.
- d. **Use of Weapons.** The carrying of weapons of any kind is not recommended unless post(s) are required to be armed for the protection of employees and property in countries where violence is frequent. In such cases, the supplier or security service provider must have a system in place that provides training for the proper handling and maintenance of such weapons. No personal weapons are to be brought to the supplier's facilities at any time.
- e. **Employee Searches.** If employee searches are necessary to guard against theft or illegal activities, the supplier must first consult with the local labor bureau or other appropriate government agency regarding standards for conducting such searches. Employee searches, which include "pat-downs" and opening handbags, etc., must be applied equally to all employees regardless of position. All employee searches must be conducted in the open and any physical searches (i.e., pat downs) must be performed by security personnel who are of the same gender as the employee and with respect for the individual.
- f. **Dormitories.** Dormitory security personnel must ensure that security services are available on-site for the protection of employees and the separation of men and women. If a curfew exists, it must be reasonable and employees must be informed of the roles of security in enforcing the curfew.
- g. **Training.** All security personnel must be trained on the supplier's written security policy and harassment & abuse policy. All job-related training must be documented.



4. DOCUMENT RETENTION

Supplier must maintain and make available all documentation regarding allegations of harassment and abuse upon request to Nike or designated third party representatives such as auditors or verifiers.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

STANDARD

Suppliers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Suppliers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Suppliers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

DEFINITIONS

- **Extraordinary Circumstances** are situations outside the control of the supplier typically understood as “Force Majeure.” This includes acts of nature (such as fire, flood, earthquake or other natural disaster), hostilities or civil unrest, and interruption or failure of essential utilities such as electricity.
- **Hourly employees** are employees, such as production line workers, which are required by country law to be compensated on an hourly basis (non-exempt employees). Hourly employees do not include management staff or others paid on a salaried basis as allowed by country law.
- **Overtime** is work performed in addition to regular working hours as defined by country law.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **REGULAR WORKING HOURS**
 - a. **Hours worked.** Hourly employees must be paid at least the minimum wage for all “hours worked,” as that term is defined by country law (see “*Compensation is Timely Paid*” Code Leadership Standard).
 - b. **Time keeping system.** Supplier must maintain an adequate time-keeping system that accurately records hourly employees’ daily work hours in a “timely manner.” The time-keeping system should be used for recording both start and stop times. Both regular and overtime hours must be recorded on the same time document and in the same system. Wages of hourly employees should be calculated based on all hours worked tracked by the time keeping system.
 - i. A “timely manner” is ordinarily defined as no more than 15 minutes, before or after the shift.
 - ii. Recording employees’ daily work hours within 30 minutes before or after the shift can be considered “timely” provided:
 - a. It is consistent with the country law definition of hours worked including any requirement regarding compensation for preparation time;
 - b. Workers are engaging in significant pre-work/post-work activities. For example, if a highly automated manufacturing process requires employees to work in a “clean room” environment necessitating wearing special uniforms and undergoing security screening before and after the shift;



- c. Workers are informed of the clocking in/out procedures; and
- d. The exception is approved, in writing, by Nike.
- e. A supporting factor would be the extent to which being able to clock in/out within a 30 minute window before or after the shift is for the convenience of the workers.
- c. To ensure accuracy, reliability and transparency, ordinarily time keeping systems should be mechanical or electronic. A non-mechanical or electronic based system (e.g., hand-written time cards) must be approved by Nike.
- d. **Change in shift or working hours:** if worker's working hours is changed (i.e. from normal shift to multishift and shift rotation) employees are provided at least 24 hours prior notice.

3. OVERTIME/LIMITS ON HOURS OF WORK

- a. Supplier must comply with the requirements of country law regarding daily, weekly and annual limits on hours of work and the working of overtime hours.
- b. **Premium Rate.** Overtime must be paid at a minimum premium rate equaling the higher of the requirements of country law or 125% of the employee's base hourly rate.
- c. Total work hours including overtime must not, unless justified by "extraordinary circumstances" (see below), exceed 60 hours per week or the limits under country law, whichever is less.
- d. **Local Overtime Permits.** If country law allows supplier to apply for permission for employees to work additional hours beyond those regularly permitted, supplier may apply for and utilize such permit, provided:
 - i. The permit is obtained in accordance with the requirements of country law, issued at the Municipal level or higher;
 - ii. A copy is posted in the work place;
 - iii. Additional overtime hours worked are voluntary; and
 - iv. Except in "extraordinary circumstances" (see below), total hours worked do not exceed 60 hours per week.
- e. **Extraordinary circumstances**
 - i. In the limited situation of extraordinary circumstances and where permitted by country law, total hours of work may exceed 60 hours per week, provided:
 - (a.) Supplier immediately notifies and obtains prior written approval from Nike;
 - (b.) Supplier takes reasonable steps to minimize the need for additional overtime, and any additional overtime worked is limited to what is necessary to meet the extraordinary circumstance and;
 - (c.) Any additional overtime hours worked is voluntary.
 - ii. Nike will review requests for additional overtime under claims of "extraordinary circumstances" on a case-by-case basis and determine the level and duration of additional overtime permitted under this exception, if any.

4. DAYS OFF (Day of Rest)

- a. Supplier must comply with the requirements of country law and regulations regarding breaks and days of rest.
- b. Except in “extraordinary circumstances” (see above) or pursuant to the “switching policy” (see below), employees shall be allowed at least 24 consecutive hours rest (day of rest) in every seven day period.

✓ **As a recommended good practice, whenever possible, the day of rest should be scheduled on the same day of the week so that the employee can plan for that day of rest.**

c. Switching policy

- i. Factories may switch the day of rest provided:
 - It is in accordance with country law;
 - Employees are provided at least 24 hours prior notice;
 - Any applicable trade union or workers representatives are consulted;
 - The switched day does not result in employees working more than 60 hours in a week (or local legal requirements if lower).
- ii. If the day of rest is changed with less than 24 hours notice, the day worked must be paid at the overtime rate *and* must be voluntary.
- iii. Country specific Switching Policies may be implemented providing additional requirements and protections to employees.

5. OVERTIME HOURS ARE CONSENSUAL

- a. Supplier must comply with the requirements of country law regarding the voluntariness of overtime hours.
- b. Where mandatory overtime is permitted under country law, employees must consent to being required to work overtime by being notified of this requirement at time of hire. If mandatory overtime will be required, employees should be given at least 24 hours advanced notice whenever possible.
- c. Any additional overtime hours worked under a local overtime permit, in the case of “extraordinary circumstances” or “switched hours” with less than 24 hours advanced notice must be voluntary.

✓ **As a recommended practice, supplier is encouraged to first attempt to meet its need for additional hours by requesting voluntary overtime.**

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

STANDARD

Supplier acknowledges that every employee, male or female, has a right to compensation for a regular work week that is sufficient to meet employees' basic needs and provide some discretionary income. Supplier's employees are timely paid at least the minimum wage required by country law, or prevailing wage, whichever is higher, and provided legally mandated benefits, including holidays and leaves, and statutory severance when employment ends. There are no disciplinary deductions from pay. When compensation does not meet the employees' basic needs and provide some discretionary income, supplier shall develop, communicate, and implement strategies to progressively realize compensation that does.

DEFINITION

- **Compensation** is the wages and benefits (monetary and non-monetary) provided by the supplier to the employee.
- **Prevailing Wage** is the level of wage generally paid in the relevant country or region of the country for work in the same sector and for comparable levels of responsibility and experience.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. Supplier acknowledges that every employee has a right to compensation for a regular work week that is sufficient to meet employees' basic needs and provide some discretionary income. When compensation does not meet the employees' basic needs and provide some discretionary income, supplier shall develop, communicate and implement strategies to progressively realize compensation that does. See Paragraph 10 below.

3. BASIC COMPENSATION PRACTICES

- a. At a minimum, employees shall receive the applicable legal minimum wage, including the payment of overtime at a premium rate. See *Hours of Work Code Leadership Standard*.
- b. Wages and benefits shall be paid or provided on a regular and timely basis. Such compensation shall be properly characterized and reported to appropriate governmental authorities as wages in accordance with the requirements of country law. For example, payment for hours worked may not be mischaracterized as an "allowance" or other form of payment for the purpose of avoiding the payment of legally required taxes or making required deductions.
- c. **Piece Rates and Quotas.** Regardless of quota targets or piece rate agreements, the supplier must ensure each employee receives at least the legal minimum wage for hours worked and is paid overtime according to the requirements of country law and this Code Leadership Standard.
- d. Compensation shall be paid by direct deposit, in cash or check form, in a manner convenient to employees.
- e. **Back wages.** If it is found that an employee has not been properly paid his or her earned wages, including erroneous accounting of base and/or overtime wages, the supplier will be responsible for the back payment of those wages from the time of miscalculation or for a period of at least one year. Country law may establish longer periods of back payment obligation.



- f. **Non-discrimination.** Women and men shall receive equal pay for work of equal value. See *Supplier does not Discrimination Code Leadership Standard*.

4. DEDUCTIONS

- a. **Disciplinary deductions.** Deductions from wages shall not be made for disciplinary purposes, nor shall any deductions not provided for by the law of the manufacturing country be permitted without the express written permission of the employee concerned. Performance or behavioral issues should be dealt with by other performance management methods, which may include counseling, warnings and/or ongoing training.
- b. This policy does not prevent supplier from restricting or eliminating discretionary bonuses based on factory or individual performance.
- c. Employees shall not be required to pay for tools to perform their job functions. As allowed by country law, employees found responsible for loss or damage of supplier's tools or property may be held financially responsible.
- d. **Employment Eligibility Fees.** The supplier shall not deduct from wages costs, fees or levies associated with employment eligibility, such as any required visas, health checks, employment registration, or work permit fees.
- e. **Union Dues.** The supplier shall not deduct union membership dues, fees, fines or other assessments from employees' wages without the express and written consent of the individual employee, unless otherwise specified in a valid collective bargaining agreement.
- f. The supplier must maintain written documentation of the employee's voluntary agreement to allow any deductions that are not mandated by law but provided as an option for the employee such as additional benefits, insurance and savings programs.
- g. Deductions not required by law or agreed to by the employee for the employee's benefit shall not result in the employee receiving less than the applicable legal minimum wage.

5. RETIREMENT/SEVERANCE FUNDS

- a. The supplier must fully fund/pay into all legally required social security, unemployment, retirement or severance funds (sometimes referred to as "provident funds") and maintain adequate financial records of the payment into and/or maintenance of such funds.
- b. Supplier shall have in place a procedure for determining all statutory severance and other separation benefits (termination payments) to which the employee is entitled under country law and, upon termination of employment, shall fully pay to the employee such termination payments.

6. PROBATIONARY AND TRAINING WAGES

- a. The supplier shall not pay a probationary wage that is below the legal minimum wage, including the payment of overtime at a premium rate.
- b. Payment of "training wages" or participation in an apprenticeship program must be in accordance with country law and the requirements of Nike's *Regular Employment is provided Code Leadership Standard*.

7. COMMUNICATION AND SOCIAL DIALOGUE

- a. Employees shall be provided with written and understandable information about their employment terms and conditions, including wages and benefits, before entering employment.
- b. **Pay slips.** The supplier must provide every employee with a printed payment record in the local language for the whole pay period each time they are paid. The payment record must include at least the following information:
 - Pay period and wage payment dates;
 - All regular and overtime hours worked;
 - Wage rates for hours of work;
 - Totals for regular and overtime compensation;
 - All additional compensation such as individual/team bonuses; and
 - All deductions for insurance and/or other legally mandated deductions.
- c. Employees should receive training so they understand the payment format.

✓ **As a recommended good practice, supplier should provide and/or inform employees of safe savings accounts/financial products where possible, as well as provide or link employees to financial literacy training.**

- d. **Collective Bargaining.** To the extent permitted by the laws of the manufacturing country, supplier shall recognize the right of represented employees to engage in collective bargaining; bargain in good faith; and honor the terms of any signed collective bargaining agreement for the duration of that agreement. See *Freedom of Association Code Leadership Standard*.

8. HOLIDAY AND LEAVE POLICIES AND PROCEDURES

- a. The supplier must have clearly written policies and procedures regarding legally required holidays, sick leave, annual leave, maternity leave, emergency family leave and other leaves as required by country law. The supplier must effectively communicate its leave policy to employees. The supplier shall train its staff responsible for implementing its leave policy regarding their roles and responsibilities.
- b. Supplier shall provide all legally required holidays and leaves and, to the extent not inconsistent with country law, comply with the specific additional requirements below:
 - i. **Sick Leave** Employees shall be provided sick leave in accordance with the requirements of country law.

✓ **As a recommended good practice, even if not required by country law, employees should be provided time off to recover from sickness or injury as required by a government certified medical doctor. When in dispute, the supplier could require a second opinion from an alternate qualified medical provider at the supplier's expense.**

- ii. **Annual Leave.** In countries where no annual leave is mandated by law, suppliers are required to provide annual leave as part of an employee's compensation and benefits.



- iii. **Maternity Leave.** Even if not required by country law, woman employees are entitled to unpaid maternity leave. Except in the case of extraordinary circumstances such as retrenchment, they shall be entitled to return to their employment on the same or equivalent terms and conditions that applied to them prior to taking leave and shall not be subject to any discrimination or loss of seniority.
- iv. **Menstrual leave.** No physical exams may be conducted to verify eligibility for menstrual leave if it is a benefit mandated by country law.

9. FACTORY CLOSURE AND RETRENCHMENT

In the event of a facility closure or other corporate restructuring which will result in the retrenchment or termination of employees, at a minimum, the supplier shall:

- a. **Notice.** Give employees, employee representatives where applicable, and the relevant governmental authorities as much advance notice and relevant information regarding the redundancies/retrenchment as is possible under the circumstances.
 - i. Relevant information includes the rationale or criteria for the closure or retrenchment, the number and categories of employees likely to be affected and the period over which the terminations are intended to be carried out.
 - ii. At a minimum, the supplier shall provide such notice, or pay in lieu of notice (for example, paying 30 days' wages instead of providing 30 days' notice), and information as is required under country law.
- b. **Severance**
 - i. Fully pay all severance, social security and other separation benefits to which employees being retrenched are entitled under country law.
 - ii. **Release of claims.** Supplier shall not require that employees sign any declaration of good health, waivers or releases of other rights as a condition of receiving legally entitled severance pay or other benefits. The supplier may condition receipt of discretionary or additional severance and benefits on an acknowledgment and/or release of claims.
- c. **Collective Bargaining Agreement.** In the event affected employees are represented by a trade union or worker organization, the supplier shall fully comply with all applicable notice, consultation, payment of severance, outplacement or other benefits provided for in the current collective bargaining agreement or otherwise agreed to between the supplier and such trade union or employee representatives.

✓ **In the event of closure or retrenchment, in addition to what is required by country law or collective bargaining agreement, the supplier is encouraged to provide either directly or in coordination with governmental, non-governmental organizations (NGOs) or other third parties:**

- **Consultation.** The opportunity for employees and employee representatives, where applicable, to meet and consult on measures to be taken to avert or to minimize the redundancies/retrenchment and measures to mitigate the adverse effects of retrenchment on the employees.



- **Transfer.** The opportunity to transfer to other owned facilities within the country at a comparable wage, if available.
- **Appeal process.** A process whereby employees are provided an opportunity to reply, challenge or make appeals during the retrenchment process.
- **Outplacement/retraining assistance.** This may include setting up "job banks" or otherwise helping employees find re-employment opportunities at nearby similar industries or within the community; setting up a process by which employees are informed of potential job openings; and placing paid ads in local media calling on potential employers to support effected employees by giving them priority in new hirings.
- **Additional financial support** including additional severance, paid time off to seek other employment opportunities, financial assistance for retraining, economic support for co-operative micro-enterprise projects and/or financial literacy training.
- **Medical benefits** in addition to what is legally required, specifically including additional assistance for pregnant workers and workers with significant medical conditions commensurate with their condition.
- **Assistance in obtaining government benefits.** This may include educating employees of their rights and coordinating with appropriate local government agencies. For example, having government agencies, appropriate NGOs, etc., hold sessions at the factory or at a nearby convenient location to provide information and assist workers in filling out forms to obtain governmental assistance and access to government training programs.

10. PROGRESSIVE REALIZATION OF A FAIR WAGE

Supplier commits to developing and implementing a process that incrementally moves employee compensation (wages and benefits) over time toward meeting employees' basic needs including some discretionary income. The following are examples of actions supplier can undertake to meet this obligation:

- a. **Payment of wages and benefits.** Continue to comply with the requirements set forth in the Nike Code of Conduct and this Code Leadership Standard to fully and timely pay its employees *at least* the minimum wage required by country law, or prevailing wage, whichever is higher, provide legally mandated benefits including holidays and leaves, and comply with all regulations on social insurance.
- b. **Pay systems.** Put in place a pay system that regularly reviews and adjusts employee compensation based on the following considerations:
 - The legally required minimum wage.
 - The supplier's business needs.
 - The different levels of employee education, skill, training, professional experience and position within the company.
 - Compensation incentive programs that reward individual and collective performance.
 - Payment of a competitive wage based on comparison to wage practices of similar companies and/or main competitors within the labor market.
 - Monitoring of wages compared to inflation and changes in consumer prices so that employees do not suffer an erosion of their wages in real terms.



- Providing equal pay for equal work and otherwise implementing non-discriminatory compensation practices.
 - Ensuring that workers are not required to work an excessive number of working hours and that any overtime hours are paid at premium rates.
- c. **Policies and procedures.** Establish or re-align policies and procedures to reflect the commitments contained in this Code Leadership Standard and train its staff responsible for implementing its compensations systems regarding their roles and responsibilities.
- d. **Communication and social dialogue.** Provide employees with adequate and on-going information on compensation and, consistent with the laws of the manufacturing country, respect the rights of its employees to freedom of association and collective bargaining.
- e. **Training and development.** Offer training and employee development programs to improve employee performance at all levels of the company, including operators, supervisors (team and group leaders), staff and managers.
- f. **"Fair Wage self-assessments".** Participate in the FLA's "Fair Wage Assessment" process and related training, or other similar trainings or assessments. Collect and share with the FLA and Nike information on the FLA's "twelve dimensions of fair wages."

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

References:

- ILO Convention No. 158, Termination of Employment Convention (1982).

STANDARD

Supplier shall adopt and adhere to rules and conditions of employment that respect its employees and safeguard their rights under the higher of, country and international labor and social security laws and regulations, or the requirements in this Code. Work is performed on the basis of a recognized employment relationship established through country law and practice. The Supplier does not use any form of homeworking arrangement for the production of Nike branded or Nike Affiliate product.

DEFINITIONS

- **Short-term contract.** In the absence of country law definition, short-term contracts are those of 1 year duration or less.
- **Temporary worker** is a production line worker who works on the supplier's premises, but who is provided and paid by a third-party, such as a temporary employment agency.
- **Widespread** violations are those that are pervasive within the factory and/or represent a systemic failure that has adversely affected a large portion of employees.

REQUIREMENTS

1. As the employer, the supplier is responsible for the employment relationship with its employees. Supplier shall comply with the higher of the applicable country law or these Code Leadership Standards.
2. **REGISTRATION**
The supplier shall comply with the requirements of country law regarding registration of employees.
3. **CONTRACTS OF EMPLOYMENT**
 - a. The supplier shall comply with the requirements of country law regarding use of contracts of employment, including any requirement that employees have a written employment contract, as well as the terms, duration and/or renewal of such employment contracts.
 - b. The supplier must fully explain the terms outlined in the employee's employment contract, if any, which should be written in the employee's language.
 - c. Where employment contracts are used, employees should be given a copy of the employment contract in the employee's language before entering employment.
4. **USE OF TEMPORARY WORKERS AND SHORT-TERM CONTRACTS**
 - a. The supplier should not avoid its obligations under labor or social security laws arising from the regular employment relationship through the excessive use of temporary (labor only contracting) or use of short or fixed-term contracts.
 - b. Use of temporary employees, where legally permitted, to perform production work should to the extent possible only be used to meet seasonal work or peak season production or to fill short-term vacancies or staffing needs of less than one year.
 - c. Examples of possible excessive use of temporary production workers or short-term contracts include:



- i. Widespread use of temporary workers for more than one year to meet an ongoing employment need;
 - ii. Widespread renewal of short-term contracts where such practice denies employees full entitlement to severance pay, social security tenure, etc.; and
 - iii. Where more than 15% of production line workers are temporary workers or on short-term contract.
- d. Employment laws and practices in this area are complex and vary significantly from country-to-country. Application of this Standard will be determined on a country-by-country basis.

5. APPRENTICE PROGRAMS

- a. As a general rule, payment of "training wages" or participation in "apprenticeship programs" is not allowed where such programs result in the payment of wages or provision of employee benefits less than that provided to regular employees.
- b. As an exception, such programs may be approved on a case-by-case basis where the program is:
 - i. Provided for and in compliance with country law;
 - ii. Designed for the benefit of the trainees by imparting job skills or leading to regular employment;
 - iii. The trainee's participation in the program is limited in duration (generally no more than 6 months);
 - iv. Trainees are compensated for production of any finished product at the legal minimum wage, or higher; and
 - v. The program is not used for the purpose of avoiding the supplier's obligations under labor or social security laws arising from the employment relationship.

6. HOMEWORKING ARRANGEMENTS PROHIBITED

- a. To ensure compliance with the Code of Conduct and these Code Leadership Standards, the supplier shall not use any form of homeworking arrangement for the production of Nike branded or Nike Affiliate product. This means that employees shall not perform Nike branded or Nike Affiliate production work outside of the regular work place.
- b. Where home working arrangements are in place for other Buyers (non-Nike or non-Nike Affiliate production), the supplier must put in place and be able to demonstrate the system by which it is ensured that Nike branded and Nike Affiliate production is not deliberately or inadvertently home worked.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.



STANDARD

As a condition of doing business with Nike, the supplier shall implement and integrate this Code and accompanying Code Leadership Standards and applicable laws into its business, including development of robust management systems, and submit to verification and monitoring. The supplier shall post this Code, in the language(s) of its employees, in all major workspaces, train employees on their rights and obligations as defined by this Code and applicable country law; and ensure the compliance of any sub-contractors producing Nike branded or affiliate products.

- Develop and implement Health, Safety and Environment (HSE) management system to eliminate or reduce risks associated with operations.

RESPONSIBILITIES

Location Manager

- a. Define roles, responsibilities, and authorities to maintain an effective HSE management system.
- b. Provide resources (including management representatives) required for an effective HSE management system.
- c. Ensure HSE management system is established, implemented and maintained.

HSE Representative must establish, maintain and administer HSE management system.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the HSE management system.

Employees must adhere to the requirements of the HSE management system.

REQUIREMENTS

1. **POLICIES & PROCEDURES**—Each facility must have a written HSE policy signed by the location manager. The policy must include as a minimum:
 - a. Statement of intent.
 - b. Commitment from senior management to comply with relevant HSE regulations and other applicable requirements.
 - c. Commitment to continuous improvement.
 - d. Framework for setting and measuring HSE goals.
 - e. Policy must be documented, maintained and reviewed every two years.
 - f. Communication to all employees and available to the public.
 - g. Signed by the senior location or general manager.
2. **HEALTH, SAFETY AND ENVIRONMENT STRATEGY**—Each facility must have a written HSE strategic plan which includes HSE objectives that are:



- a. Developed taking into consideration high risks (per risk assessment), legal and other requirements, technological options, financial, operational, and business requirements, and views of stakeholders.
 - b. SMART (Specific, measurable, achievable, realistic and time bound) objectives. Plan may be combined or separate from overall business plan for facility.
 - c. Assigned an owner responsible for implementation.
- 3. **DOCUMENT CONTROL**—Each facility must have developed and implemented procedures to control all HSE related documents to ensure:
 - a. Documents are legible with dates (of revision).
 - b. Current revisions of documents can be located when needed.
 - c. Documents are reviewed by authorized individuals at least every two years or when any significant changes occur.
 - d. Obsolete documents are promptly removed from points of use to assure against unintended use.
- 4. **AUDIT**—Each facility must have implemented an audit process to evaluate all aspects of their HSE management system at a time interval dependent upon overall risk of facility.
- 5. **NONCOMPLIANCE**—Each facility must have developed and implemented procedures for identifying, prioritizing, investigating and resolving noncompliance with any aspect of the HSE System. Procedures must include at a minimum:
 - a. Methods for assigning responsibility for activities.
 - b. Description of actions required resolving and preventing noncompliance.
 - c. Date actions must be completed by.
 - d. Date of completion.
- 6. **MANAGEMENT REVIEW**—Each facility must have developed and implemented procedures for an annual review of the HSE management system. At a minimum, management review procedures must be conducted annually and include:
 - a. Progress against HSE strategic plan.
 - b. Roles and responsibilities.
 - c. Implementation of processes and procedures.
 - d. Review of the HSE policy (every two years).
 - e. Review of any audit results, recommendations, noncompliances and corrective and preventive actions.
 - f. Review of performance metrics.



- g.** Evaluation of system suitability, adequacy and effectiveness.
- 7. **COMMUNICATION**—Each facility must properly inform employees about HSE. As a minimum, they must:
 - a.** Have a health and safety notice board or website for communicating HSE information to employees.
 - b.** Communicate monthly HSE information to all employees.
- 8. **TRAINING**—Each facility must identify HSE training needs and implement training programs that will ensure effective functioning of the management system. In addition, all employees must be trained in each of the written procedures of the HSE Management System.
- 9. **DOCUMENTATION** —

Training Records: Each facility must maintain training records for a minimum of 3 years.

Other Records:

- a.** Current copy of HSE Policy.
- b.** Current HSE Strategic plan.
- c.** Current Training plan.
- d.** Energy Utility Bills.
- e.** Fuel Purchase Invoices.
- f.** Internal audit records for a minimum of 3 years.
- g.** Non Compliance records for a minimum of 3 years.
- h.** Management review records and related documents for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Lean 2.0 Playbook
- Nike ESH Handbook, page 1-1

STANDARD

As a condition of doing business with Nike, the supplier shall implement and integrate this Code and accompanying Code Leadership Standards and applicable laws into its business, including development of robust management systems, and submit to verification and monitoring. The supplier shall post this Code, in the language(s) of its employees, in all major workspaces, train employees on their rights and obligations as defined by this Code and applicable country law; and ensure the compliance of any sub-contractors producing Nike branded or affiliate products.

- Develop and implement health, safety and environment (HSE) committee processes and procedures to improve health, safety and environment conditions in each facility.

RESPONSIBILITIES

Location Manager must ensure that there is an HSE committee established and that the HSE committee procedures are implemented and followed.

HSE Representative must establish, maintain and administer the HSE committee procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the HSE committee procedures.

Employees must adhere to the requirements of the HSE committee procedures.

DEFINITIONS

Management representative represents senior (Top) management within the factory and could be the manager, supervisor, or a departmental position which manages, monitors, evaluates and coordinates factor operations.

Worker representative is a non-managerial position typically responsible for the hands on labor of the manufactured product.

REQUIREMENTS

1. **POLICIES & PROCEDURES**—Each facility must have implemented procedures for HSE committees, which must cover as a minimum, the following:
 - a. HSE committee must be established at each facility.
 - b. Committee must be comprised of at least 2 members if the location has 20 people or less and at least 4 members if the location has more than 20 people.
 - c. Comprised of approximately an equal number of management and worker representatives.
 - d. Committee members must be representative of the major work activities.
 - e. Must elect chairperson.
 - f. Committee Representatives must serve a continuous term of at least one year.
 - g. Committee meetings must be conducted each month except months when quarterly inspections are conducted.

- ## 5. DOCUMENTATION

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. HSE Committee meeting minutes and Workplace safety inspections for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards –suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 1-12

STANDARD

As a condition of doing business with Nike, the supplier shall implement and integrate this Code and accompanying Code Leadership Standards and applicable laws into its business, including development of robust management systems, and submit to verification and monitoring. The supplier shall post this Code, in the language(s) of its employees, in all major workspaces, train employees on their rights and obligations as defined by this Code and applicable country law; and ensure the compliance of any sub-contractors producing Nike branded or affiliate products.

- Develop and implement processes and procedures for incident reporting and injury and illness management. Supplier must comply with requirements as outlined in this standard or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that an injury and illness management program is developed, implemented and followed.

HSE Representative must establish, maintain and administer the injury and illness management program and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the injury and illness management program and procedures.

Employees must adhere to the requirements of the injury and illness management program and procedures.

DEFINITIONS

- **Work Related Injury or Illness** is an event or exposure in the workplace that either caused or contributed to an injury or illness or aggravated a preexisting injury or illness.
- **Near Miss** is an unplanned event that did not result in injury, illness, or damage - but had the potential to do so.

REQUIREMENTS

1. **POLICIES & PROCEDURES**—Each facility must implement procedures to manage injury and illness which must cover, as a minimum, the following:
 - b. All incidents (work related injuries, illnesses, accidents resulting in property damage or near misses) must be reported immediately to management.
 - c. All fatalities or serious injuries (e.g. incidents resulting in 24 hour inpatient hospitalization, permanent disfigurement, loss of any body part or loss of sight, etc.) must be communicated to a Nike, Inc. representative within 8 hours of incident occurrence.
 - d. Incident investigation report must be submitted to location management within 48 hours. The report must include as a minimum:
 - Name of site location.



- Specific location and time of the incident.
- Relevant facts and witness information.
- Name and number of fatalities or hospitalized employees.
- Contact person and phone number.
- Complete description of the incident and all contributing causes.
- Corrective measures are necessary to prevent recurrence.

e. Injury/illness management:

- Incident confidentiality.
- Communication with injured employee (e.g. wages, medical restrictions, etc.).
- Return to work provisions (including any work restrictions and transitional work).
- Enforcement of any work restrictions.

2. RECORDKEEPING AND REPORTING —Each facility must keep a record of all work related injuries and illnesses resulting in a fatality, hospitalization, lost workdays, medical treatment beyond first aid, job transfer or termination, or loss of consciousness for that factory which includes:

- a.** Each event entered no later than 6 working days after receiving the information.
- b.** Name of employee or sub-contractor.
- c.** Date of injury or illness.
- d.** Where injury or illness occurred.
- e.** General description of accident.
- f.** Number of restricted calendar days of work due to injury or illness.
- g.** Number of calendar days away from work due to injury or illness.
- h.** Annual summary of injuries/illnesses must be posted in areas accessible to employees. This must include:
 - Total number of injuries and illnesses events.
 - Total number of deaths.
 - Total number of days away from work.
 - Total number of cases restricted work activity or job transfer.
 - Incident rate, which is calculated as follows:
 - $(\text{Total number of days away from work} + \text{total number of cases with job transfer or restriction}) \times 200,000 / \text{Number of hours worked by all employees} = \text{Total Incident Rate}.$
 - Data must be reported to Nike on a quarterly basis. **(FACTORIES WITH 10 or FEWER WORKERS ARE EXEMPT FROM THIS REQUIREMENT)**
- i.** Additionally, each facility must capture, track and summarize each near miss.

- Near misses are smaller in scale, relatively simpler to analyze and easier to resolve.
- Captures sufficient data for statistical analysis; trending studies.
- Provides opportunity for 'employee participation' a basic requirement for successful HSE Program. This embodies principles of behavior shift, responsibility sharing, awareness, and incentives etc.
- One of the primary workplace problems Near Miss incident reporting attempts to solve, whether directly or indirectly, is to try and create an Open culture whereby everyone shares and contributes in a responsible manner. Near-Miss reporting has been shown to increase employee relationships and encourage teamwork in creating a safer work environment.

3. TRAINING—

Injury and Illness Reporting: employees must be trained on the location's injury and illness management program. Training must include as a minimum:

- Immediate reporting of any work related injury or illness or near miss regardless of the severity.
- Communication of information regarding any injury or illness that affects their ability to perform normal work duties.

Injury and Illness Management: managers and supervisors must receive additional training regarding the location's Injury and Illness and Near Miss Management Program. Additional training must include as a minimum:

- Processing a report of injury or illness or near miss.
- Conducting accident or near miss investigation/root cause analysis.
- Maintaining confidentiality.
- Communications with employee, medical personnel, and other stakeholders.
- Returning employee to work after injury/illness.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment plus 30 years. Medical records shall not be disclosed without employee's written consent except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Injury and illness logs must be maintained for 5 years following the end of the year to which they are related.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.



REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 1-15*
- *Nike Accident/Incident Report Form*
- *Nike Injury/Illness Log Form*

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement process and procedures to reduce or eliminate risk associated with the workplace environment. Suppliers must comply with requirements as outlined in this standard or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that the workplace environment policy and procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer workplace environment policy and procedures.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements of the workplace environment policy and procedures.

Employees must adhere to the requirements of the workplace environment policy and procedures.

REQUIREMENTS

1. **GENERAL DUTY**—Each facility shall furnish to each employee a place of employment which is free from recognized hazards that are causing or are likely to cause death or serious physical harm to the employee or environment.
2. **WORK SPACE**—Each facility must provide adequate working space to allow employees and onsite contractors to perform work without risk to health, safety and wellbeing. Each facility must provide a minimum of 11 cubed meters (37 cubed feet) per employee or contractor (for calculation purposes, rooms over 3 M (10 FT) should be counted as 3 M (10 FT)).
3. **HOUSEKEEPING**—Each facility must ensure that all areas where employees and onsite contractors work or travel are kept clear of hazards. At a minimum, they must:
 - a. Keep all places of employment clean, dry and in a good state of repair.
 - b. Maintain walkways clear of tripping hazards and other obstructions.
 - c. Provide a minimum clearance of 0.9 m (3 ft) for all electrical panels, eyewash/shower stations and other emergency equipment.
 - d. Keep storage areas orderly at all times. Materials may not be stacked within 45 cm (18 in) of ceiling or fire sprinklers (whichever is lower).
 - e. Spills must be cleaned immediately and waste disposed of properly (warning signs should be used on wet floor).
 - f. All windows and transparent surfaces in doors must be protected from breakage. Where there is a risk of people walking into transparent doors or partitions, they must be marked.

4. **EXITS**—Each facility must provide a safe means of exit from fire and other emergencies: At a minimum, they must:
- a. Arranged and mark exit paths so that route of escape to safety is unmistakable.
 - b. Mark all doorways or passageways that do not lead to a safe exit as “NO EXIT”. Passageways that dead-end and do not lead to safe exit may not be longer than 16.67 m (50 ft).
 - c. Maintain exits for free and unobstructed egress from all parts of the building. No door or passageways may be locked or fastened to prevent escape.
 - d. Arrange exits such that at least two different paths from every workplace (may include building, structure, section or area) provides alternate means of escape in the event of an exit being blocked by fire or other emergency.
5. **LIGHTING**—Each facility must provide adequate lighting for safe working conditions.
6. **STAIR AND STAIRWAYS**—Each facility must provide for safe passage up and down stairs and stairways. At a minimum, they must provide:
- a. Standard railings (for 4 steps or more).
 - b. Minimum width of 0.56 m (22 in).
 - c. Treads with slip resistant surface.
 - d. Uniform step height and width throughout any flight of stairs.
7. **LOADING, UNLOADING & STORAGE OF MATERIALS:**
- RISK ASSESSMENT**—Each facility must have a documented risk assessment associated with loading, unloading and storage of materials. The Risk Assessment must include at a minimum:
- a. Identification of all hazards associated with loading, unloading and storage of materials.
 - b. Evaluation of the risk associated with the identified hazards.
 - c. Identification of control measures to eliminate or reduce the risk (e.g., inspection, ergonomics, racking installations)
8. **POLICIES & PROCEDURES**—Each location must implement policies and procedures that address loading bay/doc safety and working within racking systems.
- a. Measures to prevent unplanned departure of vehicles before loading and unloading operations begin.
 - b. Measures to ensure uncoupled trailers are stable.
 - c. Inspection of trailers (when powered motor vehicles are used).
 - d. Guarding of loading bays/docks when not in use.
 - e. Safe stacking of materials (height, leaning).

- f. Each racking installation must display a unique identification number and the safe or maximum working load.
 - g. Only trained employees or competent onsite contractors will carry out new racking installations, repairs, modifications or removal.
 - h. An annual inspection of racking installations must be completed by a competent person (where there is an identified risk of damage or injury from racking).
 - i. All material storage system structural damage should be reported and repaired immediately.
9. **TRAINING**—Employees must receive training which includes at a minimum:
- General care and workplace safety behaviors.
 - Ergonomics and back safety associated with manual material handling.
 - Safe storage capacity of racking.

10. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 4-1

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement a Personal Protective Equipment (PPE) program to protect workers and contractors from workplace hazards that may cause bodily injury or impairment. Suppliers must comply with requirements as outlined in this standard or relevant local law, regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that the PPE program is developed, implemented and followed.

HSE Representative must establish, maintain and administer the PPE program.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements of the PPE program.

Employees must adhere to the requirements of the PPE program.

DEFINITIONS

- **Personal Protective Equipment** is protective equipment for eyes, face, head, and extremities, protective clothing, and protective shields and barriers to protect from bodily harm through absorption or physical contact.

REQUIREMENTS

1. **RISK ASSESSMENT**— Each facility must have a documented risk assessment performed which includes as a minimum:
 - a. Identification of tasks and their potential hazards that may require personal protective equipment.
 - b. Evaluation of the risk associated with hazards.
 - c. Identification and implementation of control measures consider engineering controls first, administrative controls second, and use of personal protective equipment last.
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk of bodily injury through use of PPE which must cover, as a minimum, the following:
 - a. Contractor must determine the suitability of the PPE presently available and, as necessary, select new or additional equipment that provides protection from hazards greater than the minimum required. Where exposure to multiple and simultaneous hazards is possible, adequate protection against the highest level of each of the hazards must be provided or recommended for purchase.
 - b. PPE is donned as per appropriate use applications and does not impact an additional risk.

c. All personal protective clothing and equipment must be of safe design and construction for the work to be performed and must be maintained in a sanitary and reliable condition. Only those items of protective clothing and equipment that meet NIOSH (National Institute for Occupational Safety & Health) ANSI (American National Standards Institute) or Country standards may be procured or accepted for use. Newly purchased PPE must conform to the updated ANSI or Country standards (when applicable), as follows:

- Eye and face protection:
 - Prevention of eye injuries requires that all persons who may be in eye hazard areas wear protective eyewear. This includes employees, visitors, researchers, third parties, or others passing through an identified eye hazard area. To provide protection for these personnel, contractors must procure a sufficient quantity of goggles and/or plastic eye protectors that afford the maximum amount of protection possible. If these personnel wear their own glasses, they must be provided with suitable eye protection to wear over them.
 - Suitable protectors must be used when employees are exposed to hazards from flying particles, molten metal, acids or caustic liquids, chemical liquids, gases or vapors, bio-aerosols, or potentially injurious light radiation.
 - Contact lenses wearers must also wear appropriate eye and face protection devices in a hazardous environment.
 - Side protectors must be used when there is a hazard from flying objects.
 - Goggles and face shields must be used when there is a hazard from chemical splash.
 - Face shields must only be worn over primary eye protection (safety glasses and goggles).
 - For employees who wear prescription lenses, eye protectors must either incorporate the prescription in the design or fit properly over the prescription lenses.
 - Equipment fitted with appropriate filter lenses must be used to protect against light radiation. Tinted and shaded lenses are not filter lenses unless they are marked or identified as such.
- Head protection:
 - Head protection must be furnished to, and used by, all employees and contractors engaged in construction and other miscellaneous work.
 - Head protection is also required to be worn by engineers, inspectors, and visitors at construction sites when hazards from falling or fixed objects or electrical shock are present.
 - Bump caps/skull guards must be issued and worn for protection against scalp lacerations from contact with sharp objects. However, they must not be worn as

substitutes for safety caps/hats because they do not afford protection from high impact forces or penetration by falling objects.

- Foot protection:
 - Safety shoes or boots with impact protection are required to be worn when carrying or handling materials such as packages, objects, parts of heavy tools, that could be dropped; and for other activities where objects might fall onto the feet.
 - Safety shoes or boots with compression protection are required for work activities involving skid trucks (manual materials handling cars) or other activities in which materials or equipment could potentially roll over an employee's feet.
 - Safety shoes or boots with puncture protection are required where sharp objects such as nails, wire, tacks, screws, large staples, or scrap metal could be stepped on by employees, causing a foot injury.
- Hand protection:
 - Suitable gloves must be worn when hazards from chemicals, cuts, lacerations, abrasions, punctures, burns, biologicals, and harmful temperature extremes are present.
 - Glove selection must be based on performance characteristics of the gloves, conditions, duration of use, and hazards present. One type of glove will not work in all situations.
- Skin protection (other than gloves):
 - Skin protection must be worn when there is a possibility of chemical splashes to the body, when the atmosphere may contain contaminants that could damage the skin or be absorbed by the skin, or when contaminants could remain on the street clothes of an employee. The amount of coverage is dependent on the area of the body that is likely to be exposed. For small controlled processes, an apron may be sufficient; for work above the head, a full body coverall may be required.

- a. Procedures for reporting and replacing damaged PPE.
- b. Maintained in clean, good working condition and stored properly.
- c. Provided and repaired free of charge by the employer.
- d. Inspected quarterly at a minimum.

3. TRAINING—Training will be conducted at the time of initial assignment and at least annually thereafter. Training must cover as a minimum:

- What and when PPE is required and limitations of PPE.
- Proper use and care, maintenance, useful life, and disposal of PPE.

- Any worker required to wear PPE must receive training in the proper use and care of PPE. Periodic re-training must be offered by contractors to employees, as needed. Each employee must be trained to know at least the following:
 - When and why PPE is necessary.
 - What personal protective equipment is necessary.
 - How to properly don, doff, adjust and wear personal PPE.
 - The limitations of the PPE.
 - The proper care, maintenance, useful life and disposal of the PPE.
 - Laboratory and mixing personnel must be instructed to remove gloves and lab coats prior to entering common areas (hallways, elevators, eating areas, restrooms, offices, etc.). Secondary containers must be used for transport of potentially hazardous materials or agents.
 - Each employee must demonstrate an understanding of the training and the ability to use PPE properly before being allowed to perform work requiring the use of PPE.
- Reassessment of the workplace must be conducted when new equipment or processes are introduced that could create new or additional hazards.
- Accident records must be reviewed and the suitability of previously selected PPE be reevaluated, if warranted.
- When the factory management has reason to believe that any affected employee who has been trained does not the understanding or skills required to use the PPE properly, the manager/supervisor must retrain such employees.
- Retraining is also required when there have been changes in the workplace or PPE that render previous training obsolete, or when there are inadequacies in the affected employee's knowledge or use of the assigned personal protective equipment.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Inspection records for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 7-1*

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement process and procedures to reduce or eliminate risk associated with ergonomic hazards.

RESPONSIBILITIES

Location Manager must ensure that the ergonomic program procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer risk assessment, written procedures, training, recordkeeping and annual review for the ergonomic policies and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements as they relate to the ergonomic procedures.

Employees must adhere to the requirements of the ergonomic procedures.

DEFINITIONS

- **Ergonomics** is fitting the job to the people who have to do it, through the design of equipment and procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed for each task which includes as a minimum:
 - a. Identification of tasks and associated hazards.
 - b. Evaluation of risk associated with hazards.
 - c. Identification of controls to reduce the risk (e.g., work area design, job rotation).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to address ergonomic hazards. Procedures must cover, as a minimum, the following:
 - a. Early reporting of musculoskeletal disorders (MSDs), their signs and symptoms, and MSD hazards.
 - b. Employee involvement process that includes periodic communications about ergonomics and review of employee suggestions related to ergonomic issues.
 - c. Process to correct ergonomic problems that are presented via reporting of ergonomic hazards or injury trends.
 - d. For repetitive activities, opportunities for breaks or changes in activity are provided.
 - e. Assessment of individual computer workstations.
 - f. Incorporating ergonomics into design of equipment and processes.



3. **TRAINING**—All persons involved in tasks involving ergonomic related hazards must be trained. Training must include:
- Common MSDs and their signs and symptoms.
 - The importance of reporting MSDs and their signs and symptoms early and the consequences of failing to report them early.
 - How to report MSDs and their signs and symptoms in the workplace.
 - The kinds of risk factors, jobs and work activities associated with MSD hazards.
 - Methods, tools or equipment used to mitigate risk factors.
 - Specifics of site ergonomics program.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Ergonomic injury and illness records must be kept for a minimum of 5 years.

Other Records: Current risk assessment and individual ergonomic workstation assessments.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike "Injury/Illness Management" Code Leadership Standard.
- Nike ESH Handbook, page 5-15

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement procedures to reduce or eliminate risk associated with falling off, onto, or through working levels and to protect employees or contractors from being struck by falling objects.

RESPONSIBILITIES

Location Manager must ensure that the fall protection procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the fall protection procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the fall protection procedures.

Employees must adhere to the requirements of the fall protection procedures.

DEFINITIONS

- **Fall protection system** is the use of multiple, approved safety equipment components such as body harnesses, shock absorbing lanyards, deceleration devices, vertical lifelines, and anchorages, interconnected in order to stop a free fall.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented fall risk assessment performed which includes as a minimum:
 - a. Identification of which job tasks that an employee or object is at risk of falling.
 - b. Evaluation of the risk associated with tasks involving work at height.
 - c. Identification and implementation of control measures to reduce the risk.
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk of a fall or being struck by a falling object which must cover, as a minimum, the following:
 - a. Full body harness is required for any unprotected height of 1.8 meters (6 feet) or greater.
 - b. Fall protection equipment must be inspected before and after each use.
 - c. Monthly fall protection equipment inspection.
 - d. Proper maintenance, cleaning and storage of fall protection equipment.
 - e. Proper use of fall protection systems.
 - f. Proper handling, storage and securing of tools and material.
 - g. Restricted access to areas where there is a risk of fall or falling material.
 - h. Documented emergency procedures for removal of injured worker.

- i. Ladder Safety:
 - Inventory.
 - Safe Use.
 - Inspection requirements.
 - j. All fixed ladders greater than 2.1 m (7 ft) must have a cage built around them at a height of 2.1 m (7 ft).
 - k. Safe use, maintenance, and inspection of access equipment (i.e., man, scissor and aerial lifts, scaffolding, etc.)
 - l. Floor and Wall Openings:
 - Any place where people can fall a distance of greater than 1.2 m (4 ft) must be guarded by a standard railing and toe board (standard railing consists of top rail, mid rail and posts) on all open sides except where there is an entrance to a ramp, stairway or fixed ladder.
 - Where there is a potential hazard of material or equipment falling through a wall or floor opening, the opening must be protected with a toe guard or enclosing screen.
- 3. TRAINING**—Training will be conducted on fall prevention techniques for all affected employees at the time of initial assignment and at least annually thereafter. Training must cover as a minimum:
- Who may be exposed to fall hazards.
 - How to recognize and minimize hazards.
 - Nature of fall hazards in the work area.
 - Correct procedure for maintaining and inspecting the system.
 - Use and operation of fall protection.
 - Maximum load limits for fall protection components.

Ladder Safety: Training will be conducted on Ladder Safety for all affected employees covering safe use and inspection requirements.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Inspection forms (fall protection and ladders) must be maintained for a minimum of 3 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 7-19*



STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement processes and procedures to reduce or eliminate the risk associated with the operation of powered motor vehicles and pedestrian traffic. Contractor must comply with requirements as outlined in this standard or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that the powered motor vehicle program (PMV) procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the PMV procedures, training and preventative maintenance.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the PMV procedures.

Employees must adhere to the requirements of the PMV procedures and training.

DEFINITIONS

- **Powered Motor Vehicle (PMV)** is any mobile power propelled vehicle used to carry, push, pull, lift, stack or tier materials. They are commonly known as forklifts, pallet trucks, tractors, platform lift trucks, motorized hand trucks, rider trucks fork trucks and lift trucks.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented PMV risk assessment that includes:
 - a. Identification of all PMV's and associated hazards.
 - b. Evaluation of the risk associated with the PMV's.
 - c. Identification of control measures to eliminate or reduce the risk.
2. **PROCEDURES**—Each location must implement a powered motor vehicle program which covers as a minimum the following:
 - a. Vehicle safety requirements:
 - Load capacity visibly marked.
 - Restraint system.
 - Warning system (e.g., lights, alarm, or horn).
 - Protection from falling objects in high lift areas.
 - Safe operating procedures and behaviors.
 - b. Periodic preventive maintenance (including any statutory inspections of lift truck equipment and accessories).



- Immediate withdrawal and repair of faulty equipment.
 - Repairs must only be carried out by a competent person.
 - c. Pre-use inspection to ensure safe working condition.
 - d. Written safe operating rules.
 - e. Segregation of pedestrians and PMV's.
 - f. Reporting of all incidents and near misses.
 - g. Battery charging and refilling areas must be safe and secure:
 - Chargers must be secured, covered and protected from the elements.
 - No smoking within 100 ft (30 m).
 - Appropriate personal protective equipment and spill response equipment.
 - Eye wash/shower facilities available.
 - h. Housekeeping must allow for safe operation of PMV's.
3. **TRAFFIC MANAGEMENT**—Each facility must implement procedures for traffic management which must cover as a minimum, the following for all motorized transportation:
- a. Consideration of one-way systems to reduce or eliminate the need for reversing where possible.
 - b. Protection for vehicles reversing (i.e., reversing alarms, spotter, etc.).
 - c. Site speed limits.
 - d. Use of convex mirrors at blind spots (if the blind spot cannot be eliminated).
 - e. Installation and maintenance of external lighting.
 - f. Personal protective equipment (i.e., high visibility jackets, safety shoes etc.).
 - g. Site driving rules.
 - h. Control of external drivers (i.e., site rules, smoking and waiting arrangements).
 - i. Vehicles must be in good working order (i.e., lights, brakes, tires, etc. properly maintained).
 - j. Safety of drivers and employees during loading and unloading.
 - K. Safety of employees when entering the facility.
 - L. All drivers shall be licensed by either the factory certification program and/or government municipality or agency where applicable given vehicle type.
4. **TRANSPORTATION SAFETY PROMOTION PROGRAM**—Each facility must implement a program to education, train and implement safety practices designed to reduce or eliminate traffic related incidents for worker transportation both inside and outside the facility. Program should include provisions for:
- a. Seat belt and helmet usage.
 - b. Pedestrian safety when entering and exiting the facility's property.



- c. Speed control.
- d. Child restraint.
- e. Drinking and driving.
- f. Licensing and insurance.

5. MEDICAL EVALUATION—All Powered Motor Vehicle operators must be physically able to operate powered motor vehicle in a safe manner.

6. TRAINING—

Powered motor vehicle certified driver: Employees must receive training and certification regarding the location's powered motor vehicle program. All training and evaluation must be completed before an operator is permitted to use a PMV without continual and close supervision. Training must include the following:

- Formal instruction and practical skills (demonstration by the trainer and performed by the trainee) for each type of PMV operated.
- Site specific rules and procedures.
- Inspection, repairs and maintenance.
- Evaluation of the operator's performance in the workplace.
- Certification withdrawal policy for misuse and/or non compliance with noted requirements

Refresher Training: Refresher training in relevant topics must be provided when any of the following occur:

- The operator has been observed operating the vehicle in an unsafe manner.
- The operator has been involved in an accident or near miss incident.
- The operator has received an evaluation that reveals the operator is not operating the vehicle safely.
- The operator is assigned to drive a different type of PMV.
- Changes in policies, procedures or workplace conditions in a manner that could affect the safe operation of the PMV.
- Once every 3 years, refresher training and an evaluation will be conducted of each PMV operator's performance.

Trainer: Training must be conducted under the close supervision of a trainer approved by management. The trainer must have sufficient knowledge and skills of Powered Motor Vehicle(s) on which they train in order to become a trainer.

7. DOCUMENTATION

Training Records: Each facility must maintain training and driver evaluation records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum



length of employment plus 30 years. Medical records shall not be disclosed without employee's written consent except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessments.
- b. Pre-use inspection forms must be maintained for 3 months.
- c. Maintenance and repair records must be kept for the life of the powered motor vehicle.
- d. Third party inspection records where applicable.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 8-1

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees

- Develop and implement process and procedures to reduce or eliminate risk associated with injuries due to unsafe machinery.

RESPONSIBILITIES

Location Manager must ensure that the machine safety procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the machine safety procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the machine safety procedures.

Employees must adhere to the requirements of the machine safety procedures.

DEFINITIONS

- **Qualified Machine** is a machine that has been evaluated by a certified inspector to be in compliance with international machine safety standards and has reduced machine related risks to an acceptable level.
- **Certified Inspector** is a person based on training and experience can evaluate a machine to international machine safety standards. Typically, this person has been certified by a reputable third party.
- **Type A Standards** are international standards that cover general safe design requirements and terminology that can be applied to machinery (i.e., ISO12100 – Safety of Machinery)
- **Type B Standards** are international generic safety that address specific aspects of safeguarding across a subset or range of machinery (i.e., EIC 60204-1 – Electrical Equipment of Machines).
- **Type C Standards** are international standards that are specific to a type of machine (i.e., sewing machine)
- **CE Declaration of Conformity** is a self-declaration (may be done by 3rd party as well) that a machine vendor makes that states the machine is compliance with European/international machine safety standards and risk is managed to an acceptable level. Machines must meet this standard or local regulations – whichever is greater.
- **SAFE machines** is the metric to capture the overall safety of a machine --calculated as a percentage of total machines and is inclusive of machines that are qualified machines + facility risk assessment (with machine impacts) + job hazard analysis + safety standard work + job instruction training/certification. All elements would be inclusive of operations and maintenance.

REQUIREMENTS



8. **RISK ASSESSMENT**—Each facility must have a documented machine safety risk assessment process and the following minimum requirements must be implemented:
 - a. Survey of all machines and equipment for hazards.
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risk (e.g. fixed guards, interlocks, two-hand controls).
9. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk of an injury from unsafe machinery, which must cover, as a minimum, the following:
 - a. Machine Purchases – A technical file is available and has been completed by a certified inspector (whether internal or external) that includes at a minimum:
 - i. Machinery Risk Assessment (ISO 12100 or equivalent)
 - ii. Demonstration of compliance with European standards (IEC 60204-1 *Electrical*, European Safety Directive 2006/42/EC – *Machine Safety Annex I Essential Safety and Health Requirements*, and any relevant Type C standards) or local regulatory standards whichever is greater.
 - iii. Relevant functional test reports
 - iv. Purchases of new electric motors or replacement motors must meet IE3 – Premium Efficiency standards or better. (IEC 60034-30-1:2014)
 - b. Machine Installation – A standardized process for reducing health and safety risks related to machine installation.
 - v. Develop a machine installation plan that includes assessment of the machine installed; size, weight, dimensions, review of risk assessment; installation needs – where unloaded, demolition, equipment, expertise needed; path clear; assess building structural requirements – see *Building Structure Safety CLS*; assess utilities required; ensure barriers set up to separate from working population.
 - vi. Review and update fire and emergency requirements, chemical management requirements; or different health hazards (noise, chemical exposure, etc.). Validate extraction is designed with proper capture velocity, correct materials, and installed properly.
 - vii. Purchases of new electric motors or replacement of electric motors in sewing and stitching machines are servo type or better.

✓ **As a recommend good practice, supplier is encouraged to have only servo type or better motors in sewing and stitching machines.**

- c. Machine Operations – Job hazard analysis, safety standard work, and in-job instruction completed for machine operations.



- d.** Machine Maintenance – Machine specific lockout/tagout procedures in place that address all energy sources. Job hazard analysis, safety standard work, and in-job instruction include maintenance operations.
- e.** Machine Disposal
 - i. Develop a machine disposal plan that includes assessment of the machine installed; size, weight, dimensions, review of risk assessment; decommission needs – where unloaded, demolition, equipment, expertise needed; path clear; assess utilities to be demolished; ensure barriers set up to separate from working population).
 - ii. Identify decommission and disposal requirements aligned with Nike Code Leadership Standards and local regulations.
- f.** Internally designed/developed machinery
 - i. machines have had a documented design review for all machine safety aspects.
 - ii. Documented machine risk assessment
 - iii. Demonstration of compliance with European standards (IEC 60204-1 *Electrical*, European Safety Directive 2006/42/EC – *Machine Safety Annex I Essential Safety and Health Requirements*, and any relevant Type C standards) or local regulatory standards whichever is greater as verified by a certified machine safety inspector.
- g.** Metrics -- factory party will keep records on the number and percentage of SAFE machines
- h.** Machine Safety Strategic Plan – factory partner will have a strategic plan to reach the target of 100% SAFE machines

10. TRAINING

- a.** All employees working with machinery must receive safety training upon initial hire. Training must include as a minimum:
 - i. Machine hazards and how to protect against those hazards.
 - ii. Safe operating procedures.
- b.** All employees involved in the design and develop of machines must receive training on machine safety standards and procedures and safe design practices.
- c.** All operators, including temporary workers, are trained/qualified to operate machine.
- d.** Maintenance personnel are trained/qualified for maintenance activities on machine.

11. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Technical file for machine demonstrating compliance with international machine safety standards for life equipment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike Code Leadership Standards -- "Control of Hazardous Energy", "Building Structure Safety", "Occupational Noise Exposure", "Maintenance Safety", "Fire Safety Management", "Emergency Action", "Machine Guarding", "Occupational Exposure Limits", "Pressure Vessels and Systems"
- International Standards Organization – ISO 12100 Safety of Machinery – General principles for design – Risk Assessment and Reduction
- European Union Machinery Directive – MD 2006/42/EC
- International Electrotechnical Commission – IEC 60204-1 – Electrical Equipment of Machines – Part 1: General Requirements

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees

- Develop and implement processes and procedures to eliminate current and future risks related to pressure vessels and systems.

RESPONSIBILITIES

Location Manager must ensure that PRESSURE VESSELS AND SYSTEMS safety and maintenance procedures are developed, implemented, and followed.

HSE Representative must establish, maintain, and administer the requirements of this standard.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of this standard.

Employees must adhere to the requirements of the standard.

DEFINITIONS

- **Pressure Vessels and Systems:** A container or pipeline designed to hold or transfer gases or liquids at a pressure substantially different from the ambient pressure. The equipment includes but is not limited to: steam boilers and associated pipework, pressurized hot-water boilers, air compressors, air receivers and associated pipework, autoclaves, dye machines, gas (eg LPG) storage tanks and chemical reaction vessels etc.
- **Steam Boiler:** is a closed vessel in which water or other fluid is heated. The heated or vaporized fluid exits the boiler for use in various processes or heating applications, including manufacturing processes, water heating, central heating, and cooking.
- **Garment Finishing Facilities:** Facilities that have manufacturing processes included in producing garments that may include fabric cutting, stitching, sewing, ironing, screen printing, embroidery.
- **Coal:** a combustible black or brownish-black sedimentary rock with a high amount of carbon and hydrocarbons. It is a non-renewable fuel commonly used as in steam production.
- **Heavy Fuel Oil:** the residual oil that remains after the distillation and subsequent cracking of crude oil. Compared to other types of fuel oil, HEAVY FUEL OIL carbon emissions during combustion are much greater than other fuel oils. It is a non-renewable fuel used for steam production in industrial applications
- **Compressed Air Systems:** A group of subsystems comprised of integrated sets of components, including air compressors, air treatment equipment, controls, piping, pneumatic tools, pneumatically powered machinery, and process applications utilizing compressed air.
- **Subcontractor:** Any supplier of parts, products, or services to the factory.

REQUIREMENTS

1. **RISK ASSESSMENT**— Each facility must have a documented annual risk assessment performed which includes as a minimum:

- a. Identification and classification of PRESSURE VESSELS AND SYSTEMS by their associated hazards.

- b.** Evaluation of risks associated with hazards arriving from pressure vessels, boiler house, steam pipelines and other systems included in this standard.
 - c.** Identification of control measures to reduce risks (e.g., monitoring, personal protective equipment) related to PRESSURE VESSELS AND SYSTEMS.
 - d.** Risk assessments must be done for new pressure vessels and when material and design changes are made to existing systems.
- 2. POLICIES & PROCEDURES**— Each facility must implement procedures to reduce or minimize the risk associated with each process and/or work area that include, as a minimum, the following:
 - a.** New Machine Installation - Pressure Vessels & Systems must be installed, calibrated and tested in accordance with manufacturer's recommendations:
 - STEAM DISTRIBUTION SYSTEMS must be properly maintained and insulated prior to operation
 - b.** Safe Operation – All pressure vessels and systems are used for the purpose they are designed for.
 - Monitoring system on pressure level or any abnormal condition have early warning signs
 - Operators are authorized and trained
 - c.** Preventative Maintenance Program – All pressure vessels and systems have ongoing preventative maintenance programs to avoid breakdowns or failures of safety valves and warning systems, which at minimum include:
 - Annual inspections
 - Technical Tests on pressure regulators, switches, and safety valves for all pressure vessels
 - Ultrasonic test (UT), Liquid penetration test (PT) and other tests on material resilience and age for pressure vessels
 - STEAM BOILER system with survey of existence and function of boiler house, steam pipelines, condensate recovery system including insulation coverage, steam trap maintenance, and adequate water storage tanks
 - COMPRESSED AIR SYSTEMS with survey of compressed air distribution system maintenance and pressure regulation, and air leakage rates throughout the system
 - COMPRESSED AIR SYSTEMS must have proper maintenance procedures for repairing and replacing air distribution pipes and discovering and eliminating air leaks
 - STEAM BOILER SYSTEM must have proper maintenance procedures for boiler houses, steam pipelines, condensate recovery systems including insulation coverage, steam traps, and adequate water storage tanks.
 - d.** Additional Steam Boiler Requirements for Cut and Sew Garment Finishing Facilities
 - Facilities will not make new purchases of non-electric, centralized fire tube STEAM BOILERS.

- Procedures are in place to eliminate current or future non-electric, centralized fire tube steam boilers in ironing processes, including those at subcontractor factories. Once eliminated they should be labeled as non-operational and disposed of properly.
- Written policy stating that non-electric, centralized fire tube STEAM BOILER usage is prohibited starting January 1st 2020.
- Records of disposal shall be maintained for 5 years.

3. TRAINING

- a. ALL PRESSURE VESSELS:** All authorized employees must receive initial training and annually training thereafter. Training must cover as a minimum:
 - Potential hazards of the equipment and system
 - Safe operating and maintenance procedures
 - Emergency procedures.
- b. BOILERS & COMPRESSED AIR SYSTEMS:** All authorized employees must receive initial training and annually thereafter. Training must cover as a minimum:
 - Type of boiler OR compressed air system present at the facility
 - Obtain boiler operator license if applicable

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a.** Current risk assessment.
- b.** Maintenance records for a minimum 3 years
- c.** Inspection Records for a minimum 3 years.
- d.** Have available diagrams of:
 - STEAM system and COMPRESSED AIR system piping
 - Steam traps location, count, and type as well as maintenance records
 - Location of pressure and temperature gauges
 - Water storage location and type

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.



REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike Code Leadership Standards -- "Machine Safety", "Waste Water", "Solid Waste", "Air Emissions"*
- *International Efficiency (IE) standard IEC 60034-30-1: 2014*
- *International Standards Organization – (ISO) 31000:2009 Risk Management*

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement process and procedures to reduce or eliminate risk associated with injuries due to moving machine parts.

RESPONSIBILITIES

Location Manager must ensure that the machine guarding procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the machine guarding procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the machine guarding procedures.

Employees must adhere to the requirements of the machine guarding procedures.

DEFINITIONS

- **Elevator** is a lifting device consisting of a platform or cage that is raised and lowered mechanically in a vertical shaft in order to move people or materials from one floor to another in a building.
- **Lockout/Tagout (LOTO)** refers to specific practices and procedures to safeguard employees from the unexpected energization or startup of machinery and equipment, or the release of hazardous energy during service or maintenance activities.
- **Machine guarding** are methods to protect the operator and other employees in the machine area from hazards such as ingoing nip points, rotating parts, flying debris and sparks. Examples of guarding methods are barrier guards, twohand tripping devices, interlocks, etc..

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented machine guarding risk assessment performed which includes as a minimum:
 - a. Survey of all machines and equipment for hazards associated with moving machine parts.
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risk (e.g. fixed guards, interlocks, two-hand controls).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk of an injury from moving machinery parts, which must cover, as a minimum, the following:
 - a. Evaluation for new and/or modified equipment considering first eliminating then protection against hazards.
 - b. Guards must be in good operating condition and securely in place.

- c. Guards must not create additional hazard.
- d. Fans and other rotating equipment located less than 2.1 meters (7 feet) above the working surface must be guarded with openings of less than 1.25 cm (0.5 in).
- e. Machines with rotating parts must be enclosed and interlocked with automatic shut off mechanism.
- f. Secure machines or equipment that can walk or move during operation.
- g. Annual inspections of guarding on machines.
- h. Preventative maintenance and repair meeting lockout/tagout requirements.

3. **ELEVATORS, ESCALATORS AND MATERIAL LIFTS**—

Risk Assessment: Each facility must have a documented risk assessment performed for elevators, escalators and material lifts which includes as a minimum:

- a. Identification of hazards associated operations and maintenance of elevators, escalators and material lifts.
- b. Evaluation of the risk associated with hazards.
- c. Identification and implementation of control measures to reduce the risk to an acceptable level (e.g., interlocks, preventative maintenance).

Program: Each facility must implement procedures for elevators, escalators and material lifts which must cover as a minimum, the following:

- a. Indicate the safe lifting load. If equipment is not intended for human use, signage indicating such.
- b. Positioned or installed to prevent the risk of injury to users and bystanders.
- c. Interlocks, barriers and safety devices where appropriate must be properly installed and operational to prevent injury.
- d. Preventative maintenance performed regularly.
- e. Repair and maintenance activities adhere to lockout/tagout requirements.
- f. Barriers and signs used to prevent entry when equipment is inoperable.
- g. Procedures addressing elevator, escalator, and material lift use in the event of an emergency.
- h. Third party inspection and certification at intervals that meets local law.
- i. Vertical clearance to any overhead obstruction of at least 2.1 m (7 ft).

4. TRAINING—All employees working with moving machinery must receive safety training upon initial hire. Training must include as a minimum:

- Machine hazards.
- Safe operating procedures.
- Information on the machine's guards and their proper use.
- Notification procedures if guarding is missing, damaged, inoperable or other unsafe condition exists.

5. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Evaluation records for new and modified equipment for life of the equipment.
- c. Inspection and maintenance records must be maintained for a minimum of 3 years.
- d. Repair records for the life of the equipment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike "Control of Hazardous Energy" Code Leadership Standard.
- Nike ESH Handbook, page 8-16

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement process and procedures to reduce or eliminate risk of occupational exposure to LASERS.

RESPONSIBILITIES

Location Manager must ensure that the LASER safety procedures are developed, implemented and followed.

HSE Representative must establish, maintain, and administer LASER safety processes and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the LASER safety program.

Employees must adhere to the requirements of the LASER safety program.

DEFINITIONS

- **LASER (light amplification by stimulated emission of radiation)** is a device which produces a powerful narrow beam of light that differs from ordinary light in that it is monochromatic (one color), organized, and directional. Examples of LASER applications include: cutting metal, performing medical operations, measuring systems and creating patterns of light for entertainment.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed which includes as a minimum:
 - a. Identification and classification of LASERs and associated hazards.
 - b. Evaluation of risks associated with hazards.
 - c. Identification of control measures to reduce risk (e.g., monitoring, personal protective equipment).
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk of occupational exposure to LASERs, which must cover as a minimum, the following:
 - a. LASER must be designed with guarding and interlocks to prevent exposure to the beam.
 - b. Restrict area to authorized personnel only.
 - c. Signage and postings in LASER areas.
 - d. Appropriate personnel protective equipment.
 - e. Written job specific procedures for handling or working with LASERS.
 - f. Emergency procedures.
 - g. LASER systems must be calibrated and tested per manufacturer's recommendations.

h. All LASER system deficiencies must be corrected prior to operation.

3. TRAINING—

LASER safety awareness: Affected employees must receive awareness level training at the time of initial assignment. Training must cover as a minimum:

- Affects of LASER radiation and specific hazards to which employees may be exposed and how those hazards are controlled.
- Safe work practices.
- Emergency Procedures.

LASER safety: Authorized employees must receive initial training and annually thereafter. Training must cover as a minimum:

- Type of LASERs present at the facility.
- Potential hazards of exposure to LASERs present at the facility.
- Exposure levels and resulting risks.
- Results of hazard evaluations.
- Safe work practices.
- Emergency procedures.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records

- a. Current risk assessment.
- b. Calibration records for testing equipment for a minimum of 3 years.
- c. Maintenance records for the life of equipment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement processes and procedures to reduce or eliminate risk of equipment failure or exposure to hazards associated with maintenance and repair activities.

RESPONSIBILITIES

Location Manager must ensure that the maintenance safety policy and procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the maintenance safety procedures.

Maintenance Representative must establish, maintain and administer maintenance safety policy and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the maintenance safety policy and procedures.

Employees must adhere to the requirements of the maintenance safety policy and procedures.

DEFINITIONS

- **Hot work** is any welding, cutting, grinding or any other activity involving open flames, sparks or other ignition sources which may cause smoke or fire or which may trigger detection systems.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed for maintenance which includes as a minimum:
 - a. Identification of hazards associated with maintenance and repair tasks.
 - b. Evaluation of risk with identified hazards.
 - c. Identification of control measures to reduce or eliminate risk (e.g. personal protective equipment, hot work permit).
2. **POLICIES & PROCEDURES**—Each facility must have implemented maintenance procedures. At a minimum, procedures must include:
 - a. Workshops are maintained in good and clean working condition.
 - b. All tools and equipment must be in safe and proper working order.
 - c. Access to manufacturer's equipment manuals.
 - d. Personal protective equipment is provided and used.
 - e. Preventative maintenance and repair system to include:
 - Scheduling and prioritizing.
 - Detail of work completed.



- Date and who completed work.
- Maintenance/repair record for each piece of equipment or equipment.
- f. Safety procedures and hot work permit system whenever hot work is performed in any area not specifically designated for that operation and free of flammables and combustibles. The hot work permit must include:
 - Location and nature of hot work.
 - Time and duration of work.
 - Precautions to be taken before work starts, during and after completion of the work.
 - Supervisor and individual conducting work.
 - Personal protective equipment required.
 - Fire fighting equipment requirements.
 - List of authorized persons who can sign the permit.

3. TRAINING

Maintenance employees: must receive training which includes at a minimum:

- Specific requirements of the maintenance safety program.
- Use, storage and maintenance of tools.
- Preventative maintenance requirements of equipment and tools.

Hot Work Authorized employees: must receive annual training which includes at a minimum:

- Hot work permit system and procedure.
- Use of equipment (including fire fighting equipment).

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Other Records:

- a. Current risk assessments.
- b. Preventative maintenance records for a minimum of 3 years.
- c. Repair records for the life of the equipment.
- d. Hot work permits for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.



REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike "Hazardous Materials" Code Leadership Standard.*
- *Nike "Electrical Safety" Code Leadership Standard.*
- *Nike "Control of Hazardous Energy" Code Leadership Standard.*
- *Nike ESH Handbook, page 4-23*

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement processes and procedures to reduce or eliminate risk associated with electrical hazards.

RESPONSIBILITIES

Location Manager must ensure that electrical safety program procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer risk assessment, written procedures, training, record keeping and annual review for the electrical safety program.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements as they relate to the safe electrical procedures.

Employees must adhere to the requirements of electrical safety procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed for each electrical task which includes as a minimum:
 - a. Identification of electrical related tasks and associated hazards.
 - b. Evaluation of risk associated with hazards.
 - c. Control measures to reduce or eliminate risks (e.g. personal protective equipment, operating procedures, training, safe work practices, etc.).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk associated with electrical hazards. Procedures must cover, as a minimum, the following:
 - d. General electrical safety:
 - Only trained and authorized employees may conduct repairs to electrical equipment.
 - Individuals performing work on energized electrical circuits must hold appropriate qualifications and be specifically authorized to perform such work.
 - Electrical distribution areas must be guarded against accidental damage (e.g. specifically designed rooms, using substantial guard posts and rails, etc.).
 - Access to electrical distribution rooms must be restricted to authorized employees.
 - All electrical distribution panels, breakers, switches and junction boxes must be completely enclosed and protected from wet conditions.
 - All electrical control devices must be labeled to identify the equipment controlled.
 - All distribution panels must have 0.9 meter (3 feet) clearance.

- All conduits must be fully supported throughout their length. Non-electrical attachments to a conduit are prohibited.
- All electrical wiring and cables must be in good condition (no exposed circuits).
- Extension cords must be used on temporary basis only.
- Ground Fault Circuit Interruption (GFCI) must be provided for wet locations.
- Site specific electrical safety rules must be available.

e. Electrical Inspections:

- Facility must have an Inspection and testing schedule. The frequency of these inspections depends on the local country regulations, type of equipment, the environment it is used in and the frequency of use.
- Major modifications to new and existing facilities must be inspected to verify compliance with codes and standards.
- Process for prioritizing and correcting electrical deficiencies.

f. Protective Equipment (for work on energized circuits):

- Electrical-rated safety shoes/boots and goggles must be worn as required per risk assessment.
- All tools used for electrical work must be properly insulated.
- Electrical-rated matting must be installed in front of all distribution panels in electric utility rooms.

3. TRAINING—All employees must be trained in electrical safety rules and reporting procedures for electrical deficiencies.

Electrical Safety: Qualified individuals working on any electrical system or live circuits must, at a minimum, be trained in the following site specific requirements:

- Recognizing the hazards associated with their work environment.
- Use of appropriate procedures and protective equipment.
- Procedures for locking out and tagging out energized electrical circuits and equipment safely.
- Care and maintenance of personal protective equipment.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Electrical injury and illness records must be kept for a minimum of 5 years.

Other Records:

- a.** Current risk assessment
- b.** Inspection records must be maintained for the life of equipment or facility.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike "Control of Hazardous Energy" Code Leadership Standard.*
- *Nike ESH Handbook, page 8-31*



STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement processes and procedures for lockout/tagout (LOTO) of machinery and equipment to ensure the control of hazardous energy.

RESPONSIBILITIES

Location Manager must ensure that the LOTO procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the LOTO processes and procedures.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements of the LOTO processes and procedures.

Employees must adhere to the requirements of the LOTO processes and procedures.

DEFINITIONS

- **Hazardous energy** is any stored or residual energy in machinery that may cause harm as a result of unexpected energizing start up or release of stored energy. This includes electrical energy, thermal energy, chemical reactions, mechanical motion, potential or stored energy.
- **Lockout/tagout (LOTO)** refers to specific practices and procedures to safeguard employees from the unexpected energization or startup of machinery and equipment, or the release of hazardous energy during service or maintenance activities.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identification of equipment, tasks (e.g. installation, maintenance, inspection, cleaning or repair of machinery or equipment) and their associated hazards resulting from uncontrolled hazardous energy sources.
 - b. Evaluation of risks associated with hazardous energy.
 - c. Control measures to reduce or eliminate risks (e.g. LOTO procedures).
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk associated with the control of hazardous energy. Procedures must cover, as a minimum, the following:
 - a. Machine specific LOTO procedures must be documented for equipment with multiple energy sources.
 - b. Provision of individually assigned locks, keys and tags to secure energy control devices. Only workers who install locks and tags can remove them.



c. Isolation and de-energization of equipment:

- Disconnection or shut down of engines or motors that power mechanical systems.
- De-energizing electrical circuits by disconnecting power/ lockout.
- Blocking gas or liquid flows in hydraulic, pneumatic or stream systems.
- Blocking machine parts against motion that may result from gravity.

d. Dissipation of any stored energy after system has been de-energized:

- Venting of gas or liquids from pressure vessels, tanks or accumulators until internal pressure is at atmospheric pressure (in consideration of worker and environmental safety).
- Discharging of capacitors by grounding.
- Releasing or blocking of springs that are under tension or compression.
- Dissipating inertial forces by allowing the system to come to a complete stop after shut down and isolation.

e. Verification of isolation and de-energization.

f. Re-energization of equipment:

- Inspection of work, removal of locks, safe start up and re-energizing once employees are clear of danger points.
- When LOTO devices must be temporarily removed to test or position the machine or equipment, provisions must provide adequate protection to employees.
- Notification of employees once work is complete and equipment is running.
- Monitoring of re-energized equipment to ensure safe operation.

g. The use of tag alone when no other means of isolation exists.

h. Multiple lockout equipment and procedures when more than one employee is involved in the isolation process.

i. Forced removal of locks is only permissible by the location manager, in person, after being satisfied that the machinery is safe and all employees are out of the danger area.

3. MONITORING—Each facility must have an annual documented monitoring process for the LOTO procedures including employees, contractors and subcontractors.

TRAINING—All employees must receive awareness level training on LOTO.

Employees involved in LOTO must be fully trained. Refresher training must be carried out annually. Training must include:

- Where, what and how to isolate ALL energy sources.
- Use of locks and tags on control devices.
- Verification of isolation.



- Safe start up and re-energizing procedures.
- Hazard identification and control.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Records must be kept of all incidents involving exposure to hazardous energy. These records must be kept for a minimum of 5 years.

Other Records:

- a. Each facility must maintain current risk assessments.
- b. Each facility must maintain monitoring records for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 8-10

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement processes and procedures to reduce or eliminate risk associated with the entry into confined spaces.

RESPONSIBILITIES

Location Manager must ensure that confined space entry procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer confined space entry processes and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the confined space entry processes and procedures.

Employees must adhere to the requirements of the confined space entry processes and procedures.

DEFINITIONS

- **Confined Space** is any space that is large enough for an employee to enter, has limited means for entry and exit and is not designed for continuous employee occupancy (e.g. manholes, sewers, tunnels, boilers, storage tanks, pits).
 - A permit required confined space has one or more of the following characteristics:
 - A potential to contain a hazardous atmosphere;
 - Material that can cause the engulfment of an employee;
 - An internal configuration that might cause an employee to be trapped or asphyxiated by inwardly converging walls or by a floor that slopes downward and tapers to a smaller cross section; or
 - Contains any other recognized serious health or safety hazard.
 - A non-permit required confined space is a confined space that does not contain any hazard capable of causing death or serious physical harm, and has no atmospheric hazard, nor the *potential* for any atmospheric hazard.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed for each confined space, which includes as a minimum:
 - a. Identification of all confined spaces and their associated hazards.
 - b. Evaluation of the risk associated with each hazard.
 - c. Identification of control measures to reduce or eliminate the risk (e.g. entry procedures, personal protective equipment, communication, training, etc.).
2. **POLICIES & PROCEDURES**—Each facility must have implemented written procedures for confined spaces, which must cover as a minimum, the following:

a. Permit-required confined spaces:

- Confined spaces that have a medium or high risk identified in the risk assessment must have a permit for entry.
- Unauthorized employees must be restricted from entering permit-required confined spaces.
- Warning signs must be posted on all access points. The sign must read:

“DANGER – PERMIT REQUIRED CONFINED SPACE, DO NOT ENTER”.

a. Responsibilities of permit-required confined space entrants, entrant supervisors and attendants.

b. Entry-permit requirements:

- Confined space name.
- Entry purpose, date and duration of work including entry expiry date and time.
- List of authorized entrants, entry attendants and entry supervisor.
- The hazards associated with the confined space and how to control them.
- Isolation procedures.
- Acceptable entry conditions.
- Required atmospheric testing and ongoing monitoring results.
- Rescue and emergency requirements.
- Communication procedures for attendants and entrants.
- Required entry equipment (e.g., tripod and winch, full body harness).
- Details of other permits (e.g. hot work).

a. Annual calibration and pre-entry self-calibration for all monitoring and test equipment.

b. Each facility must have an annual documented process for confined space entry procedures that includes employees, onsite contractors and subcontractors.

c. Requirements for classifying a confined space as a non-permit confined space.

- Ensure the confined space doesn't contain an actual or potential hazardous atmosphere.
- Ensure the confined space doesn't contain hazards capable of causing death or serious physical harm. This includes any recognized health or safety hazards including engulfment in solid or liquid material, electrical shock, or moving parts.
- Entering to remove hazards, the space must be treated as a permit-required confined space until hazards have been eliminated.
- Reclassify a non-permit confined space to a permit-required confined space, if necessary, when changes in the use or configuration of the space increase the hazards to entrants



3. **TRAINING**—Training will be conducted for all employees involved in confined space work (e.g. entrant, attendant, supervisor, rescue team) at the time of initial assignment and at least annually thereafter. This training must include:

- Confined space entry hazards and control measures.
- Entry permit.
- Use of all equipment.
- Communications.
- Rescue and emergency requirements.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Records must be kept of all incidents involving confined spaces. These records must be kept for a minimum of 5 years.

Other Records:

- a. Current risk assessments.
- b. Confined space entry permits for a minimum of 1 year.
- c. Monitoring equipment calibration records for a minimum of 3 years.
- d. Monitoring records for a minimum of 3 years.

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REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 4-53

STANDARD

The supplier provides a safe workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of supplier's facilities. The supplier has systems to detect, avoid and respond to potential risks to the safety of all employees.

- Develop and implement process and procedures to reduce or eliminate health, safety and environment risk associated with onsite contractor and subcontractor activities.

RESPONSIBILITIES

Location Manager must ensure that contractor safety procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the contractor safety program.

Contractor Contact must ensure that affected onsite contractors and affected employees are trained and adhere to the requirements of the contractor safety program.

Managers and Supervisors must ensure that the affected contractor contact and employees are trained and adhere to the requirements of the contractor safety program.

Onsite Contractors and Employees must adhere to the requirements of the contractor safety program.

DEFINITIONS

- **Contractor contact** is the individual responsible for the coordination of contractor or subcontractor project work activities.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed, which includes as a minimum:
 - a. Tasks and associated hazards that may be contracted or subcontracted.
 - b. Evaluation of risk associated with the listed hazards.
 - c. Identification of control measures to reduce or eliminate the risk.
2. **QUALIFICATION**—Each facility must have qualification processes for any contractor or subcontractor performing equipment or facility maintenance or is performing tasks with greater than "low" risk. Qualification processes as a minimum include:
 - a. Prequalification form completed by each affected contractor which includes:
 - Historical ESH performance.
 - Minimum liability insurance requirements (\$1 million USD per incident/\$2 million USD aggregate recommended).
 - Implementation of applicable safety programs and training.
 - a. Evaluation process for accepting or rejecting contractors.
 - b. Documented listing of qualified contractors.

- c. Annual evaluation of listed qualified contractors.

3. **PREJOB REVIEW/ORIENTATION**—Each facility must conduct a contractor/subcontractor pre-job review and orientation which includes as a minimum:

- a. Orientation of facility including emergency exits, alarm recognition, and actions to take in the case of an emergency.
- b. Verification of any required contractor/subcontractor training and or certifications.
- c. Verification of material safety data sheet (MSDS) for any chemicals brought on site.
- d. Review of the equipment brought on site to ensure it is in good condition and complies with all regulatory requirements.
- e. Review of all applicable HSE regulations as well as facility HSE policies and procedures.
- f. Review of general safety rules.
- g. Housekeeping, cleanup and disposal requirements.
- h. Incident reporting.
- i. Provisions of noncompliance.

4. **MONITORING**—Each facility must have a monitoring process for contractors and subcontractors. Level of monitoring should be determined by level of risks involved with tasks.

5. **PROVISIONS OF NONCOMPLIANCE**—Each facility must have a process for noncompliance with any part of the contractor policy and procedures.

6. **TRAINING**—All affected managers, supervisors and employees must be trained on the procedures of the contractor safety program.

7. **DOCUMENTATION**—

Training Records: Each facility must maintain training and pre-job review/orientation records for a minimum of 3 years.

Qualification Records

- a. Each facility must maintain current prequalification/qualification forms.
- b. Each facility must maintain current evaluations of prequalification/qualification forms.

Other Records

- a. Each facility must maintain current risk assessment of contractor tasks.
- b. Each facility must maintain monitoring records for a minimum of 3 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 4-52*



STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to reduce or minimize the risk associated with worker physical, biological and chemical exposures. Maintain exposures at levels protective of worker health. At a minimum, reduce exposures to below established occupational exposure limits (OEL) where available, or as defined by local and international thresholds. Supplier must comply with requirements as outlined in this standard or relevant local laws and regulations, whichever is more stringent.
- Comply with the abrasive blasting addendum.

RESPONSIBILITIES

Location Manager must ensure that procedures for occupational exposure limits are developed, implemented and followed.

HSE Representative must establish, maintain and administer the processes and procedures for this standard.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of the processes and procedures for this standard.

Employees must adhere to the requirements of the processes and procedures of the occupational exposure limits standard.

DEFINITIONS

- **Indoor Air Quality** is the condition of the air inside buildings, including the extent of pollution caused by smoke, dust, fumes, mist, biological hazards and gases and chemicals from materials, processes and appliances.
- **Biological Hazard** is an airborne organic contaminant that is either generated by, or is itself, a living organism (also known as a bio-aerosol). Common bio-aerosols include bacteria, fungi, molds, mildews, dust mites, spores, legionella and pollen.
- **Chemical Hazard** is an element or mixture of elements or synthetic substances that are considered harmful to employees.
- **Physical Hazards** are unsafe conditions that can cause injury, illness and death (e.g. unguarded machinery, working at height, electrical hazards, heat, noise, slip and trip hazards).

REQUIREMENTS

- 1. RISK ASSESSMENT**—Each facility must have a documented annual risk assessment conducted for each process and/or work area, which includes as a minimum:
 - a. Identification of hazards associated with the process and/or work area (including chemical, physical and biological hazards).
 - b. Evaluate the risk associated with hazards (including sampling for comparison to available OELs, as determined necessary)
 - c. Identification of control measures to reduce the risk (e.g. local exhaust, ventilation, atmospheric monitoring, etc.).
- 2. POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or minimize the risk associated with each process and/or work area that include, as a minimum, the following:
 - a. Prevention of hazards:
 - Documented process for approval of all materials, processes and equipment that may impact worker exposures.
 - Substitution of less hazardous or non-hazardous materials and processes.
 - b. Exposure assessment (e.g. sampling) plan for all contaminants (including biological).
 - c. Review of employee complaints and absentee records to determine the possibility of exposure related health problems.
 - d. Suppliers must comply with the most restrictive recognized regulation or consensus standard of either their nation's legal or health requirements, the American Conference of Governmental Industrial Hygienists (ACGIH), Threshold Limit Values (TLVs), US Occupational Safety and Health Administration (OSHA) for permissible Exposure limits. Standards selected must provide the greatest level of protection to employees in the work environment.
 - e. Consideration for maintaining contaminants below exposure limits must be given to engineering controls (such as local exhaust or general ventilation) before use of personal protective equipment. When provided:
 - Local exhaust must be vented directly outdoors or to pollution control equipment.
 - HVAC (heating, ventilation and air conditioning) outdoor air intakes and other vents must not be located in close proximity to potential sources of contamination (e.g.- downwind of exhausts, near places where motor vehicle emissions collect).
 - f. Exposure control equipment must be in proper working order, inspected and maintained.
 - g. Treatment plan for biological hazards (e.g. legionella, mold) when found to be present at unacceptable levels.

3. TRAINING—All employees with management, supervisory oversight or direct potential for occupational exposure must be provided with exposure management training at the time of initial assignment and annually thereafter. Training must cover as a minimum:

- Applicable regulations and procedures.
- General explanation of worker exposure risks.
- Exposure pathways (e.g. inhalation, dermal absorption, by open wound).
- Tasks that might cause exposure.
- Control methods and limitations.
- Proper use and location of personal protective equipment.
- Medical safety data sheet understanding and awareness.

Employees whose work involves operating and maintenance of exposure control equipment must receive training that includes at a minimum:

- Specific operational and maintenance procedures for HVAC systems and local exhaust equipment.
- The use of personal protective equipment.

4. DOCUMENTATION

Training Records: Employee training records must be available and retained for at least 3 years.

Medical Records: If applicable, each facility must maintain confidential and secure medical records for a minimum length of employment of the employee, plus 30 years. Medical records shall not be disclosed without employee's written consent except, as required by law.

Incident Records: Records must be kept of all incidents for a minimum of 5 years.

Other Records

- a. Current risk assessment.
- b. Inspections and maintenance records for a minimum of 3 years.
- c. Laboratory analytical results for sampling for a minimum of 5 years.



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REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike “Hazardous Materials” Code Leadership Standard.*
- *Nike “Personal Protective Equipment” Code Leadership Standard.*
- *Nike ESH Handbook, page 5-39*
- *American Conference of Governmental Industrial Hygienists (ACGIH); Threshold Limit Values (TLVs) and Biological Exposure Indices (BEIs).*



ADDENDUM – ABRASIVE BLASTING

This addendum specifies additional requirements related to abrasive blasting on apparel products.

- **Abrasive blasting as a finishing technique is PROHIBITED** on all Nike, Inc. apparel products.
- Develop and implement processes and procedures to eliminate current and future worker health risks related to abrasive blasting on apparel products. Supplier must comply with requirements as outlined in this addendum or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that procedures are in place to eliminate current or future abrasive blasting processes, including those at subcontract factories.

HSE Representative must establish, maintain and administer the requirements of this standard.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of this standard.

Employees must adhere to the requirements of the standard.

DEFINITIONS

- **Abrasives:** A solid substance that may contain crystalline silica, even in trace amounts. Common abrasives include sand, aluminum oxide, garnet, aluminum silicate, copper slag, iron slag, etc.
- **Abrasive Blasting:** One of a number of finishing techniques used to create a worn look for denim and other apparel products. This process is characterized by using compressed air to accelerate a solid abrasive.
- **Abrasive Blasting Equipment:** Machinery and tools used in the abrasive blasting process, including blasting cabinets, hopper bins, and spray hoses.
- **Finishing Technique:** Changing the appearance or texture of a consumer product, using physical, biological or chemical agent.
- **Subcontractor:** Any supplier of parts, products or services to the factory.

REQUIREMENTS

1. **RISK ASSESSMENTS**—Each facility must have a documented risk assessment conducted annually, which includes as a minimum:
 - a. Identifying and listing all subcontractors, including those who supply parts, products or services.
 - b. A process to verify subcontractors are not using abrasive blasting as a finishing technique.
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or minimize the risk associated with each process and/or work area that include, as a minimum, the following:



- a. Factory must have a written policy stating that abrasive blasting is not allowed.
- b. Prevention of hazards:
 - Abrasive blasting equipment must be identified, dismantled and made non-operational.
 - Abrasives must be identified and disposed of properly. Records of disposal shall be maintained for 5 years.

3. DOCUMENTATION

Risk Assessment: Risk assessments documenting process used to verify subcontractor compliance with abrasive blasting requirements.

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement a noise exposure program to reduce noise levels and/or protect employees and onsite contractors from noise levels that will cause hearing loss.

RESPONSIBILITIES

Location Manager must ensure that the noise exposure program is developed, implemented and followed.

HSE Representative must establish, maintain and administer the noise exposure program.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the noise exposure program.

Employees must adhere to the requirements of the noise exposure program.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed which includes as a minimum:
 - c. Conduct a noise assessment to identify high noise areas. High noise areas are defined as 85 dB or greater.
 - d. Evaluate the risk associated with high noise (e.g., hearing loss, concentration, unable to hear fire alarms).
 - e. Evaluate controls to reduce noise exposure to less than a minimum of 85 dB:
 - Engineering controls should be considered as first and best option.
 - Personal protective equipment should be considered as a last option.
2. **POLICIES & PROCEDURES**—Each facility with identified noise levels above 85 dB must have implemented procedures to reduce or eliminate the risk of hearing loss which must cover, as a minimum, the following:
 - f. Noise monitoring when there has been a significant change in machinery or production processes.
 - g. Signs indicating areas where hearing protection is required.
 - h. Availability and use of hearing protection in required areas.
 - i. Evaluation of hearing protection to determine effectiveness for indicated noise levels.
3. **HEARING TESTING**—Each facility must have a hearing testing program for affected employees that includes, as a minimum:



- a. No cost to employees.
 - b. Conducted by a certified medical professional.
 - c. Testing (audiogram) conducted initially and annually.
 - d. Notification to affected employees of results.
 - e. Follow up/corrective action with any change in hearing as identified by the certified medical professional.
4. **TRAINING**—Training will be conducted when a facility has a hearing conservation program for all employees at the time of initial assignment and at least annually thereafter. Training must cover as a minimum:
- a. Effects of noise on hearing.
 - b. Purpose of hearing protectors.
 - c. Advantages, disadvantages, and attenuation of various types.
 - d. Instructions on selection, fitting, use, and care.
 - e. Purpose of audiometric testing and an explanation of the testing process.

5. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records

- a. Current risk assessment.
- b. Noise assessment measurements will be retained for a minimum of 5 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 5-7*

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement a respiratory protection program to protect employees and onsite contractors from over-exposures to regulated chemicals that could affect their respiratory system.

RESPONSIBILITIES

Location Manager must ensure that the respiratory program is developed, implemented and followed.

HSE Representative must establish, maintain and administer the respiratory program.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements of the respiratory program.

Employees must adhere to the requirements of the respiratory program.

DEFINITIONS

- **Air-purifying respirator** is a respirator with an air-purifying filter, cartridge, or canister that removes specific air contaminants by passing ambient air through the air-purifying element.
- **Assigned protection factor (APF)** is the workplace level of respiratory protection that a respirator or class of respirators is expected to provide to employees when the employer implements a continuing, effective respiratory protection program as specified by this section.
- **Atmosphere-supplying respirator** is a respirator that supplies the respirator user with breathing air from a source independent of the ambient atmosphere, and includes supplied-air respirators (SARs) and self-contained breathing apparatus (SCBA) units.
- **Canister or cartridge** is a container with a filter, sorbent, or catalyst, or combination of these items, which removes specific contaminants from the air passed through the container.
- **Fit factor** is a quantitative estimate of the fit of a particular respirator to a specific individual, and typically estimates the ratio of the concentration of a substance in ambient air to its concentration inside the respirator when worn.
- **Fit test** is the use of a protocol to qualitatively or quantitatively evaluate the fit of a respirator on an individual. (See also qualitative fit test (QLFT) and quantitative fit test (QNFT)).
- **Qualitative fit test (QLFT)** is a pass/fail fit test to assess the adequacy of a respirator fit that relies upon the individuals response to the test agent.
- **Quantitative fit test (QNFT)** is an assessment of the adequacy of respirator fit by numerically measuring the amount of leakage into the respirator. A QNFT is necessary for respirators that must achieve a fit factor greater than 10.
- **Yoon-Nelson Mathematical Model** is a descriptive model that uses experimental data to calculate parameters of breakthrough time and absorption capacity of respirator cartridges.

**REQUIREMENTS**

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identification of tasks and their potential hazards that may require respiratory protection.
 - b. Evaluation of the risk associated with hazards.
 - c. Identification and implementation of control measures consider engineering controls first, administrative controls second, and use of respiratory protection last.
2. **POLICIES & PROCEDURES**—Each facility that uses cartridge or supplied air respirators must have developed and implement procedures to reduce or eliminate the risk of respiratory conditions, which must cover as a minimum, the following:
 - a. If respirators are to be used to reduce the exposure of employees to hazardous air contaminants, suppliers must develop and implement a written respiratory protection program with worksite-specific procedures. The plan must include the following elements:
 - Designation of a qualified program administrator to oversee program.
 - Evaluation of job assignments to determine the need for respiratory protection:
 - Jobs in which employees may be exposed to breathing air contaminated with harmful levels of dusts, fumes, sprays mists, fogs, smokes, vapors, gases or radioactive material must be identified as potential situations for need of respiratory protection.
 - Determination of eligibility and medical evaluation requirements to wear a respirator.
 - b. Selection of respirators:
 - Suppliers must select a respirator certified by the National Institute for Occupational Safety and Health (NIOSH) that must be used in compliance with the conditions of its certifications.
 - Suppliers must identify and evaluate the respiratory hazards in the workplace, including a reasonable estimate of employee exposures and identification of the contaminant's chemical state and physical form.
 - Where exposure cannot be identified or reasonably estimated, the atmosphere must be considered immediately dangerous to life or health (IDLH).
 - c. Medical evaluation:
 - Suppliers must provide a medical evaluation to determine employee's ability to use a respirator before fit testing and use.
 - Suppliers must identify a physician or other licensed/certified health care professional (PLHCP) to perform medical evaluations using a medical questionnaire or an initial medical examination that obtains the same information as the medical questionnaire.



- Suppliers must obtain a written recommendation regarding the employee's ability to use the respirator from the PLHCP.
- Additional medical evaluations are required under certain circumstances such as:
 - Employee reports medical signs or symptoms related to ability to use respirator.
 - PLHCP, program administrator, or supervisor recommends reevaluation.
 - Information from the respirator program, including observations made during fit testing and program evaluation, indicates a need.
 - Change occurs in workplace conditions that may substantially increase the physiological burden on an employee
 - Annual review of medical status is not required.
- d. Fit testing:**
 - All employees using a negative or positive pressure tight-fitting face piece respirator must pass an appropriate qualitative fit test (QLFT) or quantitative fit test (QNFT).
 - Fit testing is required before initial use, whenever a different respirator face piece is used, and at least annually thereafter.
- e. Maintenance and care of respirators:**
 - Must clean and disinfect respirators at the following intervals:
 - As often as necessary to maintain a sanitary condition for exclusive-use respirators.
 - Before being worn by different individuals when issued to more than one employee.
 - After each use for emergency-use respirators and those used in fit testing and training.
- f. Identification of filters, cartridges, and canisters:**
 - All filters, cartridges, and canisters used in the workplace must be labeled and color-coded with the NIOSH approval label.
 - The label must not be removed and must remain legible.
 - Cartridges must be appropriate for the environment in which they are used.
- g. Change schedules:**
 - Filters, cartridges and canisters must be monitored and changed based upon a pre-determined schedule with consideration for contaminant type and related exposures.
 - Change schedules may be determined by either experimental or analytical methods, manufacturer's recommendation or using mathematical models (e.g. Yoon-Nelson Mathematical Model).

3. TRAINING—

Respiratory protection training will be conducted at the time of initial assignment and at least annually for all employees who are required to wear respirators to safely perform their job functions. Training must include as a minimum:

- Proper procedures for putting on and taking off respirators (including seal check process).
- Proper cleaning and storage.
- Cartridge replacement procedures where applicable.
- Why the respirator is necessary and how improper fit, use, or maintenance can compromise the protective effect of the respirator limitations and capabilities of the respirator.
- Limitations and capabilities of the respirator.
- Use in emergency situations.
- Recognition of medical signs and symptoms that may limit or prevent effective use.
- General requirements of this standard.
- Retraining is required annually and when:
 - Workplace conditions change, new types of respirators are used.
 - Inadequacies in the employee's knowledge or use indicate need.
- Program Evaluation- Suppliers must conduct evaluations of the workplace as necessary to ensure proper implementation of the program, and consult with employees to ensure proper use.

4. DOCUMENTATION

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Current fit test records (Respirators only).
- c. Inspection records for a minimum of 3 years.
- d. Records of medical evaluations must be retained and made available.
- e. A record of fit tests must be established and retained until the next fit test.
- f. A written copy of the current program must be retained.
- g. Suppliers must keep all records for the duration of employment.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 7-11*

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to reduce or eliminate risk associated with ionizing and non ionizing radiation sources. Supplier must comply with requirements as outlines in this standard or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that the radiation safety program is developed, implemented and followed.

HSE Representative must establish, maintain and administer the radiation safety program.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the radiation safety program.

Employees must adhere to the requirements of the radiation safety program.

DEFINITIONS

- **Ionizing Radiation** is energy released by electromagnetic waves and/or particulate radiation with enough energy to break chemical bonds in molecules or remove tightly bound electrons from atoms. Examples include: X-ray, alpha and beta emitters, and gamma radiation.
- **Radio Frequency (RF) Radiation** is non ionizing radiation between the frequencies of 300 kHz and 100 GHz. Thermal affects are the main health hazard. Example industrial applications include heat sealers and high frequency welders.
- **Electric and Magnetic Field (EMF) Radiation** is electric and magnetic forces surrounding any electrical device. Research has found potential health effects associated with high levels of EMF.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed which includes as a minimum:
 - a. Identification of sources of radiation and related hazards.
 - b. Evaluation of risk associated with hazards.
 - c. Identification of control measures required to reduce or eliminate risk of exposure (e.g., monitoring, guarding, personal protective equipment).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk of bodily injury which must cover, as a minimum, the following:
 - a. Radiation sources must be designed with guarding and interlocks to prevent overexposure.
 - b. Annual occupational radiation exposure for an individual is not to exceed 3 rem per year.



- c. Restrict area to authorized personnel only.
 - d. Signage and postings in radiation areas.
 - e. Medical surveillance for high exposure employees or as required by regulations.
 - f. Response(s) to damaged source.
 - g. Job specific procedures for handling or working with radiation sources.
 - h. Emergency procedures.
 - i. Maintenance and calibration of radiating equipment according to manufacturer's recommendations.
 - j. Work practices that minimize radiation exposure.
3. **ANNUAL REVIEW**—Each facility must conduct an annual review (or upon receipt of new equipment, move or major alteration) of the radiation program to include:
- a. Procedures
 - b. Radiation survey
 - c. Interlocks
 - d. Leakage
 - e. Dosimetry (if required)
 - f. Employee evaluation

4. **TRAINING**—

Radiation Safety Awareness: Affected employees must receive awareness level training at the time of initial assignment. Training must cover as a minimum:

- Effects of radiation.
- Specific hazards to which employees may be exposed and how those hazards are controlled.
- Safe work practices.
- Emergency procedures.

Radiation Safety: Employees working directly with radiation sources must receive initial training and annually thereafter. Training must cover as a minimum:

- Types of radiation present at the facility.
- Potential hazards of exposure to radiation sources present at the facility.
- Exposure levels and resulting risks.
- Results of hazard evaluations.
- Safe work practices.
- Emergency procedures.



5. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Annual review for a minimum of 3 years.
- c. Calibration records for testing equipment for a minimum of 3 years.
- d. Maintenance records for the life of equipment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 5-23

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to reduce or eliminate risk associated with heat stress in the work environment. Supplier must comply with requirements as outlined in this standard or relevant local laws and regulations, whichever is more stringent.

RESPONSIBILITIES

Location Manager must ensure that the heat stress standard and the procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the heat stress standard and procedures.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements of the heat stress standard and procedures.

Employees must adhere to the requirements of the heat stress standard and procedures.

DEFINITIONS

- **Heat Stress** is the general name for several medical conditions such as heat exhaustion, heat cramps (muscle pain or spasms) and heat stroke, caused by working in hot areas.
- **Acclimatization** is the body's adaptation to working in the heat.

REQUIREMENTS

1. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk associated with heat induced illnesses and injuries, which includes as a minimum:
 - a. Developing and implementing a written Heat Stress Prevention Program, to include:
 - Designating responsibilities for the program.
 - Determining when the program should be implemented.
 - Creating control measures used to eliminate or reduce risks.
 - Selecting and distributing protective clothing.
 - Determining work practices used to eliminate or reduce the risk, including:
 - Water replenishment during the shift as needed.
 - Employee access to shade at all times for preventative recovery periods.
 - Responding to symptoms of possible heat illness.
 - Contact provisions for emergency medical services.
 - Training requirements.
 - b. Identifying workplace and work assignments where a potential for heat stress exists.

- c. Provide comfortable and safe working temperature conditions. Work temperature ranges:
- Sedentary work: 16° C (60° F) - 30° C (86° F).
 - Work involving physical effort: 13° C (55° F) - 27° C (81° F).
 - If work temperature ranges cannot be maintained, heat/cold stress procedures must be implemented including the following engineering, administrative controls and/or personal protective equipment to minimize the effects of heat stress:
 - Provision of accessible potable drinking water sufficient to provide each worker up to one quart per hour. When temperatures exceed 30° C (86° F) ice should be provided to cool the water.
 - Employees must have access to shade during entire shift and as a general rule there must be enough shade to accommodate, at the same time, 25 percent of the employees on a shift.
 - If the interior of a vehicle is used to provide shade, it must have an air conditioner that works.
 - Metal storage sheds and other out-building do not provide "shade" unless they provide a cooling environment comparable to shade in open air. For example, they must be mechanically ventilated or open to air movement.
 - Shade must be accessible within a time frame not to exceed 200 meters or 5 minutes by walking.
 - Provisions for Preventative Recovery Periods (PRP). A PRP is necessary if an employee believes that a rest break is needed to cover from the heat or if an employee exhibits indications of heat illness.

2. TRAINING—

All employees: Non-supervisory and supervisory must be trained on:

- The environmental and personal risk factors associated with heat illness.
- The employer's procedures for complying with heat illness standards.
- The importance of drinking water.
- The importance of acclimatization, how it is developed, and how employer's procedures address it.

Non-supervisory employees should also be trained to:

- Inform the supervisor if he/she is not used to the heat and may need more frequent breaks until his/her body adjusts, which usually takes 4-14 days.
- Drink water in small amounts, 3 to 4, 8 ounce cups per hour.
- Take breaks in the shaded area and allow time to recover from the heat.

- Avoid or limit the use of alcohol and caffeine during times of extreme heat because both dehydrate the body.
- Inform the supervisor if he/she, or another employee, begin feeling dizzy, nauseous, weak, or fatigued and to rest in the shade for a time sufficient to recover. In addition to seek medical attention if the problem persists.
- Wear appropriate clothing, sunscreen, and hats.
- Pay attention to coworkers and keep an eye out for symptoms of heat stress, reporting the symptoms to the employer directly or through the supervisor. "Buddy" systems can be useful to ensure that workers watch out for each other.
- Procedures for responding to symptoms of possible heat illness, including how emergency medical services will be provided if necessary.
- How to contact emergency services, and if necessary, how to transport employees to a place where they can be reached by emergency medical services. A nearby hospital or emergency care facility should be clearly identified in worksite postings.
- Procedures for providing clear and precise directions to the worksite to emergency medical services. Employees should have access to road maps with field locations clearly marked so that directions can be provided to emergency responders.
- Have refresher trainings or "tailgate meetings" where brief safety reminders about heat illness. These should be conducted frequently, especially during high temperatures.

Supervisory Employees should also be trained on:

- The supervisor's responsibilities in ensuring that the heat stress regulations are followed.
- What the supervisor must do when an employee exhibits symptoms of possible heat illness.
- How emergency medical services will be provided should they become necessary.
- How emergency medical service providers will be contacted.
- How employees will be transported to a point where they can be reached by an emergency medical service provider if necessary.
- How, in the event of an emergency, clear and precise directions to the worksite will be provided as needed to the emergency responder.

3. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 5-1*

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures for the identification and management of asbestos containing material (ACM).

RESPONSIBILITIES

Location Manager must ensure that procedures for identifying, managing and working in the presence of known or suspected ACM are developed, implemented and followed.

HSE Representative must establish, maintain and administer the processes and procedures for ACM.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of the processes and procedures for ACM.

Employees must adhere to the requirements of the processes and procedures for ACM.

DEFINITIONS

- **Asbestos** is a naturally occurring mineral, made up of long thin fibers. These fibers can be dangerous if they are inhaled as dust and are known to contribute to increased risk of lung cancer. Suppliers must establish guidelines and procedures in the operations and maintenance of asbestos-containing material (ACM) to protect all employees, onsite contractors, visitors and vendors from potential health hazards of asbestos-related diseases. This standard applies to all buildings and structures owned by the supplier. The standard applies to routine work during which an employee might encounter asbestos, as well as work undertaken to repair or remove Asbestos containing material.
- **Asbestos containing material (ACM)** is any material that contains more than 1% asbestos by weight. Asbestos mineral types include crocidolite, amosite, chrysotile, anthophyllite, tremolite and actinolite.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment conducted for ACM, which includes as a minimum:
 - a. Identification of the locations, quantity, type, condition and related hazards of the known or suspected ACM by a qualified individual.
 - b. Evaluation of risk associated with the ACM.
 - c. Identification of control measures to reduce the risk (e.g., labeling, access control, inspections).
2. **POLICIES & PROCEDURES**—Any facility that has known or suspected ACM must implement procedures that include, as a minimum, the following:
 - a. Communication to affected employees of ACM presence and associated health hazards.
 - b. Labeling of ACM to include: dangers, contains asbestos, and precautions.

- c. Use of a permit-to-work for all work on ACM.
- d. Work only to be completed by trained and competent individuals.
- e. Provisions for the proper use of personal protective equipment, engineering controls, housekeeping requirements, containment and clean up equipment when working with ACM.
- f. Proper disposal of ACM in accordance with local legislative requirements.
- g. Quarterly inspections to verify the condition of known or suspected ACM.
- h. Conduct medical surveillance for individuals working with ACM.

3. TRAINING—

Asbestos awareness: all employees working in the presence of known or suspected ACM must receive training on an annual basis. Training must include:

- Basic recognition of ACM.
- Health hazards associated with ACM.
- Activities that could result in the release of asbestos fibers.
- Notification requirements in the event of disturbed ACM.
- Site specific ACM policies and procedures.

ACM maintenance employees: all employees in direct contact with ACM, such as maintenance or custodial staff, will receive the following additional annual training:

- How to avoid damage to ACM.
- Use, fitting, limitations and care of personal protective equipment.
- Procedures for the maintenance of ACM.
- Location signs of damage and deterioration of ACM.
- Response to a fiber release.

4. DOCUMENTATION—

Training Records: Each facility must maintain employee training records for a minimum of 3 years.

Medical Records: If applicable, each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Records must be kept of all incidents involving ACM. These records must be kept for a minimum of 5 years.

Other Records:

- a. Current ACM risk assessment and inventory.



- b.** Maintenance, repair and disposal records (including permits and laboratory reports) kept for length of occupancy plus 30 years.
- c.** Quarterly inspections of known or suspected ACM retained for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 5-35

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to respond to incidents that require first aid or other medical attention.

RESPONSIBILITIES

Location Manager must ensure that first aid procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer first aid processes and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the first aid processes and procedures.

Employees must immediately report to management any work related incident requiring first aid.

DEFINITIONS

- **First Aid** is medical treatment administered to an injured or sick person before professional medical care is available, if needed.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed which includes as a minimum:
 - a. Identification of hazards and location that could result in an incident.
 - b. Evaluation of the risk associated with the hazards (include number of employees at each location).
 - c. Identification of control measures to reduce the risk (e.g. first aid supplies, equipment and personnel).
2. **POLICIES & PROCEDURES**—Each facility must have implemented first aid procedures which must cover as a minimum, the following:
 - a. Resources available (internally or externally) to respond to any medical emergency.
 - b. Emergency telephone numbers must be conspicuously located by each telephone.
 - c. Location and availability of medical facilities and emergency services.
 - d. Records of first aid and medical treatments must be maintained.
3. **FIRST AID RESPONDERS**—Each facility with certified first aid responders must meet the following minimum requirements:
 - a. Adequate number of trained responders to cover number of employees and hazards at facility.



- b. Communicate to employees the names, location, and contact information for certified first aid responders.
- c. Maintain required first aid certifications.
- 4. **FIRST AID MATERIALS**—Each facility must have first aid materials (e.g. first aid kits, AED, stretcher, etc.) available based on the risk. First aid kits must contain at a minimum:
 - d. Sterile adhesive bandages (assorted sizes).
 - e. Absorbent compress.
 - f. Sterile eye pads.
 - g. Triangular bandages.
 - h. Burn treatment.
 - i. Disposable gloves.
 - j. Visible signage for first aid boxes and equipment.
 - k. Monthly inspection and replenishment to meet minimum content requirements
- 5. **EYEWASH AND BODY FLUSH EQUIPMENT**—When there is a risk of chemical exposure to eyes, face or body, eyewash or body flush equipment is required, the equipment must meet the following minimum requirements:
 - a. Water must be potable (drinkable).
 - b. Velocity of water is such that no injury occurs.
 - c. Minimum flow rate: 1.5 L for a minimum of 15 minutes.
 - d. No sharp projections.
 - e. Nozzles covered to prevent airborne contamination.
 - f. Control valve easily located and when activated remains on until turned off.
 - g. Within 30 m (100 ft) of hazardous material.
 - h. Accessible and identifiable with a highly visible sign.
 - i. Water nozzles positioned between 83.8 cm (33 inches) and 114.3 cm (45 inches) from the floor.
 - j. Self-contained units containing a reservoir of flushing fluid must be constructed of materials that will not corrode. The flushing fluid must be protected from airborne contaminants.
 - k. Water temperature in units must be maintained between 15 and 35 C (60 to 90° F).
 - l. All equipment and piping must be freeze protected.
 - m. Plumbed eyewash units must be activated weekly to flush the line and verify proper operation. Self-contained units must be inspected according to manufacturers' specification.



TRAINING—All employees must receive training regarding the location's First Aid processes and procedures. At a minimum, training must include:

- Who to contact for any incident that requires first aid or other medical assistance.
- Location of first aid equipment in work area.
- Report any work related incident, which requires first aid or other medical assistance.
- Proper use of emergency eyewash or body flush units if exposed to hazardous material resulting in eye, face or body injury.

First Aid Responders: All first aid responders must receive additional training. At a minimum, training must include:

- Certification in first aid.
- Facility specific procedures including first aid response, blood borne pathogens and incident reporting.

6. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Each facility must maintain records for:

- a. Current risk assessment.
- b. Inspections records of first aid kits and eyewash/body flush units for a minimum of 1 year.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike "Bloodborne Pathogen" Code Leadership Standard.
- Nike "Injury and Illness System Management" Code Leadership Standard.
- Nike ESH Handbook, page6-18



STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to reduce or eliminate risk to physical and mental health and social wellbeing.

RESPONSIBILITIES

Location Manager must ensure that health management procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the health management requirements.

Managers and Supervisors must ensure that employees are trained and adhere to the health management requirements.

Employees must adhere to the health management requirements.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identifying occupational and non-occupational health hazards for employee population.
 - b. Evaluating the risks associated with storage tanks.
 - c. Identifying and implementing control measures to reduce the health risk (e.g., vaccination programs, smoking cessation program).
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate health hazards, which must cover as a minimum, the following:
 - a. Clinics (required for all locations with more than 1000 employees):
 - All health care staff should be trained in the practice of occupational and emergency medicine.
 - Procedures for admission, treatment, transportation and discharge of patients must be in place.
 - Use, testing maintenance and calibration of medical and surveillance instruments.
 - Return to work of employees who have been absent from work as a result of infectious or contagious diseases.
 - Treatment of all infectious diseases.
 - Infection Control and appropriate equipment on hand (e.g. sterile gloves, CPR barrier mask, autoclave, disposable needles, and suture kits).
 - A minimum of one private bed for each 1000 employees.



- Equip the clinic facility with a mechanical ventilation system that is capable of maintaining the temperature between 21 and 27 degrees Celsius (70 – 80 F) at all times.
- Strict adherence to sanitation standards.

b. Health Surveillance:

- A structured health surveillance program based on the results of the Risk Assessment.
- A system to analyze the results of the surveillance programs, and provide guidance for corrective action and medical treatment.
- Evaluation of the general health of employees at all stages of the employment (pre-employment, baseline testing, pre-assignment, post sickness).
- A competent doctor, occupational healthcare professional or competent authority must perform the health surveillance.
- Occupational health data must be reviewed for trend identification and health promotion activity planning.

c. Health promotion: preventative measures must be in place as a means of reducing the overall health risk of the workforce (e.g. smoking cessation, tetanus vaccinations, Hepatitis B vaccinations, women's health month activities, etc.).

d. Each employee has access to the health medical records relating to him or her personally.

3. TRAINING— All employees must receive information and/or training relating to physical and mental health and social wellbeing.

Health Care Workers: must receive certified training for the level of care for which they provide.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a.** Current risk assessment.
- b.** Maintenance and calibration equipment for a minimum of 3 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 9-6*



STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to reduce or eliminate risk of occupational exposure to bloodborne pathogens.

RESPONSIBILITIES

Location Manager must ensure that the bloodborne pathogen procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer risk assessment, written procedures, training, recordkeeping and annual review.

Managers & Supervisors must ensure that employees are trained and adhere to the requirements as they relate to the bloodborne pathogen procedures.

Employees must adhere to the requirements of the of the bloodborne pathogen procedures.

DEFINITIONS

- **Bloodborne Pathogens** are pathogenic microorganisms that are present in human blood and can cause disease in humans. These pathogens include, but are not limited to, hepatitis B virus (HBV) and human immunodeficiency virus (HIV).

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented bloodborne pathogen risk assessment performed which includes as a minimum:
 - a. Identification of hazards associated with occupational exposure to bloodborne pathogens (include individuals, tasks and areas at risk of occupational exposure).
 - b. Evaluation of the risk associated with occupational exposure.
 - c. Identification of control measures required to reduce or eliminate risk of exposure.
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the risk of occupational exposure to bloodborne pathogens which must cover as a minimum, the following:
 - a. Prevent contact with blood or other potentially infectious materials (all body fluids must be considered potentially infectious).
 - b. Readily available hand washing facilities and disinfectants for potential bloodborne pathogen contaminated spills.
 - c. Personal protective equipment (PPE) available (e.g., disposable gloves, CPR guards, etc.).
 - d. Disposal container for sharp objects (e.g., glass, blades, sewing needles, etc.) available.



- e. Disposal of equipment, product or material suspected to be contaminated with bloodborne pathogens in closable, biohazard-labeled bags and containers.
 - f. Safe disposal of contaminated materials in accordance with applicable regulated waste regulations.
3. **MEDICAL REQUIREMENTS**—Each facility must have implemented medical procedures to reduce or eliminate the risk of infection, in the event of occupational exposure. Medical procedures must include as a minimum:
- a. Medical vaccination programs and follow up must be performed by or under the supervision of a licensed physician or by or under the supervision of another licensed healthcare professional and be at no cost to employee.
 - b. Hepatitis B vaccine and vaccination series shall be made available to all employees who have occupational exposure.
 - c. Post exposure evaluation and follow-up to all employees who have had an exposure incident.
 - d. Affected employee provided with a copy of medical results/opinion within 15 days of medical procedures.
4. **TRAINING**—All employees with potential occupational exposure must be provided with bloodborne pathogen training at the time of initial assignment and annually thereafter. Training must cover at a minimum:
- Applicable regulations and procedures.
 - General explanation of bloodborne diseases.
 - Exposure pathways (e.g., inhalation, by open wound).
 - Tasks that might cause exposure.
 - Control methods and limitations.
 - Proper use and location of personal protective equipment.
 - Medical and post exposure procedures.
 - Signs and labels.
 - Disposal procedures for contaminated product, equipment or materials.

5. **DOCUMENTATION**—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for the minimum length of employment plus 30 years. Medical records shall not be disclosed without employee's express written consent except as required by law. The following medical records must, at a minimum, include:

- a. Records of hepatitis B vaccinations or written statement of voluntary declination.



- b.** Post exposure evaluation and follow-up records.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Each facility must maintain a current risk assessment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 5-32



STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to minimize risks associated with sanitation in the workplace environment.

RESPONSIBILITIES

Location Manager must ensure that the sanitation policy and procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the sanitation policy and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the sanitation policy and procedures.

Employees must adhere to the requirements of the sanitation policy and procedures.

DEFINITIONS

Sanitation is the hygienic means of promoting health through prevention of human contact with the hazards of wastes. Hazards can either be; physical, microbiological, biological or chemical agents of disease. Wastes that can cause health problems are human and animal feces, solid wastes, domestic wastewater, industrial wastes, and agricultural wastes.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment to reduce or eliminate risk associated with sanitation performed which includes as a minimum:
 - a. Identification of hazards associated with sanitation.
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risk (e.g., ventilation, cleaning).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to keep all areas where employees and onsite contractors work free of sanitation hazards. At a minimum, they must:
 - a. Keep all places of employment clean, dry and in a good state of repair.
 - b. Construct and maintain every workplace in such a way as to prevent the entrance of rodents, insects or other vermin.
 - c. Provide protection from wet environment when work tasks result in wet conditions.
 - d. Store garbage and refuse in leak proof, non-absorbent containers that are emptied daily.
 - e. Clean spills immediately and waste must be disposed of properly (warning signs should be used on wet floor).
 - f. Provide an adequate number of separate toilets for each gender based on the following ratios:



<u>Number of employees</u>	<u>Minimum number of toilets</u>
1 to 15	1
16 to 36	2
36 to 55	3
56 to 80	4
81 to 110	5
111 to 150	6
Over 150	1 additional fixture for each additional 40 employees

- g.** Have adequate ventilation and enclosed drainage pipes in all toilet facilities.
- h.** Clean and disinfect all toilet facilities at least daily.
- i.** Provide washbasins with hand soap in all work areas.
- j.** Provide individual paper towels, air blowers, or clean sections of continuous cloth toweling adjacent to all washbasin areas.

3. **TRAINING**—Employees must receive information on sanitation.

4. **DOCUMENTATION**—

Medical Records: Each facility must maintain confidential and secure medical records for the minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Current risk assessment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 9-15

STANDARD

Suppliers anticipate, recognize, evaluate and control occupational health and hygiene hazards in the workplace. Suppliers use routine monitoring and analytical methods to determine the potential health effects of hazards that are present in the workplace. Workers are not exposed to physical, chemical or biological hazards above occupational exposure limits.

- Develop and implement processes and procedures to ensure safe drinking water is easily and quickly available for all employees.

RESPONSIBILITIES

Location Manager must ensure that water quality procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the water quality processes and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the water quality processes and procedures.

Employees must adhere to the processes and procedures for water quality.

DEFINITIONS

- **Potable Water** is water that is clean and healthy to drink.

REQUIREMENTS

5. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identification of hazards that could potentially contaminate workplace drinking water.
 - b. Evaluation of risks associated with hazards.
 - c. Identification of control measures to reduce potential of contaminated drinking water (e.g., sampling, treatment).
6. **POLICIES & PROCEDURES**—Each facility must have implemented water quality procedures which must cover as a minimum, the following:
 - a. Drinking (potable) water must be provided for all employees.
 - b. Non-potable water sources must be labeled as such.
 - c. Water dispensing units must be closed to the hazardous work environments.
 - d. Sanitary storage and cleaning areas for individual drinking cups or containers.
 - e. Non-potable water must be boiled or otherwise decontaminated prior to being used for food preparation or cooking.
 - f. Written response procedures for contamination or suspected contamination of facility drinking water sources.

g. Water Sampling Program: Each facility utilizing ground (well) or surface water as a source for facility provided drinking water must have a water quality sampling program in place. As a minimum, the following requirements must be met:

- Sampling frequency based upon user population:

<u>Population</u>	<u>Minimum Samples/quarter (every 3rd month)</u>
25 to 999	1
1,000 to 4,999	10
5,000 9,999	15
10,000 to 19,999	20
> 20,000	50

- Bacteria and disinfection acceptance levels:

- Fecal coliforms = 0.0.
- 99.9% inactivation of Giardia Lamblia Cysts, 99.99% inactivation of viruses.
- Residential disinfectant concentration entering the system cannot be less than 0.2 mg/L
- Measured total chlorine, combined chlorine or chlorine dioxide must be detectable in 95% of the samples each month.

7. TRAINING—

Water quality awareness: All employees in facilities utilizing ground (well) or surface water must receive awareness level training regarding the location's water quality standards and procedures. At a minimum, training must include:

- Report procedures for any drinking water related illness, which requires first aid or other medical assistance.
- Illness reporting procedures.

Water quality training: All employees responsible for maintenance of water quality at a facility must receive training in emergency response in the event of a drinking water contamination event.

8. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for the minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Each facility must maintain records for:

- Current risk assessment.
- Analytical water quality test results for a minimum of 3 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 9-18*

STANDARD

The supplier's building and load bearing structures are constructed according to the laws of the manufacturing country, certified civil or structural engineering construction approvals, or international standards. Multi-use occupancies are not allowed.

- Develop and implement policies and procedures to reduce or eliminate safety risks associated with building design, construction, use and maintenance of buildings

RESPONSIBILITIES

Location Manager must ensure that building safety policies and procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer building safety policies and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the building safety policies and procedures.

Employees must adhere to the requirements of the building safety policies and procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed to determine if the building is safe for occupancy, which includes as a minimum:
 - a. Identification of hazards associated with building design, construction and additional factors that could weaken the structural integrity of the building. (e.g. list of potential of natural and man-made hazards such as snow load on roof, water intrusion, earthquake, vibration from machine, risks from neighboring buildings, etc.)
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risk (e.g. periodic inspections, training, structural reinforcement, earthquake retrofits, etc.).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures for building structure safety, which must cover as a minimum, the following:
 - a. Building Design Review
 - Building (s)are purpose built for the intended use (e.g. manufacturing factories are designed for industrial occupancy)
 - Design must be approved by local building authority
 - If there is no local authority, the building must be designed by a certified professional building designer or architect.
 - Buildings, mezzanines or mezzanine structures must be constructed to support all loads, including dead loads without exceeding the allowable stress or specified strengths for the materials of construction in the structural members and connections.
 - Includes additional loads from expected natural events or disasters as identified in risk assessment

- Floor load rating of mezzanine or mezzanine structure must be evaluated
 - Load ratings shall be marked on plates of approved design which shall be supplied and securely affixed by the owner of the building, or his duly authorized agent, in a conspicuous place in each space to which they relate.
 - Such plates shall not be removed or defaced but, if lost, removed, or defaced, shall be replaced by the owner or his agent

b. Building Use

- Mezzanines loads must not exceed capacity
- Roof loads must not exceed capacity
- Change in use – when an existing building is changed to a new use group classification, the building design must meet the requirements of the new use
- Additions to existing building must comply with local building code or meet at minimum, all requirements of this code, whichever is most strict.
 - Structural analysis completed by 3rd party to ensure existing building together with any addition or alteration meet the building construction requirements.

c. Maintenance and Inspections

- Periodic and Continuous Inspections of building
- Cadence is defined by section 1705 of the International Building Code or local law, whichever is more stringent.
- At minimum, inspections must include all load bearing structures (i.e. roof, mezzanine, walls, etc.)
- Soil tests are included as part of inspections

3. TRAINING—Affect workers must receive basic training upon initial hire, and refresher as needed.

- Workers must be trained that it is PROHIBITED to place, or cause, or permit to be placed, on any floor or roof of a building or other structure a load greater than the capacity for which such floor or roof is designed
- **Maintenance:** employees who have building maintenance responsibilities must receive periodic training in addition to the above. Training must include as a minimum:
- Local laws
- Building hazards, Natural Hazards, Operational Hazards affecting building structure
- Load limits on structural elements
- Additional roles and responsibilities.

4. DOCUMENTATION

Training Records: Each facility must maintain building training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current building safety risk assessment.
- b. Building architectural drawings
- c. Building permits, if applicable
- d. Inspection and maintenance records kept for a minimum of 3 years, including insurance inspection reports
- e. Soil tests

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations..
- International Building Code, 2012 Second Printing
 - Section 1705 Required Verification and Inspection
- NFPA 1
- NFPA 101

STANDARD

Suppliers have fire prevention and emergency action plans to protect workers during normal working operations and emergency situations. The supplier provides alarm systems to notify workers of emergencies, safe exit routes when workers need to leave the building and safe shelter locations when workers are required to remain in the building during emergencies.

- Develop and implement process and procedures to reduce or eliminate risk associated with fire hazards at a facility.

RESPONSIBILITIES

Location Manager must ensure that fire safety procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer fire safety procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the fire safety procedures.

Employees must adhere to the requirements of the fire safety procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented risk assessment performed for fire safety which includes as a minimum:
 - a. Identification of hazards associated with storage and use of combustible and flammable materials (e.g. list of major fire hazards and ignition sources).
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risk (e.g. firefighting equipment, training, safe storage of flammables, etc.).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures for fire safety, which must cover as a minimum, the following:
 - a. Fire Prevention:
 - Minimize the storage of flammable and combustible materials.
 - Storage of flammable substances in an approved cabinet.
 - Implementation of a smoking policy (i.e., smoking in designated areas only).
 - Ensuring electrical equipment is maintained in a safe and good working condition.
 - b. Fire Protection:
 - Location of all fire protection equipment documented.
 - Appropriate fire detectors and alarm systems in place.
 - Sprinkler systems (where appropriate) and procedures for when they are impaired.
 - Firefighting equipment provided which is suitable for the type of fire expected in the area.



- Firefighting equipment easily accessible and simple to use.
- Firefighting equipment indicated by signs.
- Fire extinguishers and hoses visually inspected each month.
- Inspection and maintenance plan for all firefighting equipment.

c. Fire Precautions:

- Sufficient number of emergency routes and exits indicated by signs which allow the prompt escape of employees in an emergency.
- Emergency routes and exits kept clear at all times. Emergency exits unlocked during regular working hours and opening outwards to a place of safety.
- Posted diagrams showing emergency routes and exits.
- Emergency lighting available, tested and maintained.

d. Employees expected to use firefighting equipment in an emergency must be instructed on the hazards and techniques of fighting fire.

3. TRAINING—All employees must receive fire safety training upon initial hire and at least annually thereafter. Training must include as a minimum:

- Fire hazards.
- Emergency routes and exits.
- Roles and responsibilities.

Firefighting: employees who have additional firefighting responsibilities must receive annual training in addition to the above. Training must include as a minimum:

- Use of firefighting equipment appropriate to their role.
- Techniques in firefighting.
- Personal protective equipment for firefighting.
- Additional roles and responsibilities.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current fire safety risk assessment.
- b. Current location of fire protection equipment.
- c. Inspection and maintenance records kept for a minimum of 3 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike "Emergency Action" Code Leadership Standard.*
- *Nike ESH Handbook, page 6-4*

STANDARD

Suppliers have fire prevention and emergency action plans to protect workers during normal working operations and emergency situations. The supplier provides alarm systems to notify workers of emergencies, safe exit routes when workers need to leave the building and safe shelter locations when workers are required to remain in the building during emergencies.

- Develop and implement processes and procedures to respond to potential events that can lead to an emergency.

RESPONSIBILITIES

Location Manager must ensure that the emergency action and planning policy and procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer emergency action and planning policy and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the emergency action and planning policy and procedures.

Employees must adhere to the requirements of the emergency action and planning policy and procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed for emergency situations which includes as a minimum:
 - a. Identification of events that may lead to an emergency situation. (e.g. fire, bomb threat, social dispute, air pollution, kidnapping/hostage, flood, tsunami, earthquake, hurricane, medical, etc.).
 - b. Evaluation of risk associated with each emergency situation.
 - c. Identification of control measures required to reduce or eliminate risk (e.g. emergency plans, training, alarm system, control center, etc).
2. **POLICIES & PROCEDURES**—Each facility must have developed and implemented written emergency action and planning procedures. At a minimum, procedures must include:
 - a. Names or job titles of persons who can be contacted for further information or explanation of duties regarding the plan.
 - b. Roles and responsibilities of emergency personnel (including command and control).
 - c. Means to report emergencies including posting of emergency numbers.
 - d. Evacuation procedures and posted plans (for emergencies that require evacuation).
 - e. Identification and provisions for employees who remain to operate critical plant equipment or operations before they evacuate.
 - f. Identification and provisions for assisting handicapped individuals.
 - g. Rescue and medical duties.

- h.** Provisions to account for all employees.
- i.** Communication process to update employees on emergency status (e.g., return to work, go home, etc.).
- j.** Annual evacuation drill for each employee.
- k.** Annual emergency action and planning program review.
- 3. NOTIFICATION/ALARM SYSTEM**—must be established at each facility. At a minimum, the system must include:
 - l.** Adequate warning to take action per procedures.
 - m.** Notification/alarm that is perceivable above ambient noise and light levels.
 - n.** Notification/alarm that is distinctive and recognizable.
 - o.** Means for activating notification/alarm system.
 - p.** System must be operational at all times except when testing or undergoing repairs or maintenance.
 - q.** Annual and periodic testing and maintenance must be performed by competent individuals.
- 4. TRAINING**—All employees must receive training initially and whenever the plan is changed and must include at a minimum:
 - Emergency procedures.
 - Escape route and procedures.
 - How to report emergencies.
 - Activating the notification/alarm system.

Emergency Personnel: all employees with additional roles and responsibilities in an emergency must receive annual training specifically regarding their duties.

5. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a.** Current risk assessments.
- b.** Evacuation drill documentation for a minimum of 3 years.
- c.** Notification/alarm system testing and maintenance documents for a minimum of 3 years.
- d.** Current emergency plan.



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REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike "Fire Safety Management" Code Leadership Standard.*
- *Nike ESH Handbook, page 6-1*



STANDARD

All facilities operated by the supplier including residential, dining and childcare, are safe, hygienic, and healthy. Suppliers reduce or eliminate safety and health risks of operating these non-manufacturing facilities.

- Develop and implement processes and procedures to reduce or eliminate risk of operating and maintaining dormitory facilities.

RESPONSIBILITIES

Location Manager must ensure that the dormitory management procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the dormitory management requirements.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the dormitory management requirements.

Employees must adhere to the dormitory management requirements.

DEFINITIONS

- **Dormitory** is a housing arrangement in which a single room contains a number of single beds, often with little or no privacy: often with shared bath facilities.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed prior to occupancy, which includes as a minimum:
 - a. Identification of hazards associated with operating and maintaining dormitory facilities.
 - b. Evaluation of risks associated with hazards.
 - c. Identification of control measures to reduce risk (e.g., heating and cooling systems, fire protection, security, etc.).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures for dormitory management, which must cover as a minimum, the following:
 - a. General:
 - Housing must be structurally sound, in good repair, clean, secure and provide safe protection to the occupants against the elements.
 - Housing must have appropriate response capabilities from local emergency response personnel including fire, medical and police agencies.
 - Each living area must provide for a minimum of 4 square meters of living space per occupant with provisions for private storage of personal effects for each individual held therein.
 - Adequate lighting and electric services must be provided in all living areas.
 - Provisions for the sanitary collection and disposal of garbage must be provided.

**b. Sleeping quarters:**

- Individual beds, cots or bunks (no triple bunks allowed) must be provided to each occupant.
- Any bedding materials provided by the facility must be clean and sanitary.
- Separate sleeping areas must be provided for each gender.

c. Shower and toilet areas:

- Toilet facilities must be provided at a ratio of one toilet for each 15 occupants.
- Toilet facilities must be within 50 meters of each living unit.
- Toilet facilities must be separated by gender and marked as such.
- Toilet facilities must be cleaned and sanitized daily.
- All shower and washing areas must provide pressurized, hot and cold portable water.
- Shower and washing areas must be within 50 meters of each living unit.
- Showerheads must be placed a minimum of 1 meter apart and at a ratio of one showerhead for each 15 occupants.
- Separate shower and washing facilities must be provided for each gender type and marked as such.
- Shower and washroom floors must be constructed of nonabsorbent materials and sanitized daily.

d. Eating and food preparation area must be provided.**e. Fire safety and first aid:**

- Emergency action plans must be posted in conspicuous locations throughout the facility that include detailed evacuation procedures in the event of an emergency.
- Fire extinguishing equipment must be provided in a readily accessible location not more than 30 meters from each living area.
- A minimum of two exits must be clearly marked on each floor.
- Annual fire drills must be documented.
- First aid kits must be provided and readily accessible for use at all times at a ratio of 1 kit per 50 occupants.
- Hazardous chemicals must be stored only in designated areas.

3. TRAINING—Dormitory occupants must receive information and training to risks resulting from an emergency. Training must include the following minimum requirements:

- Emergency action plan.



- Understand the location of firefighting and first aid equipment and have knowledge of their use.

4. **DOCUMENTATION**—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Each facility must maintain records for:

- a. Current risk assessment.
- b. Fire evacuation drills for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike “Fire Safety Management” Code Leadership Standard.
- Nike “Building Safety” Code Leadership Standard.
- Nike “Emergency Action and Planning” Code Leadership Standard.
- Nike ESH Handbook, page 9-1



STANDARD

All facilities operated by the supplier including residential, dining and childcare, are safe, hygienic, and healthy. Suppliers reduce or eliminate safety and health risks of operating these non-manufacturing facilities.

- Develop and implement processes and procedures to reduce or eliminate risk by operating and maintaining safe, clean and healthy food preparation and consumption areas.

RESPONSIBILITIES

Location Manager must ensure that the food service procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the food service procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the food service procedures.

Employees must adhere to the food service procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes:
 - a. Identification of hazards (including food borne and kitchen safety).
 - b. Evaluation of risk associated with hazards.
 - c. Identification and implementation of control measures to reduce the risks.
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk associated with food service which must cover as a minimum, the following:
 - a. Food service workers:
 - Must undergo medical examination and be certified as free from communicable diseases at least annually.
 - Must understand and follow procedures for reducing the transmission of communicable diseases.
 - Must wear hairnets, gloves and aprons while preparing and serving food.
 - Must thoroughly wash and disinfect hands prior to coming into contact with food.
 - b. Food preparation and consumption areas:
 - Must be clean and disinfected.
 - Have mechanical refrigeration that is capable of maintaining a temperature of not more than 5 degrees C when perishable food items are stored on site.



- Have washbasins that provide both hot and cold running water.
- Cooking, serving and eating utensils are washed and disinfected after each use.
- Tabletops and counters must be cleaned and disinfected after each use.
- Must be free of rodent and insect infestations.
- Store garbage and refuse in leak proof, non-absorbent containers that are emptied daily.
- Cooking oils must not be disposed into sanitary or storm water drains.

c. Restrooms:

- All food service workers must thoroughly wash and disinfect hands after using the restroom.
- Signs must be posted requiring hands to be washed after restroom use.

d. A response mechanism and procedures to a food borne related illness or contamination event.

3. TRAINING— Food service workers must receive information and training relating to risks resulting from improper food handling. This training must include:

- Review of risk assessment and procedures.
- Food safety and storage requirements.
- Personal hygiene.
- Food borne illness and communicable disease awareness.
- Kitchen safety practices.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for the minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records: Each facility must maintain a current risk assessment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:



- *Applicable federal and local laws and regulations.*
- *Nike "Fire Safety Management" Code Leadership Standard.*
- *Nike "Building Safety" Code Leadership Standard.*
- *Nike "Emergency Action and Planning" Code Leadership Standard.*
- *Nike ESH Handbook, page 9-11*

**STANDARD**

All facilities operated by the supplier including residential, dining and childcare, are safe, hygienic, and healthy. Suppliers reduce or eliminate safety and health risks of operating these non-manufacturing facilities.

- Develop and implement processes and procedures to reduce or eliminate risk associated with working with children or child care facilities.

RESPONSIBILITIES

Location Manager must ensure that child care procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer child care procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the child care procedures.

Employees must adhere to the requirements of the child care procedures.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment for child care facilities and for working with children (e.g. soccer schools, events, etc.) which includes as a minimum:
 - a. Identification of all potential child care hazards.
 - b. Evaluation of risk associated with hazards.
 - c. Identification of the control measures required to reduce the risk (e.g., first aid/CPR, safe play areas).
2. **POLICIES & PROCEDURES**—Each facility must implement child care procedures. As a minimum, they must include:
 - a. Working with children:
 - The event organizer must be familiar with the requirements of local legislation.
 - First aid/CPR qualified individuals must be available.
 - Written parental/guardian consent to act in place of the parent so as to legally give first aid/ medical treatment or for transporting children in cars/ busses or any other form of transportation.
 - Parent/guardian contact information must be kept on file.
 - Screening prior to employment, of any employees who will be working with children at overnight events or directly coaching children (e.g. soccer schools).
 - Children may only be released to an authorized parent/guardian or designated individual.
 - b. Child care facilities:
 - The building must meet local legal requirements and or the appropriate Nike standards, whichever is the highest standard.



- All hot surfaces must be insulated so that children cannot come in contact with them.
- Electrical outlets within reach of children must be provided with receptacle covers when not in use.
- Fireplaces must be guarded.
- Medicines, poisons and other dangerous substances must be stored in a locked cabinet.
- The premises must be clean and well maintained at all times.
- There must be a monthly fire evacuation carried with children present.
- Outdoor play areas must be safe, secure, and any open water or pits must be fenced or covered.
- Potable drinking water must be available. Common drinking cups or utensils are prohibited.
- Cold and hot water not exceeding 110 F (43 C) must be supplied to lavatory fixtures accessible to children.
- Toilet facilities must be clean, suitable for children and provided with hand washing facilities. There must be one toilet and washbasin for every 15 children.
- Individual clean cribs, cots or mats (suitable to the child's age and level of development) and clean linens must be provided. For evening care, each child must be provided with a firm, waterproof mattress. At least 3 feet (0.9M) of space must separate cribs, cots and mats.
- There must be a full-time trained facility director for all facilities with more than 60 children.
- Health records must be maintained for each child including details of immunizations, medications, communicable diseases and evidence of neglect or unusual injuries. Any instances of neglect or unusual injuries must be reported to the facility manager.

3. **TRAINING** — All employees working with children must receive training which includes at a minimum:

- An overview of the risk assessment.
- Good practices for working with children.
- Written Procedures.

4. **DOCUMENTATION** —

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain current, confidential and secure medical records for each child at the facility.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment.
- b. Current employee screening records.



- c. Current parent/guardian contact information.
- d. Fire drill records for a minimum of 3 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards –suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike "Fire Safety Management" Code Leadership Standard.
- Nike "Building Safety" Code Leadership Standard.
- Nike "Emergency Action and Planning" Code Leadership Standard.
- Nike ESH Handbook, page 9-21

STANDARD

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone- depleting chemicals and combustion by-products generated from operations are characterized, routinely monitored, controlled and treated according to the laws of manufacturing country prior to discharge. Supplier conducts routine monitoring of the performance of its air emission control systems. Develop and implement policies and procedures to minimize air pollution risks.

RESPONSIBILITIES

Location Manager must ensure that the air emission program is implemented and followed.

HSE Representative must establish, maintain and administer the air emission program.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the air emissions program.

Employees must adhere to the requirements of the air emission processes and procedures.

DEFINITIONS

- **Air Emission Sources** could include fumes, vapors, dusts, smoke, etc.- anything that the factory produces that is released into the atmosphere that could potentially cause harm to people or the environment.
- **Pollution Control Devices** is anything the facility uses that helps to reduce the amount of pollutant that is released into the environment (i.e. scrubbers, water bath, etc.).
- **Pollutants** generally are any substance introduced into the environment that adversely affects the usefulness of a resource.
- **Source** is where the emission is originating from (i.e. ventilation system in paint room, dryer vents, boiler exhaust, etc.).

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identification of stationary air emission sources. The inventory must include the source location and types of pollutants.
 - b. Quantification of the pollutants emitted. Compare levels to applicable local regulations.
 - c. Identification of air pollution control measures (e.g., air pollution devices, process improvements).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the impacts of air emissions which must cover as a minimum, the following:
 - a. In accordance with local laws and regulations, Facility must maintain the required permits, registration, and/or authorization for air emissions.
 - b. Annual performance evaluations of the ventilation, air pollution control and exhaust systems (i.e., fume hoods spray booths) must be done to demonstrate effectiveness.



- c. Annual analytical testing must be completed to ensure emissions are within permit or authorization requirements.
- d. Procedures for incident reporting and investigation of event or system failures impacting air emissions must be in place.

3. **TRAINING**—Employees must receive awareness level training on:

- Air emission point source locations, exhaust vents, and any applicable pollution control devices in place.
- Appropriate response procedures if a ventilation or pollution control device has appeared to fail.

Air Emissions Maintenance: Employees who maintain and analyze system performance of pollution control devices must receive training on the specific operating requirements and protocols.

4. **DOCUMENTATION**—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 3 years.

Other Records: Each facility must maintain a current risk assessment.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 2-1

STANDARD

Supplier demonstrates a consistent and competent approach to restricted substance management, supported by an effective and legally compliant chemicals management program. The program clearly identifies and mitigates chemical risks to workers, the environment, and consumers by facilitating safe handling, storage, use, procurement, and disposal of chemicals.

- The supplier adopts measures to maintain compliance against the Restricted Substances List (RSL) and Manufacturing Restricted Substances List (MRSL), and continuously improves performance through reduction of chemical hazards used in production.

The standalone Nike Nanomaterial CLS has been replaced with the requirements now embedded within this Restricted Substance Management CLS

RESPONSIBILITIES

Location Manager must ensure that the RSL and MRSL programs are developed, implemented and followed.

HSE Representative must (1) understand how hazardous chemistries may impact occupational health, consumers and environment and (2) devise strategies for working safely with production chemicals

Managers and Supervisors must (1) ensure compliance to RSL/MRSL and (2) ensure that all relevant employees are trained and adhere to the requirements of the RSL and MRSL management standard.

Employees must adhere to the requirements of the RSL and MRSL management standard.

DEFINITIONS

- **The Nike, Inc. Restricted Substances List (RSL)** is the standard for chemical compliance in finished materials, products, and related items. The RSL is available at www.nikeincchemistry.com.
- **Manufacturing Restricted Substances List (MRSL)** is the standard for procurement of chemical formulations which is designed to help suppliers manufacture RSL compliant materials and products and meet Nike's Wastewater Compliance guidelines (as stated in the Wastewater CLS). The MRSL is available on the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation website www.roadmaptozero.com

REQUIREMENTS

1. **RISK ASSESSMENT**— Each facility must have a documented risk assessment performed which includes as a minimum:
 - a. An approach to identify all potential restricted substances in formulations and materials (RSL and MRSL).
 - b. Define preventative measures to be taken to reduce or eliminate restricted substances.
2. **POLICIES & PROCEDURES** — Each facility must implement procedures to minimize or eliminate the use of restricted substances, including the following minimum requirements:
 - a. Have access to the most up to date version of the RSL and MRSL.
 - b. Document the approach to procuring compliant chemical formulations.
 - Chemicals used on site must be procured following MRSL guidance to reduce potential hazards to employees, the environment, and the consumer
 - A process for comparing SDS/MSDS against Restricted Substances listed in both Nike's RSL and ZDHC MRSL
 - c. Maintain an accurate inventory of all chemicals and associated Safety Data Sheets (MSDS/SDS).

- d. Identify and segregate non-compliant chemical formulations, materials and products.
- e. Follow RSL guidance on routine and random testing and comply with all chemical limits listed in that standard.
 - Any material or item that fails RSL testing must be quarantined
- f. Follow RSL Failure Resolution process in the event of a RSL test failure, including detailed documentation of the root cause and corrective actions.

✓ As a recommended best practice, the supplier should consult and follow the Nike Chemistry Playbook to support understanding of Nike's Chemistry goals and implementation guidance for:

- Input Management
- Chemical Inventory Management
- Chemical Use and Handling
- Specific Material Policies
- Using Better Chemistry

3. **TRAINING**— RSL training is mandatory and is required every two years for affected employees in each facility. Chemicals management training is also available. Training instructions and access are at www.nikeincchemistry.com.

4. DOCUMENTATION—

Training Records: Each facility must maintain RSL training records for a minimum of 3 years.

Testing Records: Each facility must maintain RSL testing records for a minimum of 5 years.

Incident Records: Maintain RSL failure resolution documentation for RSL failures for 5 years.

Other Records:

- a. Chemical inventory for all chemicals on site for a minimum of 2 years.
- b. Archived MSDS's as specified in Hazardous Materials CLS.
- c. Materials traceability information for materials failing RSL testing for a minimum of 2 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards –suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- www.nikeincchemistry.com
- www.roadmaptozero.com

Refer to NIKE CLSs:

- Hazardous Materials
- Hazardous Waste
- Wastewater

STANDARD

Supplier demonstrates a consistent and competent approach to restricted substance management, supported by an effective and legally compliant chemicals management program. The program clearly identifies and mitigates chemical risks to workers, the environment, and consumers through by facilitating safe handling, storage, use, procurement, and disposal of chemicals.

RESPONSIBILITIES

Location Manager must ensure that hazardous material procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer hazardous substance processes and procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the hazardous material processes and procedures.

Employees must adhere to the requirements of the hazardous materials processes and procedures.

DEFINITIONS

- **Hazardous material** is a substance or material that exhibits one or more of the following characteristic properties—ignitability, corrosivity, reactivity, or toxicity- which presents a risk to health, safety, environment, or property when used, stored or transported. The term includes hazardous materials and hazardous wastes.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. A survey to identify all potentially hazardous materials.
 - b. Level, type (e.g. inhalation, skin contact, ingestion etc.) and duration of exposure.
 - c. Amount of substance used and location.
 - d. Preventative measures to be taken (e.g. ventilation, personal protective equipment, emergency showers or eye wash stations).
2. **POLICIES & PROCEDURES**—Each facility must implement procedures to reduce or eliminate the risk associated with hazardous materials which must cover as a minimum, the following:
 - a. Material safety data sheets (MSDS) must be available for all hazardous materials. No hazardous material shall be allowed on site without a material safety data sheet. The MSDS must be available in all areas where hazardous materials are used and stored.
 - b. All hazardous materials must be stored in suitable containers and labeled with the hazard information. The containers must be:
 - In good condition.
 - Compatible with the contents.
 - Labeled in the language of the employees, readable and in good condition.
 - Closed at all times when not in use.



- All primary flammable material containers must be bonded and grounded / earthed.
- Empty containers must be labeled and stored per storage area requirements.

c. Storage area requirements:

- Storage areas must be secured and covered.
- Containers must be stored on impervious surfaces.
- Storage areas must have adequate ventilation and accessible emergency eyewash or shower stations.
- Eating, smoking and drinking are not permitted in these areas.
- There must be secondary containment for materials exceeding 208.2 liters (55 gallons) that is at least 110% of the volume of the largest container.
- Adequate aisle space must be maintained between containers.
- Containers must not be over stacked.
- Incompatible materials must be segregated.
- Flammable and combustible materials must be stored away from ignition sources.

d. Compressed gas cylinders must be:

- Stored upright and secured to prevent them from falling.
- Labeled to identify the gas and associated hazards.
- Stored away from ignition sources, corrosive atmospheres and extreme weather conditions.
- Empty and full cylinders must be labeled appropriately and segregated.

e. Hazardous material transfer:

- Flammable material containers must be bonded and grounded / earthed.
- Drip trays / pans must be placed under dispensing containers.
- Dispensing must occur on impervious surfaces.
- Leaks or spills must be cleaned up immediately.

f. A documented spill response plan and equipment must be available where hazardous materials are used and stored.

3. TRAINING—Employees working with hazardous materials must be trained annually and anytime hazards, processes or procedures change. This training must include:

- Properties and risk of hazardous materials.
- Material safety data sheets.
- Labeling.



Spill Response Plan: Employees assigned duties for response to spills must receive annual spillage response plan training.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records must not be disclosed without employee's written consent, except as required by law.

Incident Records: Records must be kept of all incidents involving hazardous materials. These records must be kept for a minimum of 5 years.

Other Records:

- a. Current hazardous material inventory.
- b. Current MSDS's for all hazardous substances.
- c. Archived MSDS's for length of chemical use plus 30 years.
- d. Current risk assessments for all work involving hazardous materials.
- e. Current spill response plan.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 3-1

STANDARD

Supplier properly segregates, manages, transports, and disposes of all solid/hazardous waste in compliance with local regulations and Nike standards. It must obtain all required permits and verify solid /hazardous waste vendors are properly qualified and licensed. The supplier measures and continuously improves material efficiency and value added recycling.

- Develop and implement policies and procedures to minimize hazardous waste generation and to minimize risks to human health and the environment associated with hazardous waste management and disposal.
- Develop and implement processes and procedures for selecting licensed and qualified hazardous waste transporters, recyclers and disposal facilities, and verifying that they exercise responsible environmental management practices (e.g., not allowing open disposal to land or water).

RESPONSIBILITIES

Location Manager must ensure that the hazardous waste procedures are developed, implemented and followed.

HSE Representative must establish, maintain and administer the hazardous waste procedures.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the hazardous waste processes and procedures.

Employees must adhere to the requirements of the hazardous waste processes and procedures.

DEFINITIONS

- **Hazardous waste** means waste that exhibits one or more of the following characteristic properties -- ignitability, corrosivity, reactivity or toxicity – and which presents a risk to health, safety, environment or property when improperly treated, stored or transported.
- **Hazardous Waste Subcontractor:** Third-party vendors who supplier subcontracts with for handling, managing, transporting, treating, or disposing of hazardous waste.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Identifying all hazardous waste streams.
 - b. Determining the amount of hazardous waste generated and environment and human impact.
 - c. Implementing preventative measures to be taken (e.g., ventilation, personal protective equipment, emergency showers or eye wash stations, proper labeling and marking, hazardous waste subcontractor management program.)
2. **POLICIES & PROCEDURES**—Each facility generating or storing 100 kg (220 lbs) or more of hazardous waste per month must implement procedures to reduce or eliminate the risk associated with hazardous waste which must cover as a minimum, the following:

- a. Identifying the sources and quantify the hazardous waste generated.
- b. Obtaining all required permits for hazardous waste generation, storage and disposal in accordance with local laws and regulations.
- c. Hazardous waste storage area requirements:
 - Storage areas must be secured
 - Storage areas must have adequate ventilation and accessible emergency eyewash shower stations
 - Signs must be posted indicating no eating, smoking or drinking
 - Hazardous waste storage areas must be covered
 - Secondary containment must be at least 110% of the volume of the largest container when total container volumes exceed 55 gallons (208 liters)
 - Spill response equipment including necessary personal protective equipment (PPE) must be located near hazardous waste storage areas
 - Flammable and combustible wastes must be stored away from ignition sources
 - Incompatible wastes must be segregated
 - Adequate aisles must be maintained between containers
 - Containers must not be over stacked
 - Hazardous waste storage area must be kept separate from and not adjacent to non-hazardous wastes
- d. Hazardous waste storage container requirements:
 - Containers must be stored on impervious surfaces
 - Containers and waste must be compatible
 - Containers must be in good condition
 - All containers must be clearly labeled as hazardous waste and include the waste identification and hazards
 - Lids must be kept closed at all times, except when transferring waste
- e. Document and implement a waste reduction and minimization program.

✓ **As a recommended good practice, the supplier should develop an annual plan to reduce hazardous waste generation.**
- f. Conduct and document weekly inspections of hazardous waste storage areas.

- g. Hazardous waste must be disposed within reasonable time limits (if limits are not specified in local law, refer to US Environmental Protection Agency-EPA requirements for small and large quantity generators).
- h. Use licensed and permitted hazardous waste transporters, treatment, and disposal facilities.

✓ **As a recommended good practice, the supplier should use a thorough and consistent process for qualifying and monitoring hazardous waste subcontractors. Qualification processes could include:**

- Prequalification form completed by subcontractor which includes:
 - Historical performance
 - Liability insurance coverage
 - Evidence of legally required permits and licenses
- Criteria for accepting and rejecting subcontractors
- Onsite evaluations and inspections of subcontractor's facilities
- Annual evaluation of subcontractor's operations consistent with *Nike Waste Vendor Management and Evaluation Guidelines*
- Periodic review of selection process based on annual evaluation of hazardous waste subcontractors

- i. Nike reserves the right to conduct its own review of hazardous waste subcontractors. In addition, Nike may require supplier to provide Nike with documented verification of observed disposal practices.
- j. Onsite burning or disposal of hazardous waste as defined herein is prohibited

3. TRAINING

Hazardous Waste Management: Employees whose work involves managing hazardous waste (e.g., collecting, consolidating, storing, preparing it to be shipped for treatment/disposal) will receive an onboarding training and an annual refresher training thereafter. Training topics include:

- Identification/determination
- Handling
- Minimization
- Data collection
- Documentation
- Transportation, storage and disposal risks, impacts and requirements

4. DOCUMENTATION—

Disposal Records: Hazardous waste records must include: the material name; physical state; any associated hazards (flammable, corrosive, toxic, or reactive); date and quantity shipped for

treatment/ disposal; the business name and address for the point of origin / generator of the waste, transporter, storage, and final disposal company; and copy of shipping manifest signed by final disposal facility certifying receipt of the shipment. Records must be kept for a minimum of 5 years.

Training Records: Each facility must maintain training records for a minimum of 3 years.

Medical Records: Each facility must maintain confidential and secure medical records for a minimum length of employment, plus 30 years. Medical records shall not be disclosed without employee's expressed written consent, except as required by law.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Current risk assessment and required permits.
- b. Inspections for a minimum of 1 year.
- c. List of licensed/permitted hazardous waste subcontractors used by supplier.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike "Hazardous Materials" Code Leadership Standard.
- Nike ESH Handbook, page 2-9
- Nike Waste Vendor Management and Evaluation Guidance

STANDARD

Supplier properly segregates, manages, transports, and disposes of all solid/hazardous waste in compliance with local regulations and Nike standards. It must obtain all required permits and verify solid /hazardous waste vendors are properly qualified and licensed. The supplier measures and continuously improves material efficiency and value added recycling.

- Develop and implement processes and procedures for the minimization and management of solid waste.
- Develop and implement processes and procedures for selecting licensed and qualified waste transporters, recyclers and disposal facilities, and verifying that they exercise responsible environmental management practices (e.g., not allowing open disposal to land or water, improper disposal of waste byproducts such as incinerator ash or leachate, or uncontrolled burning or emissions).

RESPONSIBILITIES

Location Manager must ensure that procedures for minimizing and managing solid waste are developed, implemented and followed.

HSE Representative must establish, maintain and administer solid waste processes and procedures.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of the solid waste processes and procedures.

Employees must adhere to solid waste processes and procedures.

DEFINITIONS

- **Closed Loop Recycling** is a form of recycling where solid waste is recycled by a Nike-approved external vendor back into the same or similar material or component as that originally supplied to Nike.
- **Composting** means the controlled biological decomposition of organic material.
- **Downcycling** is a form of recycling where an external, third-party recycles solid waste for use by parties other than Nike and Nike-sponsored partners. Downcycling excludes in-house recycling, closed-loop recycling and Nike-sponsored recycling.
- **Energy Recovery** is a process in which all or a part of solid waste is processed to use the heat content, or other forms of energy, of or from the material.
- **Hazardous Waste** means waste that exhibits one or more of the following characteristic properties -- ignitability, corrosivity, reactivity or toxicity – and which presents a risk to health, safety, environment or property when improperly treated, stored or transported.
- **Incineration** is a process in which solid waste is combusted without energy recovery.
- **In-House Recycling** is a form of recycling where solid waste is reprocessed on-site for incorporation back into the supplier's production process.



- **Landfilling** is a solid waste management method where solid waste is disposed in an engineered disposal facility designed, constructed, and operated in a manner that minimizes impacts to public health and the environment.
- **Nike Sponsored Recycling** is a form of recycling where solid waste is managed by a Nike-sponsored external vendor for recycling into secondary products.
- **Recycling** means any process by which solid waste is used as material to manufacture a new product
- **Solid waste** is discarded materials, generated at the supplier's facilities, from the consumption of goods and services and the manufacture of goods. This definition does not include hazardous waste. Examples of solid waste include cutting and molding scrap materials from manufacturing, on-site energy boiler ash, waste water sludge, food and yard/garden waste, paper, cardboard, cloth, leather, product packaging, glass and metal containers.
- **Solid Waste Subcontractor:** third-party vendors who supplier subcontracts with to handle, manage, transport, treat, recycle or dispose of solid waste such as transporters, waste management centers, downcyclers, and disposal facilities.
- **Source Reduction** is a solid waste management method where waste is prevented at the source. This also includes repurposing or reusing the product or material before it reaches the end of its useful life and without changing its identity.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment conducted for solid waste, which includes as a minimum:
 - a. Identifying health, safety and environment hazards associated with handling, storage, transportation, recycling and disposal of solid waste.
 - b. Evaluating risk associated with hazards.
 - c. Identifying control measures to reduce risk (e.g., segregation, proper labeling and marking, personal protective equipment, minimization, using qualified solid waste subcontractors and monitoring them regularly, etc.).
2. **POLICIES & PROCEDURES**—Each facility must develop and implement procedures that include, as a minimum, the following:
 - a. An inventory of all streams of solid waste. The inventory must include types and quantities of waste generated, recycled and disposed, and names and locations of disposal facilities.
 - b. Solid waste minimization program. Identify and document source reduction opportunities and efforts.

✓ **As a recommended best practice, the supplier should manage solid waste according to the following hierarchy of management strategies, starting with source reduction as the primary strategy and incineration as a last resort.**



- Source reduction
- In-house recycling
- Closed-loop recycling
- Nike Sponsored Programs
- Down Cycling
- Energy Recovery
- Landfilling
- Incineration

- c. Segregation of waste into reusable, recyclable and non-recyclable categories. Clean, dedicated containers must be provided for each of these waste categories.
- d. Hazardous and solid waste must be segregated and stored in separate, non-adjacent areas.
- e. Solid waste storage locations must be covered and secured, and the surfaces must be impermeable.
- f. Use licensed and permitted solid waste transportation and disposal companies.

✓ **As a recommended good practice, facilities that are generating more than 4,000kg of solid waste per month should use a thorough and consistent process for qualifying and monitoring solid waste subcontractors. Qualification processes could include:**

- Prequalification form completed by subcontractor which includes:
 - Historical performance
 - Liability insurance coverage
 - Evidence of legally required permits and licenses
- Criteria for accepting and rejecting subcontractors
- Onsite evaluations and inspections of subcontractor's facilities
- Annual evaluation of subcontractor's operations consistent with *Nike Waste Vendor Management and Evaluation Guidelines*
- Periodic review of selection process based on annual evaluation of solid waste subcontractors

- g. Onsite burning or disposal of solid waste as defined herein is prohibited.

3. TRAINING—

Solid Waste Management: Employees whose work involves solid waste handling -- such as maintenance, custodial and factory scrap management staff -- will receive onboarding training and every two years' refresher training thereafter. Training topics include:

- Identifying hazardous waste
- Identifying and preventing contamination of materials collected for recycling



- Proper solid waste handling, storage, documentation and disposal techniques and procedures
- Specific operational procedures for source reduction
- The use of personal protective equipment

4. DOCUMENTATION —

Disposal and Recycling Records: Solid waste disposal and recycling records must be kept for a minimum of 3 years. Records must include shipping manifest with waste description, volume, date shipped and if it was shipped to disposal or recycling.

Training Records: Employee training records must be available and retained for at least 3 years.

Incident Records: Records must be kept of all incidents for a minimum of 5 years.

Other Records:

- a. Current solid waste risk assessment.
- b. Regulatory permits as required.
- c. Solid waste disposal documentation for a minimum of 5 years.
- d. List of licensed/permitted solid waste vendors used by the supplier.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike “Hazardous Waste” Code Leadership Standard.
- Nike ESH Handbook, page 2-20
- Nike Waste Vendor Management and Evaluation Guidelines
- Nike Waste Minimum Program Handbook

STANDARD

Supplier minimizes freshwater withdrawals and discharges wastewater in compliance with relevant local laws, regulations and Nike standards. Supplier strives to be a good water steward by understanding and managing its water risk, and promoting the continuous reduction and efficient use in its operations.

RESPONSIBILITIES

Location/Facility Manager must ensure that procedures for managing and minimizing the discharge of wastewater are developed, implemented, and followed.

HSE Representative must establish, maintain, and administer the procedures related to wastewater management

Managers and Supervisors must ensure that employees receive proper training and comply with the requirements of the processes and procedures for managing wastewater.

Employees must adhere to the requirements of the processes and procedures for wastewater management

DEFINITIONS

- **Direct Discharge** is the discharge of wastewater to the environment (onto land or into a freshwater body such as a lake, stream, or ocean)
- **Indirect discharge** is the discharge of wastewater from a facility to a treatment facility not owned or operated by the facility discharging the wastewater, such as a municipal wastewater treatment plant or an industrial park treatment plant
- **Industrial wastewater** is wastewater from industrial processes.
- **Pretreatment** is the reduction of contaminants in raw wastewater prior to the indirect discharge of the wastewater
- **Pollution control equipment** is any equipment or process that scrubs air exhausts or wastewater discharges prior to final discharge. For air, the primary method is scrubbing using freshwater. For freshwater, the general methods include physical treatment (e.g., oil/freshwater separators), chemical treatment (e.g., pH neutralization) and biological treatment
- **Raw Wastewater** is wastewater that has not yet been treated prior to direct or indirect discharge from the facility
- **Sanitary (or domestic) wastewater** is wastewater from sanitary conveniences, such as toilets, sinks, showers, laundries.
- **Sludge** is solid or semisolid material that is (a) generated as a byproduct from biological wastewater treatment processes, or (b) is produced during the manufacturing processes.
- **Storm freshwater** is freshwater that accumulates from precipitation during a storm event.
- **Wastewater** is water no longer considered useable for a given operational purpose that is discharged from a facility.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must perform and document an annual wastewater risk assessment, which includes, at a minimum:
 - a. Identification of all wastewater sources, including domestic (dormitories, kitchens, showers, toilets), industrial wastewater, wastewater generated from other abatement systems (e.g., acid scrubbers and boiler stack scrubbers), and storm water.
 - b. Understand the quality and volumetric flowrate, and characterize the health, safety, and environmental hazards of each type of wastewater discharge.
 - c. Understand the potential downstream impacts of discharging non-compliant wastewater. For facilities with more than one discharge point at the property boundary, understand the downstream impact of each discharge.
 - d. Identify control measures (e.g., training, inspection, wastewater treatment plant controls, etc.) to minimize environmental risks.
2. **POLICIES & PROCEDURES**—Each facility must define policies and implement procedures for managing wastewater that includes, as a minimum, the following:
 - a. Obtain all required discharge permits.
 - b. Maintain an inventory of wastewater treatment equipment, including analytical test results that demonstrate compliance with all applicable regulations, standards, and permit requirements. Inventories must be reviewed on an annual basis. The inventory, at a minimum, must:
 - Define each type of wastewater treatment equipment used, and demonstrate that it is suitable for treating the contaminants in the wastewater.
 - Confirm that dilution of wastewater with freshwater, cooling water, storm water, or clean rinse water from the manufacturing process does not occur. Dilution is not an acceptable means of pollution control.
 - A documented inspection and maintenance schedule for wastewater treatment equipment.
 - c. Develop and publish a sampling plan for wastewater and wastewater-related sludge.
 - d. Post local requirements/parameters in a central location within the wastewater treatment plant (WWTP)
 - e. Water reuse and minimization efforts to reduce the quantity of wastewater
 - f. Sample and test wastewater in accordance with the authorities having jurisdiction. In addition, each facility must sample and test their wastewater discharges in accordance with the ZDHC Wastewater Guideline.
 - g. Sample and test sludge in accordance with the authorities having jurisdiction, to determine if the sludge is classified as hazardous or non-hazardous per local regulations. Sludge of any kind cannot

- h.** Use a ZDHC approved analytical testing laboratory that has demonstrated proficiency in the applicable standard methods for wastewater and sludge. Testing per the ZDHC Wastewater Guideline must be performed by a laboratory accredited/approved by the ZDHC Foundation. In case there is no accredited/approved lab in country/region, supplier will follow Nike's instructions to comply with this requirement.
- i.** Develop a process for resolving non-compliances. This process must include root cause analysis of the non-conformance and the development of a corrective action plan to ensure the non-conformance does not reoccur. Proactively notify Nike of any water-related non-compliances.
- j.** Maintain documentation of the wastewater analyses for review by Nike, Inc. personnel upon request; and make test results available through Nike's designated reporting platform.

- Types of wastewater discharges, discharge points and sources.
- Consequences of uncontrolled releases to the environment.

- The use of personal protective equipment.
- Operation and maintenance of incoming freshwater treatment equipment, including freshwater recycling equipment
- Operation and maintenance of biological wastewater treatment systems, including collection of operational data
- Proper sampling techniques and procedures.
- Troubleshooting and root-cause analysis to resolve and address excursions that result in wastewater non-compliances
- Development of corrective action plans to resolve process excursions and non-compliances.

Other Records:

- a.** Current wastewater risk assessment and inventories of discharges and pollution control equipment.
- b.** Current wastewater discharge permits.
- c.** Inspections for pollution control equipment for a minimum of 3 years.
- d.** Maintenance and repair records for pollution control equipment for the life of the equipment.
- e.** Laboratory analytical results for wastewater testing must be maintained for a minimum of 5 years or most current results.
- f.** Disposal documents for accumulated sludge must be maintained for a minimum of 5 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 2-16
- ZDHC Wastewater Guideline, www.zdhc.org

STANDARD

Supplier demonstrates a consistent and competent approach to restricted substance management, supported by an effective and legally compliant chemicals management program. The program clearly identifies and mitigates chemical risks to workers, the environment, and consumers by facilitating safe handling, storage, use, procurement, and disposal of chemicals.

RESPONSIBILITIES

Location Manager must ensure that the storage tank program is implemented and followed.

HSE Representative must establish, maintain and administer the storage tank program.

Managers and Supervisors must ensure that employees are trained and adhere to the requirements of the storage tank program.

Employees must adhere to the requirements of the storage tank process and procedure requirements.

DEFINITIONS

- **Above ground storage tank** is a stationary container used for the storage of petroleum or hazardous materials which has capacity greater than 55 gallons (208 liters) and is situated completely above ground level surface.
- **Underground storage tank** is a tank used for the storage of petroleum or hazardous materials which has 10% or more of the structure (including underground piping) located beneath the surface of the ground.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment performed which includes as a minimum:
 - a. Inventory of all above and underground storage tanks and hazards associated with each. The inventory must include the type (physical composition), location, size, age and a listing of all potential chemical contents for each tank.
 - b. Evaluation of risks associated with storage tanks.
 - c. Identification and implementation of control measures (e.g., operating requirements, spill detection equipment, and pollution control devices).
2. **POLICIES & PROCEDURES**—Each facility must have implemented procedures to reduce or eliminate the health, safety and environment impacts of the above and underground storage tanks which must cover as a minimum, the following:
 - a. Above ground storage tanks must:
 - Be labeled describing their contents and associated hazards.
 - Have secondary containment capable of containing 110% of the volume of the largest tank.
 - Have protective barriers in place to protect against accidental damage.
 - Receive documented weekly inspections to verify tank and associated equipment is in



good condition and shows no evidence of leaks or damage.

- Be of compatible composition to contain the material(s) stored.

b. Underground storage tanks must:

- Be of compatible composition to contain the material(s) stored.
- Have one or more of the following functioning leak detections systems in place:
 - Secondary containment with interstitial monitoring.
 - Automatic tank gauging systems.
 - Vapor monitoring.
 - Groundwater/subsurface monitoring.
 - Statistical inventory reconciliation.
- Be protected from subsurface corrosion.
- Have one or more of the following functioning overfill protection devices in place:
 - Automatic shut off device.
 - Overfill alarm.
 - Float valve mechanism.
- Receive annual documented integrity testing.

c. All storage tank inventories must be updated after construction or installation of new equipment, or modification of existing equipment, facilities or processes. Inventories must be reviewed at least annually.

d. Have documented product transfer procedures posted near each tank.

e. Have documented spill response procedures and supplies.

3. TRAINING—Employees and/or contractors responsible for the operation, maintenance and/or transfer of product from facility storage tanks must receive the following training:

- Inspection procedures for tank systems and related equipment/piping.
- Product transfer procedures.
- Response procedures for spill or other tank system failure.

4. DOCUMENTATION—

Training Records: Each facility must maintain training records for a minimum of 3 years.

Incident Records: Each facility must maintain incident records for a minimum of 5 years.

Other Records:

- a. Weekly inspection logs should be maintained for a period of not less than 1 year.
- b. Current risk assessment and inventory.
- c. Annual integrity testing for underground storage tanks kept for length of occupancy plus 30 years.

Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- Applicable federal and local laws and regulations.
- Nike ESH Handbook, page 2-22, 2-26

STANDARD

Supplier demonstrates a consistent and competent approach to restricted substance management, supported by an effective and legally compliant chemicals management program. The program clearly identifies and mitigates chemical risks to workers, the environment, and consumers by facilitating safe handling, storage, use, procurement, and disposal of chemicals.

- Develop and implement processes and procedures to reduce the risk associated with polychlorinated biphenyls (PCBs) to employees and the environment.

RESPONSIBILITIES

Location Manager must ensure that procedures for identifying, managing and working in the presence of PCBs are developed, implemented and followed.

HSE Representative must establish, maintain and administer the processes and procedures for PCBs.

Managers and Supervisors must ensure that employees receive training and comply with the requirements of the processes and procedures for PCBs.

Employees must adhere to the requirements of the processes and procedures for PCBs.

DEFINITIONS

- **Polychlorinated biphenyls (PCBs)** are a group of synthetic organochlorine compounds that are nonflammable and stable. They were widely used as coolants and lubricants in electrical equipment (transformers, capacitors, light ballasts), hydraulic fluids, flame retardants, paints, inks, pesticides and surface coatings. PCBs do not degrade in the environment and are extremely toxic to wildlife and humans.

REQUIREMENTS

1. **RISK ASSESSMENT**—Each facility must have a documented annual risk assessment conducted for PCBs, which includes as a minimum:
 - a. Survey and registering of equipment or materials containing PCBs.
 - b. Identification of locations of equipment containing PCBs and related hazards.
 - c. Evaluation of risk associated with PCBs.
 - d. Identification of control measures to reduce the risk (e.g., labeling, access control, inspections, replacement with non-PCB materials).
2. **POLICIES & PROCEDURES**—Any facility that has equipment or materials containing PCBs with concentration greater than 50 ppm (if concentration is unknown, assume greater than 50 ppm) must implement procedures that include, as a minimum, the following:
 - a. All equipment or materials containing PCBs must be labeled as follows:
DANGER-CONTAINS PCBs.
 - b. Access in areas with PCB containing equipment will be restricted to authorized individuals.
 - c. Provision for the proper use of personal protective equipment when working with



equipment or materials containing PCBs.

- d. Inspections to verify the condition of equipment or materials containing PCBs at least annually.
- e. Written spill response procedures for containment of any spills from equipment containing PCBs.
- f. Spill clean-up materials available sufficient for the amount of PCB materials contained.
- g. Decontamination of all PCB contaminated materials not disposed of or destined for reuse.
- h. All equipment or materials containing PCBs removed for disposal must be segregated and sent to an approved disposal facility that is authorized to accept waste PCBs.

3. **TRAINING**—Employees whose work may involve contact with equipment or materials containing PCBs, such as maintenance or custodial staff, will receive training which must include:

- Health and environment hazards associated PCBs.
- Location of equipment or other materials containing PCBs.
- Spill response and containment of leaks from equipment containing PCBs.
- Use, fitting, limitations and care of personal protective equipment.
- Proper disposal methods for equipment, such as light ballasts, containing PCBs.
- Procedures for the maintenance of equipment and materials containing PCBs.

4. **DOCUMENTATION**—

Training Records: Employee training records must be available and retained for at least 3 years.

Incident Records: Records must be kept of all incidents involving PCBs. These records must be kept for a minimum of 5 years.

Other Records:

- a. Current PCB Risk Assessment.
- b. Inspections of equipment or materials containing PCBs kept for a minimum of 3 years.
- c. Removal and disposal documents for waste PCBs or decommissioned equipment for a minimum of 5 years.



Except where specifically identified as a recommended practice, this Code Leadership Standard sets minimum standards – suppliers must comply with any applicable higher legal requirement and are encouraged to continue to develop their own practices which provide greater protection for their employees.

REFERENCES:

- *Applicable federal and local laws and regulations.*
- *Nike ESH Handbook, page 2-14*