

RESPONSIBLE SOURCING

Wal-Mart Stores, Inc.

Standards for Suppliers Manual



Responsible Sourcing
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Table of Contents

- Introduction2
- 1. Compliance with Laws3
- 2. Voluntary Labor4
- 3. Labor Hours.....6
- 4. Hiring and Employment Practices.....7
- 5. Compensation9
- 6. Freedom of Association and Collective Bargaining 11
- 7. Health and Safety 11
- 8. Dormitories and Canteen..... 19
- 9. Environment27
- 10. Gifts and Entertainment 31
- 11. Conflicts of Interest 31
- 12. Anti-Corruption..... 31
- 13. Financial Integrity32
- APPENDIX 1: GLOSSARY.....34

Introduction

Walmart's principles of respect for the individual and corporate integrity have always been core foundations of its business. These foundational principles apply to all aspects of Walmart's business, including its associates, Suppliers, and those who make the products Walmart sells. These principles, when applied to the supply chain, mean Walmart and its Suppliers must operate in a socially and environmentally responsible manner everywhere they do business.

Walmart has consistently challenged its Suppliers to commit to high standards of responsibility, strong auditing requirements, and thorough assessments. Walmart's goal is to lead throughout its supply chain in responsible sourcing practices. This goal can be accomplished only by actively partnering with Suppliers to raise sourcing standards and to positively impact global supply chain practices.

These Standards for Suppliers are Walmart's minimum expectations of Suppliers and their factories for the ethical treatment of workers, workplace safety, environmental responsibility, and appropriate business practices. Suppliers meet these standards by upholding human rights and creating an ethical and sustainable supply chain. These Standards parallel the audit standards Walmart uses to measure how well Suppliers are meeting requirements. If a Supplier's factory fails to meet the Standards, it must take corrective action to improve its performance or the factory will not be permitted to supply merchandise to Walmart.

Walmart's Suppliers are vital partners to the success of our business. As partners, Walmart believes that all of its Suppliers should hold themselves to the same high standard for social and environmental responsibility. By implementing standards in the jurisdictions where our Suppliers' factories produce merchandise, we are creating a far-reaching framework of strong Supplier standards that are achievable and sustainable. Together, we have a tremendous opportunity to help people live better.

The Standards

The Standards for Suppliers are Wal-Mart Stores, Inc.'s minimum expectations for Suppliers on the treatment of workers, facility safety, the Suppliers' impact on the environment, and ethical business practices.

These Standards must be visibly posted in English and in the shared language of workers in a common area at all facilities that manufacture products for Walmart and its affiliates.

Walmart requires its Suppliers to comply with its Standards in absence of legal regulations.

Where these Standards may be read to include or exclude, they should be understood by Suppliers to always be inclusive. These Standards should not be understood to eliminate any possible requirement. When a standard is stated with language including the terms "and" and "or," these terms are both inclusive.

1. Compliance with Laws

Suppliers and their designated manufacturing facilities ("Suppliers") must fully comply with all applicable national and/or local laws and regulations, including but not limited to those related to labor, immigration, health and safety, and the environment.

A. Scope of Application of the Standards

1. Suppliers' compliance with these Standards includes the manufacturing processes undertaken by the Suppliers, as well as actions associated with the manufacturing process used by the Supplier. Examples of associated actions include labeling, documentation, intellectual property actions, and product certifications.

B. Governing Laws

1. Suppliers must fully comply with all applicable laws, including but not limited to those laws related to work hours, wages, labor relations, immigration and foreign labor, health, safety, and the environment.
2. Walmart is aware that in many jurisdictions in which its Suppliers conduct business, the differences between local, regional, and national laws can cause confusion. Walmart's position is that when there is a difference between the terms of applicable laws, the Supplier is expected to adhere to the most stringent applicable requirement.
3. It is requested that if a Supplier identifies any issue of law regarding these Standards, they contact Walmart regarding the issue at ethicalstnds@wal-mart.com.

C. Factory Visibility

1. Walmart Suppliers are responsible for maintaining compliance with all applicable laws and standards, including Walmart's Responsible Sourcing Standards for Suppliers, in all factories from which they source. To ensure this oversight, Suppliers shall designate an employee or employees who are responsible for factory compliance with applicable laws and standards. The designated employees must have sufficient visibility into factory operations to ensure compliance at the facility level. Sufficient visibility can come in a number of ways, for example:
 - a. Employees who work in country and are responsible for visiting factories
 - b. Employees who visit factories from out of country on a regular and frequent basis
 - c. Employees who visit regularly supplemented by agents who visit frequently
2. In addition, the designated employee or employees must understand that they are accountable for compliance with applicable laws and our Standards in all factories.
3. Walmart reserves the right to direct suppliers to have in-country or in-region representation as it deems necessary.
4. Lack of Supplier representation or factory visibility is not a reason for non-compliance with all applicable laws and Walmart's Standards. Walmart may immediately terminate its relationship with any Supplier who exhibits negligence in maintaining sufficient factory visibility.

2. Voluntary Labor

All labor must be voluntary. Slave, child, underage, forced, bonded, or indentured labor will not be tolerated. Suppliers shall not engage in or support trafficking in human beings. Suppliers shall certify that they have implemented procedures to manage the materials, including all labor related processes, incorporated into their products to ensure they comply with laws on slavery and human trafficking. Workers must be allowed to maintain control over their identity documents.

A. Voluntary Labor

1. All labor must be voluntary.
2. Slave, child, underage, forced, bonded, and indentured labor is prohibited.
 - a. Suppliers shall not have any worker make any financial guarantees to secure employment.
 - b. Suppliers shall not require workers to incur debt for recruitment fees.
 - c. Suppliers must not require that any worker make a monetary deposit as a condition for employment.
 - d. Suppliers shall not require workers to surrender any original identification document as a condition of employment.

3. Workers must be able to voluntarily end their employment without any restriction.
4. Suppliers shall not place restrictions on workers' voluntarily ending their employment, such as excessive notice periods or substantial fines for terminating their employment contract.
5. Suppliers shall require that the factories they work with respect the right of a worker to remove himself/herself from a work situation based on a reasonable justification that the situation presents an imminent and serious danger to his/her life or health. Supplier shall not retaliate or discipline any worker for exercising this right.

B. Human Trafficking

1. Suppliers shall not support or engage in human trafficking.
 - a. Workers must be able to travel as freely as allowed by law.
 1. Suppliers may not physically prevent or delay workers from leaving the facility or its grounds except for a reasonable safety reason.
 2. Suppliers must allow workers to leave the factory under any reasonable circumstance without disciplinary penalty. Examples of reasonable circumstances include personal or family emergencies.
2. Workers must be allowed to maintain control of their identity documents.
3. Suppliers shall certify that they have implemented procedures to manage the materials and processes incorporated into their products to ensure these materials and processes comply with all applicable laws on slavery and human trafficking.
4. Walmart may immediately terminate its relationship with any Supplier who violates the prohibition on human trafficking when sourcing merchandise for Walmart.

C. Underage Workers

1. Suppliers must not employ any worker under the age of 14 years regardless of any local laws or regulations allowing younger employment.
 - a. Worker age shall be calculated in whole years from the calendar date of birth. Partial years passed shall not be considered years for the purpose of calculating worker age.
 - b. Walmart may immediately terminate its relationship with any Supplier who violates the prohibition on underage workers when sourcing merchandise for Walmart.
2. Suppliers shall not allow any person under the age of 14 years to be present in a factory compound area, unless that person is in an appropriate child care facility.

3. Suppliers found to have violated the prohibition on use of underage labor will be required to remediate the situation by implementing a satisfactory solution that places the best interests of the underage worker first.

D. Juvenile Workers

1. Any worker under the age of 18 years is considered a juvenile worker.
 - a. Worker age shall be calculated in whole years from the calendar date of birth. Partial years passed shall not be considered years for the purpose of calculating worker age.
2. Workers under the age of 18 years shall be allowed to complete any compulsory education required by local law.
3. No person under the age of 18 shall undertake hazardous work.
 - a. Hazardous work is defined as work that, by its nature, or the circumstances in which it is carried out, is there is a substantial possibility of harm to the health or safety of the worker if adequate protections are not taken.

3. Labor Hours

Suppliers must provide workers with rest days and must ensure that working hours are consistent with the law and not excessive.

A. Labor Hours

1. Suppliers must comply with all local laws regarding labor hours, including limits on hours worked.
2. Working hours shall not exceed 60 hours per week, consisting of a maximum of 48 regular hours and 12 hours of overtime.
 - a. Maximum hours cannot be exceeded, even if allowed by local law.
 - b. Overtime work should be voluntary.
 - c. Suppliers shall not use coercive behavior to influence workers regarding overtime hours.
 - d. During each work shift, Suppliers shall provide workers with reasonable meal and rest breaks.
3. Suppliers shall develop and implement work-hour policies and procedures to ensure compliance with applicable work-hour law.
4. Written approval from any local government permitting overtime in excess of normally applicable laws is not acceptable to permit additional overtime hours.

5. Suppliers shall not allow workers to engage in any form of “work from home” program unless prior consent is obtained from Walmart.

B. Documentation of Labor Hours

1. Suppliers must ensure that all time worked, including time worked by those workers on a per-piece payment scheme, is fully documented by an accurate and reliable recording system.
 - a. Workers must be allowed to record their own working hours, including clocking in and clocking out.
 - b. This recording system shall document regular hours and overtime worked by each worker.
 - c. Suppliers must make an employee’s time record available for review by that worker.

C. Rest Days and Holidays

1. Suppliers must provide workers with rest days in compliance with applicable laws. If there are no applicable laws or regulations, the following minimum standards are required by Walmart.
 - a. Suppliers should limit the practice of workers voluntarily working on their rest days.
 1. Workers should have a minimum of 1 scheduled rest day per 7 calendar days.
 2. Workers may volunteer to work on their rest day, but should not be allowed to do so more than once every two weeks.
2. Suppliers must provide workers with holidays in compliance with applicable laws.
3. Suppliers shall provide workers with access to all applicable laws regarding worker leave.

4. Hiring and Employment Practices

Suppliers must implement hiring practices that accurately verify workers’ age and legal right to work in the country prior to employment. All terms and conditions of employment including, but not limited to, hiring, pay, training, promotion, termination, and retirement must be based on an individual’s ability and willingness to do the job.

A. Age Verification

1. Suppliers must verify the age of every worker prior to that worker beginning employment.

- a. All workers must be verified by the Supplier to meet the minimum age Standards from the beginning date of employment.
2. Each worker's record must contain a copy of identification documents as proof of age, such as a copy of a birth certificate or a national identification card.

B. Employment of Foreign Workers

1. Every foreign worker must be in the host country lawfully and have a valid work permit for the entire period they are employed by the Supplier.
2. Suppliers must have a system for verifying the legal right to work of foreign workers in the host country.
3. Suppliers must verify the legal right to work of every foreign worker prior to that worker beginning employment.
4. The Supplier must maintain a copy of documents giving that foreign worker a right to work in the host country.

C. Worker Treatment

1. Workers shall be treated with dignity and respect for the individual.
 - a. Suppliers shall not tolerate the abuse of workers by any person.
 - b. Suppliers shall allow workers reasonable movement in the workplace, including unrestricted reasonable access to bathrooms and drinking water.
2. Employment practices of Suppliers should be based on equal opportunity for all workers.
 - a. Employment practices must be based on an individual's ability and willingness to do their job.

D. Employment Contracts

1. Suppliers must issue terms and conditions of employment to each worker that complies with applicable law.
 - a. Workers must be provided with written and understandable details regarding their employment.
 - b. The terms and conditions of employment should be provided in a language understood by the worker.
2. Suppliers should not use consecutive short-term agreements or apprenticeship schemes absent an actual intent to impart skills or eventually provide regular employment.

E. Worker Discipline

1. Suppliers should establish written disciplinary procedures that are clear, understandable, and accessible to all workers.
 - a. The procedures should be available in a language understood by the worker.
2. All disciplinary actions should be recorded, and a document providing the details of the disciplinary action should be kept in the worker's record.

F. Pregnancy and Maternity

1. Suppliers shall not restrict or limit workers' reproductive rights.
2. Suppliers should not ask female applicants about their pregnancy status, unless required for reasons of health and safety, for example, chemical exposure.
3. Unless pregnancy tests are required by law, Suppliers shall not require pregnancy testing of female employment applicants or workers.
4. Women returning from maternity leave should be given an equivalent position and equal pay if required by law.
5. Suppliers must comply with any work environment requirements protecting the health and safety of pregnant, post-partum, and lactating women.

5. Compensation

Suppliers must compensate all workers with wages, overtime premiums, and benefits that meet or exceed legal requirements or collective agreements, whichever are higher. Suppliers are encouraged to provide wages that meet local industry standards. Suppliers are encouraged to provide wages and benefits that are sufficient to meet workers' basic needs and provide some discretionary income for workers and their families.

A. Wages

1. Suppliers shall pay all workers employed, on probation, undergoing training, or participating in an apprenticeship program.
2. Suppliers must compensate all workers with wages, overtime premiums, and benefits which meet or exceed the applicable legal standards or labor agreements, whichever are higher.
 - a. Suppliers shall pay all workers the applicable overtime premium rate for all overtime hours worked.
 - b. Suppliers must ensure that workers on a per-piece payment scheme receive at least the minimum legal wage.
3. Workers should understand how their wages are calculated and be aware of their wage schedule.

4. Suppliers are encouraged to provide wages that meet local industry standards.
5. Suppliers are encouraged to provide wages and benefits that are sufficient to meet workers' basic needs and provide some discretionary income for workers and their families.

B. Wage Periods

1. No wage period shall exceed 30 days.
2. Suppliers should pay earned wages no later than 30 days from beginning of the wage period.

C. Deductions

1. Suppliers may only make legally-allowed deductions from workers' wages.
 - a. Deductions should not be excessive.
 - b. Suppliers shall not discipline any worker by deducting from that worker's wages.

D. Documentation of Compensation

1. Suppliers must properly document all wage payments made to workers.
 - a. Suppliers must provide workers with written and understandable details regarding their employment and compensation.
 - b. Suppliers must provide workers with proof of payment in a language the worker understands.
 - c. All proof of payment must clearly show regular and overtime hours worked, regular and overtime rates and wages, bonuses, and deductions.
 - d. Wages, leave, bonuses, and other compensation should be accurately and clearly calculated.
2. Workers should confirm accuracy and receipt of payment for each payment in writing, or use a verifiable system of receipt.

E. Leave, Benefits, and Work Holidays

1. Suppliers must provide all legally required leave, benefits, and bonuses to all eligible workers.
2. Suppliers must excuse workers from work on all legally required work holidays.

3. Suppliers will provide leave, benefits, bonuses, and work holidays to workers in a reasonable and timely manner.

6. Freedom of Association and Collective Bargaining

Suppliers must respect the right of workers to choose whether to lawfully and peacefully form or join trade unions of their choosing and to bargain collectively.

A. Free Association and Collective Bargaining

1. Workers have the right to freely associate and to bargain collectively as protected by local law.
 - a. Suppliers must respect and honor the right of workers to bargain collectively.
 1. Suppliers must not prevent workers from exercising their rights to associate and collectively bargain.
 2. Any action by Suppliers to suppress freedom of association of workers is prohibited, and Suppliers should be aware that such action may be illegal under some countries' labor codes.
2. Workers are able to form, join, and maintain trade unions in accordance with local law.
 - a. Suppliers shall not punish workers for supporting free association or collective bargaining.
3. Suppliers shall not retaliate against workers because they have raised issues regarding compliance with any legal collective bargaining agreement.
4. Suppliers must not unlawfully discriminate against workers or their representatives due to their membership in, or affiliation with, a legal trade union.
5. Suppliers and factory management must give worker representatives access to the workplace in order to carry out their representative functions in accordance with local law.
6. Where the right to freedom of association and collective bargaining are restricted by law, the Supplier should not hinder the development of legal alternatives.
7. Suppliers should train their managers and supervisors in freedom of association compliance laws when possible, and workers should receive instruction on their legal rights and company standards.

7. Health and Safety

Suppliers must provide workers with a safe and healthy work environment. Suppliers must take proactive measures to prevent or manage workplace hazards.

A. General Health and Safety

1. Health and safety standards apply to all facilities, including factories, dormitories, and canteens.
2. These Standards are general in application, and should be used by Suppliers in conjunction with other applicable health and safety standards.
 - a. Suppliers may have industry-specific dangers or hazards which are not specifically addressed in these Standards. Suppliers should adopt procedures to limit dangers to workers from these hazards.
 - b. If industry-specific safety standards are more stringent than these Standards, Suppliers should meet the industry standard.
3. Suppliers should designate a safety management representative at each facility. This representative shall be responsible for worker health and safety in the facility.
4. Suppliers must implement procedures and safeguards to prevent accidents and injuries to workers.
 - a. Procedures and safeguards should include but not be limited to proper equipment maintenance, established inspection routines, adequate worker training and protection, facility structure maintenance, and proper fire prevention.
 - b. Suppliers must ensure there are no unreasonable or uncontrolled risks to worker health and safety.
 - c. The work environment must be safe, clean, and orderly.
5. Standardized health and safety training shall be provided for all new or reassigned workers and management.
 - a. Suppliers shall create and maintain training records for all workers.
 - b. Required health and safety training must reasonably cover the hazards workers encounter in the scope of their work.
6. Personal Protective Equipment (PPE) must be provided to workers.
 - a. PPE must be adequate and appropriate to protect workers from the specific hazards they encounter in the scope of their work.

B. Permits and Building Design

1. Suppliers' facilities must maintain a valid fire license or permit as required by applicable law. If required by law, such license or permit must be displayed in a visible location.

2. Suppliers must obtain valid construction approvals as required by applicable law. If the local law does not provide for such approvals, a certification by a Walmart-approved third-party civil or structural engineer that the facility is structurally sound must be obtained.
 - a. All facilities are required to comply with local law and any applicable building design and construction standards.
 - b. When there is a difference between applicable standards, laws, and regulations, Walmart's expectation is that the Supplier adheres to the most stringent requirement.
3. Suppliers must obtain and maintain valid zoning permits as required by applicable law.
4. The following four items only apply to factory facilities in Bangladesh:
 - a. A building originally constructed as a residential facility may not be converted into an industrial facility.
 - b. A facility in a multi-story building may not have a ground floor marketplace or commercial shops on any floor.
 - c. A facility in a multi-story building may not share the building with other factories or enterprises under separate ownership.
 - d. A residence may not be located within the facility building.

C. Emergency Exits and Evacuation

1. Aisles, exits, and stairwells must be kept clear and unblocked at all times.
2. Facilities must establish an adequate evacuation plan.
 - a. The evacuation plan must include an evacuation route map that is accurate as to the facility, posted in the local language, and includes a "you are here" mark.
 - b. Enough evacuation maps should be posted in work stations and main aisles inside the facility to allow workers to easily and quickly find emergency exits.
3. Facilities must have marked and lighted emergency exit routes with visible and operable emergency lights for all occupied floors and areas of the building, including stairwells.

- a. Emergency lights must be fire grade “industrial emergency lights” for use in smoke and fire environments, and facilities must have a secondary power source connected to these lights for use in the event of electricity power failure.
4. Facilities shall have at least the minimum number of emergency exits per occupied floor or any portion thereof as calculated based on the occupancy rate table below. Only facilities with areas smaller than 750 square feet (70 square meters) and occupancy of less than 10 persons are permitted to have one emergency exit.

10 - 499 persons	500 – 1000 persons	>1000 persons
2 or more exits	3 or more exits	4 or more exits

5. If more than one emergency exit is required, all emergency exits must be properly marked with illuminated “Exit” signs in the local language.
6. External fire escape routes are preferred. For this requirement, only the exceptions allowed under the National Fire Protection Association 101 Life Safety Code (**NFPA 101**) will be considered.
7. Multi-story facilities are required to have a sufficient number of appropriately protected escape routes.
- a. Escape routes must include one-hour fire-rated enclosed staircases if the fire escape services more than one floor, or external fire escape routes.
8. Emergency exits must be separated by a reasonable distance from other emergency exits.
- a. Emergency exits located on opposite ends of buildings are preferred, and at a minimum should be located on more than one wall.
9. Multiple emergency exits cannot share the same emergency travel route.
10. All emergency exit doors must be maintained in an unlocked, accessible, and usable condition.
- a. Emergency exit doors must open readily from the occupied side and swing in the direction of emergency travel.
 - b. Emergency exit doors must operate with a push bar or single motion operation requiring minimal effort or force (for interior doors no more than 5 lbf (22 N), for exterior doors no more than 50 lbf (222 N)) to open.
 - c. Doors cannot require special keys or knowledge to open.

11. Windows may be designated as emergency exits if permitted by law, but shall not be included as an emergency exit for the purposes of these Standards.
 - a. If a window is designated as an emergency exit, it must be marked as an emergency exit and appear on evacuation plans as an emergency exit.
 - b. If a window is designated as an emergency exit, that window must have an internal emergency release mechanism.

12. Travel distance to an exit from any point in the building shall comply with the following maximum distances, as measured along the path of travel. Where these limitations cannot be met, additional exits or rearrangement of egress configuration should be considered.

Factory (Industrial)*		Office		Distribution Center**	
Sprinklered	Non-Sprinklered	Sprinklered	Non-Sprinklered	Sprinklered	Non-Sprinklered
250ft / 76m	200ft / 61m	300ft / 91m	200ft / 61m	400ft / 122m	200ft / 61m

* For Industrial/Factory occupancies rated General Industrial Occupancy. For Special Purpose or High Hazard, refer to NFPA 101, tables 40.2.5 and 40.2.6.

** For storage occupancies rated Ordinary Hazard. For High Hazard, refer to NFPA 101, tables 42.2.5 and 42.2.6.

13. Facilities must have designated evacuation routes that are kept free of obstructions.
 - a. Evacuation routes must lead to safe assembly points located outside the facility.
 - b. Assembly points must be designated as assembly points, be located a safe distance from the facility, and be kept clear at all times.

14. Doors to emergency exit stairwells and fire escapes must have an automatic closure system that can be released manually from the inside.
 - a. Magnetically activated fire doors are permitted so long as they allow for exit when fire alarms are activated.

D. Emergency Responder Access to Facility

1. Facilities must allow fire response and emergency response vehicles access to the facility premises.
2. Emergency vehicles must be able to reach the facility by road or a cleared path.

3. Emergency responders must have free and unobstructed access to water sources, the fire sprinkler system, and gas cutoffs.

E. Fire Safety Equipment

1. Facilities must have fire extinguishing equipment that is adequate for the hazard level of the facility operations.
 - a. All fire extinguishing equipment must be functional, accessible, and properly maintained.
 - b. All fire extinguishing equipment must be inspected at least once per month and these inspections must be documented.
 - c. Fire extinguishing equipment must be kept clear and accessible at all times.
2. Facilities must have effective fire alarm systems that provide notification to initiate evacuation.
 - a. Facilities must have at least a single alarm system throughout all areas and floors of the building.
 - b. Fire alarm systems must provide adequate notice to evacuate, including audible alarms and flashing lights. High noise areas (90 dB or higher) should also include an alarm that has a beacon/flashing light designed to draw attention in the high noise area.
 - c. Facilities must have a secondary power supply connected to the fire alarm system in case of electrical power failure.
3. Country Specific Requirements—Sprinklers and Fire Hydrants
 - a. **Bangladesh and Pakistan:** Facilities are required to have a sprinkler or fire hydrant system.
 - b. **All others countries:** Facilities follow local legal requirements regarding sprinkler and fire hydrant systems.
4. Sprinkler and fire hydrant systems should be inspected quarterly by internal staff and annually by independent fire inspection companies. The date of inspection, inspector, and results of the inspection should be recorded by the Supplier.
5. Suppliers must ensure that adequate water supply is available for sprinkler and fire hydrant systems in the event of a fire emergency.

- a. If a water storage tank or cistern is used as an emergency water supply for fire-fighting purposes, it should be verified that it is of sufficient capacity as required by law and is kept filled.

F. Fire Safety Committee

1. Facilities must have a fire safety committee, or assign this responsibility to an existing committee.
 - a. Fire safety committees must be made up of workers, management, and representatives from high hazard areas to discuss and address fire safety concerns and improve fire safety practices.
 - b. All fire safety committee meetings must be documented.

G. Fire Safety Inspections

1. Facilities and buildings must be inspected not less than once a month by trained personnel to ensure that all fire safety standards are met.
2. If any fire safety standards are not met, facilities and buildings are to be inspected on a daily basis until the facility meets all fire safety standards.
3. Inspection date, time, and results should be documented.

H. Fire Safety Training

1. Country Specific Requirements—Evacuation Drills
 - a. **Bangladesh and Pakistan:** Facilities must conduct evacuation drills a minimum of once every 3 months, and have these drills supervised by an independent third party such as a fire department. Evacuation drills can be completed in conjunction with annual emergency response training.
 - b. **All others countries:** Facilities which have sprinkler or hydrant systems, must conduct evacuation drills a minimum of once every year. Evacuation drills can be completed in conjunction with annual emergency response training. No external oversight is required for these evacuation drills.
 - c. **All others countries:** Facilities which do not have sprinkler or hydrant systems, must conduct evacuation drills a minimum of once every 3 months. Evacuation drills can be completed in conjunction with annual emergency response training. No external oversight is required for these evacuation drills.
2. All facilities should maintain documentation of evacuation drills, which should include the drill date, number of participants, and the amount of time taken to effectively evacuate the facility.

3. Facilities having multiple businesses within a single building must ensure all workers have proper joint evacuation training. The Supplier should hold joint emergency evacuation drills teaching all workers evacuation procedures so that the workers consider joint evacuation the normal practice.
4. Suppliers must provide training on the facility's emergency action plan to all workers.
 - a. Training must occur no less than once every 6 months, or more frequently if required by law.
 - b. Suppliers should ensure the initial hiring and training process includes emergency action plan training.
 - c. All emergency action plan training must be documented.
 - d. This training should include, but is not limited to, fire prevention, proper evacuation procedures, and proper response in the event of a fire.
5. Facilities must have designated emergency response personnel identified, trained, and present for each floor, building, and shift.
 - a. Emergency response personnel will be in charge of evacuating the building in the event of a fire emergency.
 - b. Designated emergency response personnel should be trained to notify workers of a fire or emergency, report fires and other emergencies to the fire department or designated emergency response organization, assist in the evacuation of workers, and verify that all workers have exited the building.
 - c. Designated emergency response personnel should be easily identifiable by all workers in the event of an emergency (e.g. specific arm band, flag, or uniform) and there should be two emergency response persons designated per shift.
 - d. The requirement for designated emergency response personnel may be fulfilled by fire brigades where they are required by law and meet these standards.

I. Material and Chemical Safety

1. All hazardous, flammable, or combustible material must be stored in approved containers in designated storage areas, or appropriate flammable liquid storage cabinets.

- a. No hazardous materials, flammable chemicals, or combustible materials may be stored on the roof of any facility, dormitory, or canteen.
 - b. Hazardous materials, flammable chemicals, and combustible materials must be kept away from ignition and heat sources.
2. Anti-static containers and fire extinguishers should be readily available in areas where hazardous and flammable materials are stored.
 3. All hazardous or flammable materials maintained outside the designated storage area should be limited to the amount necessary for use during one shift or eight hours maximum.
 4. Hazardous and flammable material may only be handled by properly trained personnel.

J. Electrical Safety

1. Facilities should have a documented electrical system maintenance program.
2. The electrical maintenance program should include routine inspections of the electrical system of the building for damaged wiring, separated conduits, improper installations, and overloaded or damaged circuits.
 - a. Inspection records should be kept, including the date of inspection, the inspector, and the results of the inspection.
3. Facilities should ensure that extension cords are not being utilized for permanent application and that multiple outlet adapters or “surge protector strips” are not being connected to one other.
4. It is recommended that facilities implement an annual infrared scan program for all of their electrical systems, including panel boards, wiring and other equipment, to detect potential ignition sources.

K. Smoking

1. Smoking is only permitted in specially designated smoking areas equipped with proper fire protection and ventilation.

L. Crèche and Childcare

1. Crèche/childcare facilities must be located in a safe location on the ground floor or in a separate non-industrial facility.

8. Dormitories and Canteen

Suppliers who provide residential and dining facilities for their workers must provide safe, healthy, and sanitary facilities.

A. General Requirements

1. Dormitories and canteens must comply with all applicable occupancy, health, sanitation, and safety laws.
2. Suppliers shall obtain and maintain valid construction approval for dormitory and canteen facilities.
3. Suppliers shall obtain and maintain valid fire licenses for dormitory and canteen facilities.
4. Suppliers shall obtain and maintain proper and valid zoning permits for dormitory and canteen facilities.
5. Suppliers shall ensure that all areas of dormitory and canteen facilities are safe and sanitary.
6. Suppliers shall ensure all areas of all dormitory and canteen facilities are maintained in a functional and clean condition.
7. As a best practice, Suppliers are encouraged to provide cleaning and sanitation services to dormitory and canteen facilities.
8. Hazardous or flammable chemicals, and combustible materials cannot be stored in or on the roof of the dormitory or canteen.
9. The premises of dormitory and canteen facilities must be clear enough to allow proper access by fire-fighting and emergency responders and their equipment.

B. Security

1. Suppliers shall ensure all areas of dormitory and canteen facilities are secure.
2. Dormitory facilities should have security measures to protect workers.
3. Dormitory facilities should have security measures to protect workers' property.
4. Suppliers must provide a lockable storage space with at least 0.50 cubic meter storage to each worker.

C. Facilities

1. The dormitory facilities must be separate from all factory production areas, workshops, and warehouses.
2. The dormitory facilities must be of a permanent construction and comply with all applicable laws regarding construction, occupancy, and environment.
 - a. Suppliers must ensure that dormitories provide at minimum 40 square feet (3.6 square meters) of floor space per occupant.

- b. Ceilings in dormitory rooms must be at minimum 7 feet (2.1 meters) high.
 - c. Suppliers shall ensure that all dormitory rooms have adequate ventilation and temperature control based upon the environmental conditions where the dormitory is located.
3. Suppliers shall provide dormitory residents with individual beds.
4. Suppliers must ensure that all parts of dormitories have adequate lighting.
5. Dormitory and canteen rules must be provided to workers and should include guidance regarding sanitation, good housekeeping, personal hygiene, curfew hours (if applicable), visitation hours, security, and safety.
6. Dormitories and canteens must have at least two unobstructed emergency exits per floor.
 - a. Emergency exits must be reasonably separated from other emergency exits. It is preferred that emergency exits be located at opposite ends of the dormitory and canteen facility buildings.
 - b. Multiple emergency exits cannot share the same emergency travel route.
 - c. Emergency exit doors must open readily from the occupied side and swing in the direction of emergency travel. The doors must utilize a push bar or single motion system requiring minimal effort or force to open. The doors cannot require special keys or knowledge to open.
 - d. Multi-story facilities are required to have a sufficient number of appropriately protected escape routes.
 - e. Doors to exit stairwells and fire evacuation routes should be kept closed to prevent entering.
 - f. It is recommended that dormitory and canteen facilities have at a minimum one-hour fire-rated enclosed staircases or external evacuation routes.
 - g. Where permitted by local law, dormitories with barred windows may have a number of windows with internal emergency release mechanisms to facilitate alternative and effective means of evacuation on each floor.
 1. A window designated as an emergency exit by a factory shall not qualify as an emergency exit under this section.
 2. If a window is designated as an emergency exit, it must be marked as an emergency exit and appear on evacuation plans as an emergency exit.
 3. If a window is designated as an emergency exit, that window must have an internal emergency release mechanism.

D. Material and Chemical Safety

1. All hazardous, flammable, or combustible material must be stored in approved containers in designated storage areas, or appropriate flammable liquid storage cabinets.
 - a. No hazardous materials, flammable chemicals, or combustible materials may be stored on the roof of any facility, dormitory, or canteen.
 - b. Hazardous materials, flammable chemicals, and combustible materials must be kept away from ignition and heat sources.
2. Anti-static containers and fire extinguishers should be readily available in areas where hazardous and flammable materials are stored.
3. All hazardous or flammable materials maintained outside the designated storage area should be limited to the amount necessary for use during one shift or eight hours maximum.
4. Hazardous and flammable material may only be handled by properly trained personnel.

E. Electrical Safety

1. Facilities should have a documented electrical system maintenance program.
2. The electrical maintenance program should include routine inspections of the electrical system of the building for damaged wiring, separated conduits, improper installations, and overloaded or damaged circuits.
 - a. Inspection records should be kept, including the date of inspection, the inspector, and the results of the inspection.
3. Facilities should ensure that extension cords are being used for appropriate application and that multiple outlet adapters or “surge protector strips” are not being connected to one other.
4. It is recommended that facilities implement an annual infrared scan program for all of their electrical systems, including panel boards, wiring and other equipment, to detect potential ignition sources.

F. Smoking

1. Smoking shall be permitted only in specifically designated smoking areas with proper fire protection and ventilation.

G. First Aid and Emergency Response

1. First aid kits must be provided in a highly visible, accessible location.
2. First aid kits must be maintained and restocked when needed.
3. Trained first aid personnel should be readily available at all times.
4. Suppliers shall ensure that designated emergency response personnel are available on each floor of the dormitory and in the canteen.
5. Designated emergency response personnel should be easily identifiable by all occupants in the event of an emergency.
6. Designated emergency response personnel should be trained to notify workers of fires and emergencies, report fires and emergencies to appropriate emergency responders, assist in the evacuation of workers, and verify that all workers have exited the building.

H. Evacuation and Evacuation Training

1. Suppliers must create evacuation plans for all dormitory and canteen buildings.
 - a. Evacuation plans must be conspicuously posted in visible locations on each dormitory floor and in the canteen.
 - b. Evacuation plans must include an evacuation route map that is accurate as to the building, is written in the local language, and includes a “you are here” mark.
 - c. Enough evacuation maps should be posted in the dormitories and canteens to allow workers to easily and quickly find emergency exits.
2. Dormitories and canteens must have marked and lighted emergency exit routes with visible and operable emergency lights on all floors and areas of the building, including stairwells.
 - a. Emergency lights must be fire grade “industrial emergency lights” for use in smoke and fire environments and must have a secondary power source connected to these lights for use in the event of electricity power failure.
3. Exit doors, evacuation routes, evacuation aisles, and all stairwells must be kept clear and unblocked at all times.
4. Evacuation routes must lead to safe assembly points without any obstruction.
 - a. Assembly points must be designated and marked, and must be kept clear at all times.
5. Dormitory and canteen facilities serving multiple businesses or factories within one dormitory or canteen building must conduct joint evacuation drills, including all floors of

the building, often enough that all workers know the joint evacuation procedures and consider joint evacuation the normal practice.

6. Country Specific Requirements—Evacuation Drills

- a. **Bangladesh and Pakistan:** Facilities must conduct evacuation drills a minimum of once every 3 months, and have these drills supervised by an independent third party such as a fire department. Evacuation drills can be completed in conjunction with annual emergency response training.
- b. **All others countries:** Facilities which have sprinkler or hydrant systems, must conduct evacuation drills a minimum of once every year. Evacuation drills can be completed in conjunction with annual emergency response training. No external oversight is required for these evacuation drills.
- c. **All others countries:** Facilities which do not have sprinkler or hydrant systems, must conduct evacuation drills a minimum of once every 3 months. Evacuation drills can be completed in conjunction with annual emergency response training. No external oversight is required for these evacuation drills.

7. All facilities should maintain documentation of evacuation drills, which should include the drill date, number of participants, and the amount of time taken to effectively evacuate the facility.

8. Suppliers must provide training in the facility's emergency action plan to all workers.
- a. Training must occur no less than once every 6 months, or more frequently if required by law.
 - b. Suppliers should ensure the initial hiring and training process includes emergency action plan training.
 - c. All emergency action plan training must be documented.
 - d. This training should include, but is not limited to, fire prevention, proper evacuation procedures, and proper response in the event of a fire.

I. Fire Safety

1. Dormitory and Canteen Fixtures and Equipment

- a. Audible, visible, and operable smoke alarms must be present where required by local laws.
- b. Country Specific Requirements—Sprinklers and Fire Hydrants

1. **Bangladesh and Pakistan:** Dormitory and canteens are required to have a sprinkler or fire hydrant system.
 2. **All others countries:** Dormitory and canteens must follow local legal requirements regarding sprinkler and fire hydrant systems.
- c. Sprinkler and fire hydrant systems should be inspected quarterly by internal staff and annually by independent fire inspection companies. The date of inspection, inspector, and results of the inspection should be recorded by the Supplier.
 1. Suppliers must ensure that adequate water supply is available for sprinkler and fire hydrant systems in the event of a fire emergency.
 2. If a water storage tank or cistern is used as an emergency water supply for fire-fighting purposes, it should be verified that it is of sufficient capacity as required by law and is kept filled.
 - d. Dormitory and canteens must have effective fire alarm systems that provide notification to initiate evacuation.
 - e. Dormitory and canteens must have a single alarm system throughout all areas and floors of the buildings.
 - f. Fire alarm systems must provide adequate notice to evacuate, including audible alarms and flashing lights. High noise areas (90 dB or higher) should also include an alarm that has a beacon/flashing light designed to draw attention in the high noise area.
 - g. Dormitory and canteens must have a secondary power supply connected to the fire alarm system in case of electrical power failure.
 - h. Dormitories and canteens must have fire extinguishing equipment that is adequate for the hazard level of the facility.
 - i. All fire extinguishing equipment must be functional, accessible, and properly maintained.
 - j. All fire extinguishing equipment must be inspected at least once per month and these inspections must be documented.
 - k. Fire extinguishing equipment must be kept clear and accessible at all times.

2. Travel Distance

- a. Travel distance from any point to an exit on that floor should not exceed 61 meters (200 feet) when dormitory and canteen facilities do not have a functioning automatic sprinkler system in place.

- b. Dormitory and canteen facilities with automatic sprinkler systems should ensure travel distance to an exit on that floor does not exceed 76 meters (249 feet).

3. Fire Safety Inspections

- a. Facilities and buildings must be inspected not less than once a month by trained personnel to ensure that all fire safety standards are met.
- b. If any fire safety standards are not met, facilities and buildings are to be inspected on a daily basis until the facility meets all fire safety standards.
- c. Inspection date, time, and results should be documented.

- J. Dormitory Sanitation

1. Effective insect, pest, and rodent control is required in all areas.
2. Potable water must be available for occupants without restriction.
3. Suppliers shall provide appropriate washroom facilities, including adequate toilets and showers segregated by gender.
4. At minimum, one functioning sink with both hot and cold water must be provided for every six dormitory occupants.
5. At minimum, one functioning toilet must be provided for every fourteen occupants, separated and marked by gender.
6. Toilets must be clean, functioning, well-lit, well-ventilated, and stocked with toilet paper and soap.
7. At minimum, one functioning shower with both hot and cold water must be provided for every fifteen occupants.
8. Showers should be separated and marked by gender.

- K. Canteen Sanitation

1. Canteen should be equipped with cooking facilities, mechanical refrigeration, sinks with hot and cold running water, and proper lighting and ventilation.
2. All food preparation, cooking, and service area floors, surfaces, and equipment are to be kept clean and sanitary.
3. Food must be handled and stored in a sanitary fashion.
4. Food service workers must have current health certificates.

5. Dormitories should provide a separate food preparation and serving area for meals.

9. Environment

Suppliers should ensure that every manufacturing facility complies with environmental laws, including all laws related to waste disposal, air emissions, discharges, toxic substances and hazardous waste disposal. Suppliers must validate that all input materials and components were obtained from permissible harvests consistent with international treaties and protocols in addition to local laws and regulations.

A. General Waste Management

1. All containers must be maintained in good condition and have legible and informative labels.
2. Suppliers must handle, store, and transport materials in a safe and appropriate manner to control risks of accident.

B. Waste Storage

1. Suppliers must obtain and maintain appropriate permits for onsite waste storage, if required.
2. Suppliers must segregate hazardous and non-hazardous waste.
3. Suppliers must maintain waste inventory and records, including a current inventory of stored waste, and a log of the disposal and treatment of on-site and off-site waste.
4. Workers should be provided appropriate waste management training.
 - a. Worker training must include safe and environmentally-responsible handling procedures, proper disposal methods, proper storage methods, and the hazards of mixing waste products at the facility.

C. Waste Transport and Disposal

1. Suppliers must obtain and maintain appropriate permits for onsite waste disposal.
2. Suppliers shall not conduct open burns of waste onsite.
3. Suppliers shall not dispose of waste by burial onsite.
4. Suppliers must deliver hazardous waste for offsite treatment and disposal only to contractors licensed or otherwise permitted by the appropriate authority. Suppliers should regularly verify the disposal contractor's license or permit.

D. Wastewater and Effluents Management

1. All suppliers must identify possible contaminants discharged onsite at each facility, including the flow direction of the discharge and the potential environmental impact of its contents.
2. All facilities must have a drainage system in place to convey wastewater and effluents to a legally-permitted treatment plant or final discharge point.
 - a. A detailed scale drawing of the drainage system should be available for review.
3. Suppliers must obtain and maintain the appropriate legal permits for wastewater and any effluents discharge.
4. Suppliers must conduct regular wastewater monitoring, including sampling and testing, as required by law.
5. Suppliers must strictly comply with all legal limits on volume and discharge rate for wastewater and effluents.
 - a. Suppliers must take immediate corrective action if volume or discharge limits are exceeded.
6. If applicable, the Supplier must maintain a wastewater treatment plant in safe operating condition to avoid risks to the environment and human health.

E. Air Emissions Management

1. Suppliers shall obtain and maintain appropriate permits for air emissions as required by law.
2. Suppliers shall conduct regular air emissions monitoring, including sampling and testing, as required by law.
 - a. Maintenance on air emission control equipment should be conducted on a regular basis.
 - b. Suppliers must consider the potential for fugitive emissions, and monitor equipment and storage for possible leaks and unintended releases.
3. Suppliers must strictly comply with any applicable legal limits on air emissions.
 - a. Suppliers must take immediate corrective action in the event emission limits are exceeded.
4. Suppliers must establish an inventory of point sources of air emission.
5. Suppliers must maintain an inventory of onsite ozone-depleting substances (ODS).
6. Suppliers should regularly inspect and properly maintain ODS containment equipment to prevent accidental release.

7. Suppliers must seek to expand the number, quality, and types of ODS containment equipment used in their facilities.

F. Water Management

1. Suppliers must obtain and maintain the appropriate legal permits for water use.
2. If water is extracted onsite, Suppliers must obtain and maintain the required extraction permits.
3. Suppliers must maintain water consumption records, including water bills and meter readings from water suppliers.

G. Energy Consumption and Greenhouse Gas Management

1. All Supplier facilities must meet the applicable legal requirements for energy use and greenhouse gas emissions.
2. Suppliers must obtain and maintain the appropriate legal energy use and greenhouse gas discharge permits.
3. Suppliers must conduct regular monitoring of their energy use and greenhouse gas emissions.
4. Suppliers shall maintain energy use records, including energy and electricity bills, and meter readings.
5. Suppliers shall maintain records of direct and indirect greenhouse gas emissions as required by law.

H. Land Use and Biodiversity

1. Suppliers must obtain and maintain the appropriate permits for land use and facility construction as required by law.
2. Suppliers must meet any applicable legal standards regarding protected areas.
 - a. A protected area is defined as clearly defined geographical space, recognized, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values.
3. All facilities must be subject to an environmental impact assessment. The results should be submitted for review and approval as required by law.

I. Environmental Management System

1. Suppliers should encourage factories to:

- a. Adopt an environmental policy.
- b. Create and maintain an environmental legal register that documents compliance with applicable environmental laws and regulations.
- c. Monitor environmental law and regulation changes to maintain continuous improvement.
- d. Appoint a member of the facility management team to be tasked with the coordination of environmental management activities. This person should be properly trained in environmental management.
- e. Develop an Emergency Response Plan to deal with possible environmental incidents. The Emergency Response Plan should include trained emergency response teams and regular drills.
 - 1. The Emergency Response Plan should be communicated to the local authorities, emergency services, and local communities as required by law.
- f. Provide regular environmental safety training to workers.

J. Hazardous Substances Management and Pollution Prevention

- 1. Suppliers must obtain and maintain the appropriate permits for all hazardous substances.
- 2. Banned substances must not be used.
- 3. Suppliers must report all pollution and incidents involving a hazardous substance to the authorities as required by law.
- 4. Appropriate measures must be taken to prevent and control the risk of environmental pollution from the release of a hazardous substance, including the contamination of soil or groundwater.
- 5. Suppliers must identify environmentally sensitive receptors (rivers, underground water, etc.) close to facilities and implement special measures to achieve prevention of contamination.
- 6. An inventory of all hazardous substances used and stored in the facility must be kept, including an up-to-date Material Safety Data Sheet (MSDS)/Safety Data Sheet (SDS) for each substance.
- 7. Workers must be appropriately trained in pollution prevention and response measures.
- 8. Workers must be appropriately trained to handle hazardous substances in their workplace in accordance with the substance MSDS/SDS.

K. Noise Pollution

1. Suppliers must obtain and maintain the appropriate permit for noise pollution as required by law.
2. Facilities must comply with legal noise pollution limits.
3. Noise pollution assessments must be completed as required by law.
4. Suppliers must conduct regular noise pollution monitoring as required by law.
5. Suppliers must take immediate corrective action if noise pollution limits are exceeded.

L. Nuisance

1. Suppliers should have an understanding and awareness of nuisance issues and their associated local impacts. Nuisances can include but are not limited to odor, noise, visual issues, and the general cleanliness of the facility.

10. Gifts and Entertainment

Suppliers must not offer gifts or entertainment to Walmart associates.

A. Prohibition on Gifts

1. Walmart associates and those acting on behalf of Walmart cannot accept gifts from Suppliers or those acting on behalf of Suppliers.
2. Suppliers must ensure no gifts are offered to Walmart associates, or those acting on behalf of Walmart.
3. Suppliers must ensure that no gifts are offered to the auditors auditing their facilities.
4. Prohibited gifts include but are not limited to meals, travel expenses, monies and equivalents, free goods, tickets or access to events, and personal favors.

11. Conflicts of Interest

Suppliers must not enter into transactions with Walmart associates that create a conflict of interest.

Suppliers must not enter into transactions with Walmart associates that could create the appearance of a conflict of interest. A conflict of interest exists when personal interests interfere or appear to interfere with business interests. Even the appearance of a conflict of interest between an associate and a Supplier could be detrimental to Walmart's business interests.

12. Anti-Corruption

Suppliers must not tolerate, permit, or engage in bribery, corruption, or unethical practices whether in dealings with public officials or individuals in the private sector.

A. Limits on Suppliers' Actions

1. Suppliers may not offer money or anything of value to any government official or political party to obtain business, retain business, or secure an improper advantage.
2. Suppliers may not offer money or anything of value to any business or individual in the private sector to obtain business, retain business, or secure an improper advantage on behalf of Walmart.

B. Legal Compliance

1. Suppliers must comply with the United States Foreign Corrupt Practices Act (FCPA) and the United Kingdom Bribery Statute at all times as well as all anti-corruption laws and statutes in countries in which they operate.

C. Unauthorized Sub-Contracting

1. All Supplier subcontracting must be disclosed to Walmart. Subcontracted facilities may not be used without prior authorization by Walmart.
 - a. Suppliers have an affirmative duty to discover and disclose all facilities within their supply chain.
 - b. Disclosure requires Walmart be provided with the subcontracted facility name, location, contact information, and a brief description of the actions taken by that facility, and for this information to be kept accurate.
2. No Supplier shall engage in unauthorized subcontracting.
 - a. Walmart may immediately terminate its relationship with any Supplier engaging in unauthorized subcontracting when sourcing merchandise for Walmart.
3. Responsible Sourcing audits will be conducted at subcontracted facilities if they are determined to be in scope.

D. Origination of Materials

1. Suppliers and factories should maintain inventory and production records to document the origin and place of production of incoming materials.
2. Factories must maintain chain of custody documents showing that raw materials were obtained from legal harvests consistent with local law, national law, international treaties, and protocols.

13. Financial Integrity

Suppliers must keep accurate records of all matters related to their business with Walmart in accordance with standard accounting practices such as Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS).

Suppliers must keep accurate financial records. All financial transactions should be recorded and maintained using standard accounting practices. Financial records must be readily available for inspection during announced and unannounced audits by Walmart or authorized third-party representatives.

Appendix 1: Glossary

The following terms are applicable only to these Standards, and shall not be construed to change the definition of terms found in other documents.

Abuse: Any act or failure to act that intentionally harms or injures a person. Corporal punishment is abuse.

Accessible: Something is accessible if a person may freely approach, reach, and use it, without any hindrance or limit.

Applicable Law: The international, national, and locally recognized governmental rules which may be enforced at a particular location or facility.

Assessment: The results of an audit that is evaluated by the Walmart Responsible Sourcing team, given an assessment rating, and determines the continued relationship between Walmart and the Supplier. Assessments are used to determine the frequency of future audits, and the status of future production and shipments.

Audit: The inspection and evaluation process conducted by an auditor in order to discover and categorize any violations in a Supplier's facility. Audits may inspect for specific violations.

Auditor: The person or persons performing an audit.

Audit Request: A request submitted through Retail Link which consists of Supplier information, factory information, and type of audit. Audit requests are also used to notify Walmart's Responsible Sourcing team that a factory requires an audit. Responsible Sourcing tracks all audit requests.

Benefits: Compensation given to workers in addition to normally earned wages or salary. Benefits may be required by applicable law, such as overtime, holiday, or vacation pay. Benefits may also be provided voluntarily when not required by law, such as tuition reimbursement or food baskets.

Bonded Labor: Labor worked as part of a scheme to repay a debt owed to the employer or another person. Usually, the value of the labor provided to repay the debt is greater than the total owed on the debt.

Canteen: Any area within a facility where food or drink is prepared, sold, or consumed. A canteen may be an independent building, or within the factory or dormitory building.

Child Labor: The employment of workers under the age of 14 years.

Coercive Behavior: Any behavior that direct or indirectly threatens or pressures individuals to act against their will.

Compliance: Following or meeting the obligations of a law, rule, agreement, or guideline.

Continuous Improvement: An ongoing process of labor, health, safety, and environmental improvements made for the betterment of workers, the Supplier's reputation, and management practices.

Contract Workers: Workers who are hired for a specific period of time to conduct a certain kind of work, as described and agreed to in a contract. Contract workers may be exploited by entering into contracts that unjustly require or prohibit certain actions by the worker. For example, the labor contract may prohibit the worker from quitting the job and seeking other work.

Corporal Punishment: Any disciplinary practice that involves bodily contact, pain, or harm, or the threat of bodily contact, pain, or harm.

Disciplinary Practice: Actions used by managers or supervisors to change the behavior of workers.

Discrimination: Practices that use employee religion, sex, ethnicity or national origin, disability, political affiliation, social status, sexual orientation, actual or perceived HIV status, or legal migrant worker status as a basis for hiring, compensation, promotion, termination and retirement practices, and access to training.

Dormitory: Any building with designated sleeping quarters.

Electrical System: The electrical distribution and consumption components of a facility, including wiring, control and protection components, and electrical devices.

Employment Practices: Employment practices include, but are not limited to, recruiting, hiring, training, job assignments, compensation, benefits, promotions, discipline, termination, and retirement.

Environment: Surroundings in which an facility operates, including air, water, land, natural resources, flora, fauna, humans, and their interrelations.

Responsible Sourcing: Responsible Sourcing (RS) Department is a group within Walmart.

Evacuation Route: The course of travel designated in a facility that a person should use in the event of an emergency to exit the building.

Facility: The specific factory that is being assessed, including all buildings, land, structures, and other improvements on the land owned or leased by the facility.

Factory: The facility that will produce the merchandise for sale or use by Wal-Mart Stores, Inc., including subcontracting facilities, fresh product packing sites, and packaging facilities. Factories are designated by Suppliers and are audited by Walmart RS auditors or third party service providers.

First Aid: Emergency treatment for injury or sudden illness administered before regular medical care is available.

Forced Labor: Any arrangement in which workers are coerced to work against their will, or do not have the choice to freely leave their working arrangement.

Hazardous Work: Labor that places the worker at increased risk of physical or psychological harm, uses potentially dangerous machinery; or exposes the worker to a hazardous location or materials.

Hazardous: Materials and wastes are hazardous if they are potentially dangerous or harmful to human health or the environment. Materials and wastes may be hazardous if they are ignitable, corrosive, explosive, reactive, or radioactive. Waste may be considered hazardous if it contains toxic chemicals. Hazardous waste takes many physical forms and may be gaseous, solid, semi-solid, or liquid.

Human Trafficking: Human trafficking is a form of slavery. Human Trafficking is the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of exploitation by the use of force, fraud, or coercion. Exploitation may take many forms, including labor and sexual exploitation. Human Trafficking has historically occurred in agriculture, food processing, packaging, apparel, and textiles. Migrant workers are particularly vulnerable to coercion and fraud when removed from their home country.

Indentured Labor: Indentured labor is a form of slavery. Indentured labor is provided by a worker based upon a contract which is effectively unbreakable for a period of time. Usually, the worker is brought from a foreign country as part of the labor contract and the worker is in the care and control of the employer.

Joint Evacuation: An evacuation of all persons in a facility, if multiple businesses are operating in a single facility.

Leave: The period of time that a worker is permitted to be absent from work, received as a benefit of employment.

Material Safety Data Sheet (“MSDS”): A document that provides detailed information regarding each hazardous chemical contained in a product, including the proportion of each chemical, the potential hazardous effects, physical and chemical characteristics, and recommendations for appropriate human protective measures. An MSDS does not identify whether a material is a hazardous waste.

Mental Coercion: The act of restraining or dominating by nullifying individual will. Examples include humiliation, insults, peer pressure, or social intimidation.

One Hour Fire-Rated Enclosure: A one hour fire-rated enclosure consists of a properly designated and installed wall and ceiling system, along with protection of penetrations and openings in the walls, ceilings, and floors, as well as fire-rated doors and closures on openings. The designs of all components are based on specific approved methods and assemblies as tested in recognized testing laboratories. The intent of the fire-rated enclosure is to provide safe passage to exit for the occupants of the building and afford a reasonable degree of protection while within the fire-rated space.

Overtime Premium: The wage paid above the normal daily or hourly wage to compensate for time worked beyond the normal working schedule. This premium should be described in a country’s labor laws.

Packaging/Packing Materials: Materials with printed logos or brands that are exclusive to, or reference, Walmart, such as care labels, hang tags, size strips, cartons, and stickers.

Per-Piece Payment Scheme: A payment regiment where the worker’s compensation is calculated based upon the quantity of product produced instead of the total time worked.

Personal Protection Equipment (PPE): Safety equipment worn by workers to protect against hazards. Examples of PPE include eyewear, face shields, ear plugs, hard hats, gloves, and foot protection.

Physical Coercion: Physically restraining or dominating an individual which nullifies their individual will. This may be in the form of physical actions or threats of bodily harm.

Prison Labor: Any system where any types of prisoners are used as part of the work force. Under prison labor arrangements, prisoners may be brought to the facility, or the production may occur in prison facilities. Although prisoners may be paid, this remains a type of forced labor because the prisoners often cannot refuse the work.

Production: The conversion or assembly of materials into finished products.

Protected Land: Areas or locations which receive recognition or protection because of their natural, ecological, or cultural importance.

Recruitment Fee: Payment for any part of the process of attracting, selecting, and hiring a person for employment.

Rest Day: A scheduled day where the normal work schedule is suspended for a worker; a worker does not work during a rest day.

Retail Link: The online application used by Suppliers and Walmart. This term is used generically in this Manual to describe the Responsible Sourcing portion of Retail Link which is used to execute the Responsible Sourcing program.

Secondary Power Supply: A reliable power supply to electrical devices which is usable if primary power at a facility is lost or interrupted.

Security: The protection given to the person and a person's property.

Slave Labor: Involuntary labor provided by a worker under duress, threat, or physical or mental coercion by, or on behalf of, the employer.

Standards for Suppliers (“Standards”): Wal-Mart Stores, Inc.’s (“Walmart”) expectations of its Suppliers related to labor, business, and environmental practices.

State Entities: Agencies or organizations that are sponsored or managed by the local government or act on behalf of the local government.

Subcontracting: Subcontracting exists when a Supplier contracts with any third party to fulfill any part of a contract between the Supplier and Walmart.

Supplier: A company, individual, or organization that supplies merchandise or services to Walmart. The term “Supplier” describes all Suppliers, whether Direct Import Supplier, Domestic Import Supplier, or Domestic Supplier. It includes all manufacturing, subcontracting, packaging, packing materials facilities, and fresh product facilities. It includes all producers of merchandise for sale or use by Walmart, its subsidiaries, and affiliates.

Unauthorized Subcontracting: Production, augmentation, or packaging of merchandise for Walmart in a facility that has not been fully and accurately disclosed in advance to Walmart, and audited under Responsible Sourcing requirements.

Underage Labor: The employment of workers below the minimum work age as defined by local and national regulations, or Walmart Standards.

Wages: Monetary compensation (money) paid to workers for producing goods or providing services.

Walmart: Wal-Mart Stores, Inc., and its subsidiaries, wherever located. Wal-Mart Stores, Inc., its subsidiaries, and affiliates encompass all formats in all retail markets including Sam's Club and Dot Com.

Worker: Any laborer or employee, regardless of their pay routine or station in the business.

Work Holiday: A day when normal work is suspended or limited by law, religion, or custom.