

WENAAS WORKWEAR

CODE RED PROCESS



Upon factory audit if Red critical Non Compliance issues detected:

Risk level	HIGH	MEDIUM	LOW
Time frame	RED Immediate	RED Immediate	RED on hold
From	Wenaas SCR	Wenaas SCR	Wenaas SCR
To	Sourcing CR owner Supplier owner Supply Chain Product Development	Sourcing CR owner Supplier owner Supply Chain Product Development	Sourcing CR owner Supplier owner Supply Chain Product Development
To	Group CEO		
Action	Running orders frozen	No new orders placed until remediation completed	No new orders placed until remediation completed
Time Frame	Within 24h	3 months	3 months with potential 3 months extension
Additional action	Supplier compensation in case of orders cancelled if no remediation	SCR monthly remediation review and brand update	SCR monthly remediation review and brand update
Additional action		Resourcing	

APPENDICES 1 – RED HIGH

NC code	Description	Grading	Risk level	Remediation time frame
A101	Confirmed bonded labor/slave labor/prison labor	Red	High	Immediate
A202	Involuntary overtime (e.g.penalty, employees forcefully held in factory by security staff)	Red	High	Immediate
B101	Pregnancy/non-contagious disease testing e.g.Hep-B (where it is not legally required)	Red	High	Immediate
B102	Recruitment, employment termination, wages, promotion, participation in training programs, discriminated due to individual's race, colour, sex, religion, politics, union membership, nationality, social origin, deficiencies, handicaps	Red	High	Immediate
C101	Chils (under age of 15 OR legal age limit, whatever is more restrictive) present in factory (working/not working)	Red	High	Immediate
C103	Fail to carry out remediation after discovery of child labour	Red	High	Immediate
D101	Employees prohibited to join labor union	Red	High	Immediate
G801	Sexual harassment with evidence on site	Red	High	Immediate
G802	Confirmed verbal/mental/physical abuse with evidence on site	Red	High	Immediate
H101	Unlawful terminations with evidence on site	Red	High	Immediate
I102	Blocked of 1 of the/or 2 mandatory exits pr floor – not fixed during audit/locked exit without alternative escape route. For Bangladesh: proof of Accord/Alliance CAP timeline not respected on specific NC I102	Red	High	Immediate
M003	Homeworker	Red	High	Immediate
M101	Denied audit (full/partital)	Red	High	Immediate
M301	Bribery attempt	Red	High	Immediate

APPENDICES 2 – RED MEDIUM

NC code	Description	Grading	Risk level	Remediation time frame
A103	Original documents of employees (e.g.passport/work permit) withheld where law is not required	Red	Medium	2 weeks
A203	Curfew in place (factory/dormitory) apart from local authority enforcement	Red	Medium	2 weeks
D102	Union member discriminated by factory management	Red	Medium	2 weeks
E303	Confirmed falsified payroll record without factory's openness – payroll records discovered by auditors do not match with the one provided by the factory	Red	Medium	2 weeks
F402	Confirmed falsified time record without factory's openness – time records discovered by auditors do not match with the one provided by the factory	Red	Medium	2 weeks
H202	China only: Occupational injury social insurance does not cover 100% workers, and factory does not insure for occupational injury for 100% workers at private insurance company	Red	Medium	1 month
J101	Hazardous substances released directly into environment (e.g.no effluent treatment plant at all to treat waste water)	Red	Medium	1 month (with potential extension granted)
M001	Subcontractor intentionally not reported	Red	Medium	2 weeks

APPENDICES 3 – RED LOW

<i>NC code</i>	<i>Description</i>	<i>Grading</i>	<i>Risk level</i>	<i>Remediation time frame</i>
A102	Non acceptance of work's resignation after workers gave reasonable notice	Red	Low	1 month
A104	Monetary deposits required	Red	Low	1 month
A105	Workers wages retained	Red	Low	1 month
A201	Employees movement restricted during office hours (e.g.restroom break, sick leave etc)	Red	Low	1 month
E101	Country minimum wage not met	Red	Low	1 month
E102	Employee receives flat rate wage for overtime work	Red	Low	1 month
E301	No wage record/unable to provide payrolls of 3 latest months for more than 10% of employees	Red	Low	1 month
F401	No time record/unable to provide time record of 3 latest months for more than 10% of employees	Red	Low	1 month
G503	Living quarters within the same building of production unit	Red	Low	1 month
I101	No secondary exit which leads to immediate threat/where law required	Red	Low	1 month
L101	Risk of chemicals released directly into the environment	Red	Low	1 month (with potential extension granted)
M401	Missing business licenses	Red	Low	1 month