

Verification Standards and Methods Guide to the Macy's Vendor and Supplier Code of Conduct

Preface

The Macy's Vendor and Supplier Code of Conduct ("Code of Conduct") establishes Macy's commitment to do business only with companies that share its commitment to fair and safe labor practices. The Code of Conduct is located [here](#)

This guidance document ("Guide") sets forth the Verification Standards and Methods used by Macy's Merchandising Group (hereafter "Macy's" or "MMG") to evaluate supplier compliance with the Code of Conduct in the production of Macy's private brands products.

MMG requires that a copy of the Code of Conduct, translated into the native languages of the workforce, be prominently displayed in each facility where Macy's private brands products are manufactured.

I. VERIFICATION STANDARDS

Macy's will use the following standards in its evaluations:

1. Age and Wage Verification

Manual or electronic time cards should be used for hourly workers. For "piecework" workers, an industry recognized system, capable of audit verification, should be used.

Employers should provide to workers, for each pay period, a clear and understandable wage statement that includes days worked, wage or piece rate earned per day, hours of overtime, bonuses, allowances and a description of any and all deductions.

All facilities are required to maintain official documentation in order to verify each worker's date of birth, as well as appropriate records documenting that the employer adheres to all restrictions under local labor laws that apply to juvenile workers.

2. Health and Safety – Factories

Factories should have adequate circulation and ventilation.

Free potable water should be reasonably accessible to all workers throughout the working day.

Workers should have access to reasonably clean and private toilet facilities in adequate numbers for each sex. We recommend that facilities maintain a toilet to worker ratio of 1 to 30.

There is to be no use of corporal punishment.

Work areas should be sufficiently lit so that manufacturing tasks may be safely performed. We recommend the following standards:

Cutting, Assembly and Finishing Operations: 50-80 ft. candles
Inspection: 80-100 ft. candles
Storage: 30-50 ft. candles

All equipment should be tested regularly and properly maintained. Operational safety devices should be installed on equipment where appropriate.

Where appropriate, factories should make available personal protective equipment to workers performing hazardous tasks.

Hazardous and combustible materials should be stored in secure, well-ventilated areas and should be properly labeled and posted with safety and warning signage.

Each factory should maintain an adequate number of well-stocked, visible and easily accessible first aid kits.

We require that each enclosed manufacturing facility have an adequate number of clearly marked, unlocked exits in order to provide for an effective evacuation in case of emergency. By adequate, it is meant that each workstation should be within 200 feet of an exit. All exits should have battery operated emergency lights placed above them.

Aisles, exits, and stairwells should be kept clear of any obstructions that could prevent the orderly evacuation of workers. Exit stairwells and corridors and aisles leading to them are required to be at least 22 inches wide. It is recommended that they be at least 44 inches wide. Exits should be at least 33 inches wide.

Each facility should have appropriate fire prevention capability based upon the size of the facility and number of workers normally occupying the premises. While we recommend that facilities install fire hoses, extinguishers, overhead sprinklers, alarms, photo luminescent exit routes marked on the floor and other warning and control devices, our minimum standard, where fire hoses or overhead sprinklers are not present, is one fully charged fire extinguisher within 75 feet of each work station.

Fire extinguishers should be properly maintained and inspected annually, tagged with the most recent inspection date, and properly deployed throughout the premises to be visible and accessible to workers in case of fire.

Factories should conduct a minimum of one emergency evacuation drill per year.

Emergency evacuation diagrams should be posted and clearly visible to employees.

Workers should not be exposed for extended periods to noise levels above 80 decibels without being required to use factory provided safety equipment.

3. Dormitories/Living Facilities

The following standards shall apply where workers are housed in facilities provided by the manufacturer:

Facilities should have adequate ventilation and circulation.

Free potable water should be readily accessible.

Clean and private toilet and bathing facilities should be reasonably accessible.

Living spaces should be segregated by gender.

Each housing facility should maintain an adequate number of well-stocked, visible and easily accessible first aid kits.

Each housing facility should have an adequate number of unlocked and clearly marked exits for evacuation in case of emergency.

Aisles, exits, and stairwells should be kept clear from any obstructions that could prevent orderly evacuation. Exits should be at least 33 inches wide. All exits should have battery operated emergency lights placed above them.

Each living facility should have appropriate fire prevention capability based upon the size of the facility and number of workers normally occupying the premises. The minimum standard, where fire hoses or overhead sprinklers are not present, is one fully charged fire extinguisher per 1000 sq. ft. of living space.

Fire extinguishers should be properly maintained and inspected annually, tagged with the most recent inspection date, and properly deployed throughout the premises to be visible and accessible to employees in case of fire.

A minimum of one emergency evacuation drill per year should be conducted.

Emergency evacuation diagrams should be posted and clearly visible to employees.

The living space per worker in their sleeping quarters must meet all minimum legal requirements. We recommend that each worker be provided with a minimum of 50 square feet of space exclusive of common areas and that individual mats or beds be provided to each worker.

II. VERIFICATION METHODS

1. Macy's holds its suppliers accountable that the merchandise produced for it is manufactured in compliance with the Code of Conduct.
2. Macy's expects its suppliers to monitor their compliance to the Code of Conduct. For private brand and private label merchandise, Macy's will utilize, where appropriate, internal as well as third party (unaffiliated) monitors to conduct on-site evaluations and inspections of its suppliers' facilities, as well as those of its subcontractors.
3. Macy's will use the following methods to evaluate its suppliers and their facilities:
 - Each of Macy's suppliers must sign and return Macy's Terms of Engagement Letter acknowledging that they have received a copy of Macy's Statement of Corporate Policy and the Code of Conduct and are in compliance.
 - Acceptance of Macy's purchase orders and shipment of merchandise to Macy's represents a continuing affirmation of compliance.

- For private brand and private label merchandise, Macy's representatives shall conduct pre-production evaluation of supplier facilities as well as any subcontractor's facilities.
- For private brand and private label merchandise, Macy's representatives shall conduct unannounced (without notice) and unaccompanied inspections to supplier and subcontractor facilities for the purpose of auditing compliance to the Code of Conduct. Inspections may be conducted by Macy's representatives or by third parties retained by Macy's. Inspections may include, but will not be limited to the following:
 - The ability to conduct interviews with employees, on or off-site, without fear of repercussion from employers.
 - Inspections of employee files, including time cards and wage statements.