



**RESPONSIBLE
SOURCING
MANUAL**

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INTRODUCTION

The purpose of our Responsible Sourcing Manual is to ensure our suppliers fully understand our Social Compliance and Supply Chain Security requirements and to assist suppliers with the implementation of our requirements in factories that are producing Newell Brands' products. This manual was developed to provide comprehensive guidance of our requirements and will provide you with all of the necessary information needed to raise and maintain your factory's standards. Transparency and Supplier Development are key attributes to our Social Compliance and Supply Chain Security programs. We look forward to your active engagement and participation.

You are encouraged to report any improper behavior or suspected violations to the Newell Brands Ethics Hotline at 855-673-8442 or you can reach out to our Corporate Social Responsibility team directly at responsiblesourcing@newellco.com

ADMINISTRATIVE PROCEDURES

Our Administrative Procedures play a crucial role in the successful achievement of all linked pertinent processes to achieve compliance.

SOCIAL COMPLIANCE AND SUPPLY CHAIN SECURITY SELECTION CRITERIA

The selection process for our suppliers has been set up to integrate social compliance standards with the supplier pre-qualification and approval process to further drive performance and to help source from suppliers that pose the least amount of risk to our organization.

It is the responsibility of the supplier to remediate all findings identified during the Newell Brands Social Compliance and Supply Chain Security Self-Assessment prior to the official audits taking place.

Once the internal teams complete a supplier profile, in order to pre-qualify the supplier, the Social Compliance and Supply Chain Security team will distribute the initial program compliance documents. The team will schedule audits once program compliance documents are received.



ESCALATION PROCESS

The Escalation Process is in place to identify the persons to contact in the event of an incident at a factory or for a supplier's low audit rating. In the event that a supplier receives an Immediate Resolution rating or its equivalent or a No Exception rating or its equivalent, notifications will be sent internally to the Newell Brands teams that are involved with the particular supplier. Based upon the audit score, suppliers may be required to take mandatory training at their expense. This process is in place to help bring awareness to compliance requirements, remediation strategies and to support overall supplier development.

AUDIT RATING DEFINITIONS



ACCEPTABLE

The “Acceptable (A)” rating means that standards are being met and no violations were found. No follow-up required.



IMMEDIATE RESOLUTION

The “Immediate Resolution (IR)” rating constitutes a breach of our requirements that is likely to result in negatively impacting individual rights and life safety.



ONGOING IMPROVEMENT

The “Ongoing Improvement (OI)” rating is given to identify health, environmental, safety and labor issues that are unacceptable based on our requirements. These issues should be improved in factories for the benefit of the workers and to also better the reputation and management practices of those factories. Production can be initiated with new suppliers with OI issues.



NO EXCEPTION

The “No Exception (NE)” rating constitutes a serious violation of our requirements. This type of breach can have a serious impact on a person’s individual rights or safety. NE violations can also have a large impact on our corporate reputation.

We will not engage with new suppliers who have NE violations that have been confirmed by more than one source of information.

Refer to the “Social Compliance and Supply Chain Security Issue Topics” section for further guidance related to audit item violations.

- Follow-up audits for an ‘Immediate Resolution (IR)’ rating will likely occur within 180 days of the previous audit date, or as determined by Newell Brands. Follow-up audits for ‘Ongoing Improvement (OI)’ rating will likely occur within 6-12 months. Moreover, all audit determinations will be made on a case-by-case basis based on the nature and level of non-compliance risks, the factory’s geographic location (high-risk, medium-risk, and low-risk), the type of remediation in place, and the level of confidence in the particular supplier.
- Any recurrent violations without any evidence of acceptable progress will be considered a continuous unwillingness to adhere to the Newell Brands Vendor Code of Conduct, which will require immediate business resolution up to and including termination of the supplier’s business relationship with Newell Brands.

CORRECTIVE ACTION PLAN (CAP) GUIDELINES



VIOLATION CATEGORY

State violation category per audit checklist.



VIOLATION DESCRIPTION

State the audit violation(s).



RECOMMENDATION

The corrective action(s) required (recommendations from the auditor).



RATING

State audit rating "Ongoing Improvement", "Immediate Resolution", or "No Exception" per audit checklist.



FAILURE ANALYSIS

Factory must provide root cause of failure.



CORRECTIVE ACTION PLANS

The factory must include achievable corrective actions that will be implemented to resolve the non-compliance. The factory is required to provide a multi-step plan detailing each phase with specific deliverable and successive target dates for correcting violations that require some gradual or extended period for a full remediation.



RESPONSIBLE PERSON

Enter person implementing the corrective action plan.



COMPLETION DATE

Enter date of completion only when the non-compliance is fully resolved.



IMPROVEMENT EVIDENCE

Submit supportive documentation (e.g. documents, photos) for a final evaluation by Newell Brands.

A CAP update is required on the 1st of each month for the proper monitoring of non-compliance issues, and for determining future audit schedules.

Suppliers will be responsible for reviewing findings within Newell Brands compliance software system (Rizepoint) and submitting Corrective Actions directly within software.

All Immediate Resolution findings are to be remediated within 60 days or less.

SCORING SYSTEM JUDGMENT CRITERIA

Pass/Fail Criteria (We desire to have all our suppliers achieve a perfect score but realize that this may not always be possible. With that in mind, the following are the overall Pass/Fail Criteria for the audit:



ACCEPTABLE

Total score of **85% or above** to be given a rating of Acceptable by Newell Brands standards



ONGOING IMPROVEMENT

Total score is **between 71% and 84%** to be deemed Ongoing Improvement by Newell Brands standards



IMMEDIATE RESOLUTION

Total score is **between 51% and 70%** to be deemed Immediate Resolution by Newell Brands standards



NO EXCEPTION

Total score is **between 0% and 50%** to be deemed No Exception by Newell Brands standards



AUDIT GUIDELINES

SOCIAL COMPLIANCE AND SUPPLY CHAIN SECURITY : AUDIT CRITERIA AND SCHEDULING

Newell Brands and its affiliates have adopted a comprehensive Social Compliance and Supply Chain Security Program to ensure operation within the highest standards of business ethics and in accordance with all applicable laws and regulations. Our commitment to enhance corporate social responsibility will support protecting employee safety, employee health, the well-being of the global community and the integrity of our supply chain.

SUPPLIER SELECTION PROCESS:

The selection process for our suppliers has been set up to integrate social responsibility standards with the supplier pre-qualification and approval process to further drive performance and to help source from suppliers that pose the least amount of risk to our organization.

All new suppliers are required to review and acknowledge compliance with the Newell Brands Vendor Code of Conduct. A new supplier must complete a self-assessment within 10 working days of receiving this document. It is the responsibility of the supplier to remediate all findings identified during the Newell Brands Social Compliance and Supply Chain Security Self-Assessment prior to official audits taking place.



NEW SUPPLIERS

All new suppliers must have initial Newell Brands Social Compliance and Supply Chain Security Audits conducted to ensure suppliers that are producing products for Newell Brands are abiding by the requirements outlined within the Newell Brands Vendor Code of Conduct. Re-audit guidelines are described further under the “existing supplier” section.

EXISTING SUPPLIERS

When developing audit Schedules for existing suppliers, Newell Brands Corporate Social Responsibility team will apply a risk-based audit approach which includes:

- Conducting 3rd party audit, internal audit, or the supplier can provide a valid 3rd party audit from a Newell Brands approved audit firm which meets our “Audit Exemption Guidelines”.
- For Social Compliance, audits should be scheduled annually based upon customers’ requirements and risk assessment.
- For Supply Chain Security, suppliers will be subject to audits or self-assessments annually to monitor performance.
- Key suppliers should be audited on an annual basis to ensure continued compliance. This audit can be waived with a valid 3rd party audit that meets our “Audit Exemptions Guidelines”. Shared audits can only be utilized to waive a Newell Brands audit once every two years.
- Follow-up audits for factories with a “No-Exception (NE)” item violation deemed worthy of consideration will occur within 1-2 months of the previous audit date.
- Follow-up audits for “Immediate Resolution (IR)” ratings will likely occur within 180 days of the previous audit date, or as determined by Newell Brands.
- Follow-up audits for “Ongoing Improvement (OI)” ratings will likely occur within 6-12 months.
- CSR team will complete factory scorecards for all Newell Brands suppliers. Upon completion, the factory scorecards will be provided to key internal stakeholders.



AUDIT EXEMPTION GUIDELINES

The purpose of having Audit Exemptions Guidelines is to reduce redundant audits and allocate resources to supplier remediation and development.

ALL SUPPLIERS

Social Compliance Audits must be conducted by Newell Brands (Internal/External) audit team. Supplier can submit a valid 3rd party audit report for Social Compliance audit. If Shared 3rd Party Audit is accepted, the Newell Brands Social Compliance Audit will be waived for a period of 1 year. These audits are at the expense of the suppliers. In addition to Newell Brands' audit guidelines, other customers will require industry audits on an annual basis. Suppliers are responsible to cover these costs as part of the Social Compliance Program.

For Supply Chain Security, shared audit can be accepted from Supplier Compliance Audit Network (SCAN) each year.

ACCEPTED REPORTS

- Business Social Compliance Initiative (BSCI)
- Better Work
- Electronic Industry Citizenship Coalition (EICC)
- International Council of Toy Industries (ICTI) CARE Program
- SEDEX Members Ethical Trade Audit (SMETA)
- Social Accountability 8000 (SA8000)
- Worldwide Responsible Accredited Production (WRAP)
- South Africa Agriculture – Sustainability Initiative of South Africa (SIZA)
- Brazil Apparel – Brazilian Textile Retailers Association (ABVTEX)
- SCAN - Supplier Compliance Audit Network

CONDITIONS OF ACCEPTANCE

- 1 No zero-tolerance (no exception) violation.
- 2 Valid audit done in current calendar year or within 1 year period.
- 3 Supplier submits feasible Corrective Action Plans.
- 4 Supplier needs to provide Corrective Action Plans for findings as instructed by Newell Brands CSR team.
- 5 Supplier completes all required self-audit questionnaires.
- 6 Newell Brands will conduct onsite validation visits as needed to determine completion of Corrective Action Plans.

SOCIAL COMPLIANCE AND SUPPLY CHAIN SECURITY AUDIT PROCESS

THE FOLLOWING STEPS
MAKE UP THE AUDIT PROCESS:



1

PRE-AUDIT QUESTIONNAIRE

This is a set of questions completed by the supplier that is used to familiarize assessors and our company with the Social Compliance and Supply Chain Security practices and policies of the supplier. It is requested as part of the initial qualification of the supplier, as part of a periodic update because the previous questionnaire is more than two years old, or because the audit team feels enough has changed at the supplier since the last questionnaire to warrant a new one. The pre-audit questionnaire must be returned to the requestor by the required date.

Typically, the pre-audit questionnaire will be requested and sent by the audit team that will be conducting an audit or by the sourcing team/member completing the supplier qualification.

2

OPENING MEETING

Opening meetings are conducted with the supplier's management and will entail introductions, a discussion on the pre-audit questionnaire, and verification of factories' business license.

3

FACTORY TOUR GUIDANCE

During the factory tour, Newell Brand's auditor must be provided access and will visit all parts of facility, including but not limited to production area, warehouse area, fire control area, chemical/hazardous substance placement area, waste storage area, dormitory and canteen, shipping, loading dock and cargo area.

During the factory tour visit, auditors will do the following:

- Check whether the markings in production/warehouse are clear and reasonable; (e.g.: fire extinguisher location & label, PPE location, material placement and label, forklift access etc.) .
- Check whether exit routes or exits for fire evacuation are safe and compliant with fire control regulations.
- Check all facilities for fire alarms, emergency lighting, sprinkler systems, fire extinguishers, smoke detectors and whether they are properly maintained and recorded.
- Check chemical/hazardous storage area to ensure the area is clear, chemicals are segregated, markings and storage are sufficient for the facility.
- Check the waste storage area to ensure it has clear marking, segregation area and disposal scheme
- Check the dormitory and canteen including all facilities (washbasins and water taps, lighting, shower and toilets).
- Review security measures and emergency evacuation plans to ensure they meet fire control requirements.

4 WORKER INTERVIEW

Employee interviews are an integral part of the process used to assess the effectiveness of the Social Compliance and Supply Chain Security processes in place. All employee interviews will take place in a private area away from the production floor. No management or their representatives will be present. Employees to be interviewed will be selected by the audit team, not management from the supplier. This is normally done during the walk-through but may be done at any time.

TIER	AUDIT PROTOCOL	NUMBER OF WORKERS	WORKERS INTERVIEWS
1	Regular Audit Protocol	< 100	5 Employees at minimum
2	Regular Audit Protocol	101 to 200	10 Employees at minimum
3	Regular Audit Protocol	> 200	25 Employees

5 DOCUMENT REVIEW

The auditor will review documents to assess the facility's compliance with Vendor Code of Conduct. Documentation to be reviewed includes but is not limited to the following:



6**ON-SITE REPORT PREPARATION**

The auditor will collect information during factory tour, document review and worker interviews sufficient to identify, discuss and document the audit result during closing meeting. The supplier will be required to submit a Corrective Action Plans (CAP) for any nonconformity identified. If supplier does not follow instructions, mandatory training may be put in place.

7**CLOSING MEETING**

A member of the manufacturing site management must attend the closing meeting. At the closing meeting, the audit team leader will summarize the audit results, make recommendations for changes/improvements that may be needed and discuss any questions the supplier may have. A member of supplier management must sign the audit results on the audit template and agree to develop and take corrective action for any findings noted during audit.

8**PUBLICATION OF AUDIT RESULTS**

Audit results will be shared with suppliers and Newell Brands' internal teams. High risk findings will be put into our escalation process.

9**SOCIAL COMPLIANCE CORRECTIVE ACTIONS**

After the audit is completed, a Corrective Action Plan (CAP) will be provided. Each CAP will highlight the audit findings and provide a recommended corrective action. Refer to the "Administrative Procedures Section" for more information on Corrective Action Plans (CAP).

10**FOLLOW-UP AUDIT**

Newell Brands applies a risk based audit approach when selecting suppliers to do a follow-up audit. Refer to "Administrative Procedures Section" for timing of follow-up audits.

NEWELL BRANDS VENDOR CODE OF CONDUCT

Newell Brands and its subsidiaries and affiliates (collectively, "Newell") are committed to conducting business activities with the highest standards of business ethics and in accordance with all applicable laws and regulations. This Vendor Code of Conduct applies to all parties providing goods or services to Newell and their subsidiaries, affiliates and subcontractors (collectively, "Vendors"), whether organized, operating, or existing under United States law or the law of any other country, state, political union, municipality, administrative district, or other governmental authority. This Code establishes the standard of conduct Newell expects from our Vendors in a number of areas, including human rights, labor requirements, health and safety, environmental compliance and management practices. Newell will assess supplier compliance against our Code. Violations of our Code may result in corrective action, including termination of the business relationship with Newell.

Newell reserves the right to inspect and/or authorize a third party to inspect and audit, at any time, whether or not notice is provided in advance, all Vendors and any location where a good is designed, manufactured, assembled, handled, located, or retailed ("Factories"). Vendors shall also permit Newell's customers to inspect and audit its Factories to the extent reasonably required or requested by such customer as a condition of it doing business with Newell. All such documentation must be accurate, free from any attempt to falsify or mislead and made available promptly upon request to any person of Newell conducting an audit.

All vendors are to notify Newell of any material information that impacts Newell Brands reputation or material issues that might disrupt supplier or a vendors' ability to produce products or services per contractual obligations.

COMPLIANCE WITH LAWS AND REGULATIONS

Comply with all applicable laws in any country in which it conducts business and demonstrate actions in all cases that meet or exceed those required by applicable law. The term "applicable law(s)" means with respect to any Vendor, any domestic, foreign, federal, state, local or municipal statute, law, ordinance, policy, guidance, rule, administrative interpretation, regulation, order, writ, injunction, directive, judgment, decree or other requirement of any governmental entity applicable to such Vendor.

ANTI-BRIBERY AND ANTI-CORRUPTION

All Vendors must comply with all anti-bribery and anti-corruption laws worldwide, and conduct business with integrity. Vendors must never accept or provide anything of value, either directly or indirectly, in order to obtain an improper advantage or to obtain or retain business. Vendors must have adequate procedures in place to prevent bribery in all commercial dealings undertaken.

CONFLICTS OF INTEREST

Vendors must avoid conflicts of interest situations. Newell defines a conflict of interest as being involved in a relationship or activity that affects, or has the appearance of affecting, your objectivity in making business decisions in the best interest of the company. Vendors must disclose to Newell any conflicts of interest situations that the Vendor is aware of.

TRADE AND CUSTOMS COMPLIANCE

Vendors must comply with all applicable laws and regulations related to the exportation and importation of products. In order to protect the integrity of cargo being shipped, Vendors must strive to comply with supply chain security processes and procedures consistent with U.S. Customs Trade Partnership Against Terrorism (CTPAT) and other relevant programs such as Authorized Economic Operator (AEO).

EMPLOYMENT PRACTICES

Newell Brands expects Vendors to respect its employees and, at a minimum, to be compliant with the requirements below.

WAGES & BENEFITS

Wages paid to employees shall be at least the minimum wage under applicable law. Paid annual leave and holidays shall be paid as required by applicable law.

Benefits provided by Vendors and Factories shall include, at a minimum, those mandated by applicable law.

For each pay period, Vendor shall provide its employees an understandable wage statement. Wage deductions must not be excessive and must be itemized clearly. Wages are to be paid on schedule at least once per month or such shorter time period as required by applicable law.

WORKING HOURS

Vendors shall comply with applicable laws and industry standards with respect to working hours and must allow to its employees at least one day off during each seven-day period.

Should overtime work be necessary or mandatory, employees are to be advised with reasonable notice. Vendors shall pay its employees overtime pay at a rate which is higher than regular wages and in accordance with applicable law.

Vendors shall permit its employees to take all breaks required by applicable law and, in any event, reasonable breaks, lunch periods and bathroom breaks.

CHILD LABOR

Vendors shall comply with all applicable laws and only employ individuals who are at, or above, the legal minimum working age or 15 years of age, whichever is greater, or, the age designated by applicable law for completion of compulsory education. For jobs that require greater maturity, are hazardous in nature, require night work or pose a safety risk, these employees are to be a minimum of 18 years of age.

Vendors shall maintain official documentation of each employee's date of birth. If this documentation is not available, they must apply a legitimate and reliable method to assess or confirm each employee's age. The minimum working age requirement is applicable to all sub-contracted work performed, in whole or in part, at home or in cottage industries.

FORCED OR INDENTURED LABOR & HUMAN TRAFFICKING

Vendors shall not use any prison, indentured, bonded or forced labor. No employees shall be forced to remain employed other than on a voluntary basis.

Foreign employees must be employed in full compliance with the labor and employment laws of the host country. The contract terms under which such employees are employed must be in writing, in a language that the employees can read and understand, and accepted by the employees prior to their departure from their home countries. Supplier must not withhold the passports and visas of foreign employees.

Vendors shall maintain and commit to maintaining a work environment that is free from human trafficking. Employment practices must not include the recruitment, transportation, transfer, harboring or receipt of persons, or through the use of force or through other forms of coercion, abduction, fraud, deception, abuse of power or by giving or receiving payments or benefits to achieve the consent of a person having control over another person for the purpose of exploitation.

DISCRIMINATION, HARASSMENT & DISCIPLINARY PRACTICES

Vendors shall not discriminate against their employees or prospective employees in hiring practices or other terms or conditions of work on the basis of race, color, national origin, gender, religion, age, disability, political affiliation, sexual orientation, social or marital status, maternity, or membership in worker's organizations, such as unions, or any other similar factors.

Vendors shall not engage in the use or threat of corporal punishment, the use or threat of any type of abuse or harassment, including mental, physical (including sexual) or verbal, against its employees or the use or threat of any other form of intimidation. Vendors shall treat all of its employees with respect and dignity. All major disciplinary measures taken against employees shall be documented by Vendors.

FREEDOM OF ASSOCIATION

Vendors should respect the rights of their employees to choose whether to associate with any lawful organization including labor organizations.

HEALTH & SAFETY

Suppliers must provide their employees with a safe and healthy working environment, and where provided, a safe and healthy living environment. Suppliers shall comply with applicable worker safety laws and regulations which includes:

- o Building Integrity
- o Occupational Safety
- o Occupational Injury & Illness
- o Fire Safety
- o Emergency Preparedness
- o Machine Safeguarding
- o Chemical Safety
- o Sanitation, Food & Dormitory
- o Freedom of Movement

ENVIRONMENTAL

Vendors must comply with all applicable environmental protection laws. Vendors shall have an implemented environmental management system (EMS) and environmental emergency plan (EEP).

SUB-CONTRACTING

Factories agree to perform all final manufacturing and assembly operations to produce products, and that they will not sub-contract the completion or substantially all of the manufacturing or assembly of the products unless Vendor obtains prior written approval from Newell. Vendors are responsible for notifying Newell of any plans for change of manufacturing locations. The sub-contracting of any work if permitted by Newell, shall not relieve Vendors from obligations hereunder, including, but not limited to, the obligation to require the companies providing goods and services to Vendors to comply with this Vendor Code of Conduct.

CONFLICT MINERALS

Vendors shall implement procedures to assure that no products or materials supplied to Newell contain conflict minerals (columbite-tantalite (also known as coltan (tantalum, niobium), cassiterite (tin), wolframite (tungsten), gold or their derivatives) that directly or indirectly finance armed groups through mining or mineral trading in the Democratic Republic of Congo or an adjoining country. Upon Newell's request, Vendors will fully cooperate in responding to any country of origin inquiries regarding conflict minerals (including requesting information from its own suppliers); provide requested documentation; and/or certify its compliance with this provision by providing a sworn declaration of one of its officers, directors, or managing agents.

MONITORING OF THE VENDOR CODE OF CONDUCT

Newell will review this Vendor Code of Conduct on a regular basis and will revise it to incorporate additional parameters when necessary. This Code is a general statement of Newell's expectations with respect to its Vendors. The Code should be read in conjunction with the Vendor's obligations set forth in the Responsible Sourcing Manual and in any agreements between Newell (or any of its operating divisions) and the Vendor.

It is the responsibility of the Vendor to ensure that it understands and complies with this Vendor Code of Conduct and to inform Newell (or a member of its management) if and when any situation develops that causes a Vendor to operate in violation of this Vendor Code of Conduct. Vendors are expected to self-monitor their compliance with this Vendor Code of Conduct, therefore, Newell strongly encourages Vendors to define and implement a policy for social accountability and to adopt or establish a management system to ensure that the requirements of this Vendor Code of Conduct can be met in a consistent manner.

In addition to any other rights Newell may have under any agreement it may have entered into with a Vendor, if Newell determines that any Vendor fails to comply with or breaches any terms of this Vendor Code of Conduct or has otherwise behaved in a manner that is inconsistent with the intent of this Vendor Code of Conduct, Newell reserves the right, in its sole and absolute discretion, to:

1. Terminate the business relationship with the Vendor, including the cancellation of any outstanding purchase orders, or
2. Require corrective actions within an acceptable time period and/or work with the Vendor for an acceptable remedial program in order for the business relationship to continue or resume.

SOCIAL COMPLIANCE ISSUE TOPICS

The following topics will highlight issues that can occur within a facility. Our Responsible Sourcing Manual will provide a rating for these issues along with corrective action plans and means of verifying these issues when they are present. While it is impossible to think of every issue that can take place, this Manual will provide you with the necessary insight to address other issues as they surface.



RECORDS REVIEW



FACTORY MANAGEMENT INTERVIEWS



VISUAL OBSERVATION



GATHERING INFORMATION FROM WORKERS



GATHERING INFORMATION FROM EXTERNAL RESOURCES

TOPIC

1

CHILD LABOR

Child labor is an issue that we take very seriously. No person shall be employed at an age younger than the law of jurisdiction of manufacturing allows. Newell Brands will not use suppliers that use labor from persons of less than the legal minimum working age or 15 years of age, whichever is greater, or the age designated by national law for completion of compulsory education. For jobs that require greater maturity, are hazardous in nature, require night work or pose a safety risk, these employees are to be a minimum of 18 years of age. The factory must maintain official verifiable documentation of each worker's date of birth. If a factory is lacking verifiable documentation they must have some legitimate means of confirming each worker's age.

AUDIT RATING



NO EXCEPTION

The factory is prohibited from employing anyone under the legal minimum working age or 15 years of age, whichever is greater, or, the age designated by national law for completion of compulsory education. For jobs that require greater maturity, are hazardous in nature, require night work or pose a safety risk, these employees are to be a minimum of 18 years of age.

CORRECTIVE ACTION PLAN

When this violation is present it is to be resolved immediately by removing the child from the facility. Policies for child labor and training personnel on child labor issues should be implemented within two (2) weeks. The factory should ensure that the minor child is enrolled in school along with affording the child an opportunity to work at the factory when they reach legal age.

Where local law specifies a minimum working age higher than 15, all workers must be at or above the legal minimum age.

CORRECTIVE ACTION PLAN If a local law for working age is higher than Newell Brands' minimum working age then local law will supersede all Newell Brands' requirements.

Factories are to comply with all minimum schooling age requirements as dictated by the law in that country. It is an NE violation when a child is required to be in school and instead is working in a factory. The minor child's work schedule is not allowed to interfere with their mandatory schooling.

CORRECTIVE ACTION PLAN If a child is not enrolled in school per the minimum schooling age requirements for that country, then the child is to be immediately enrolled in school and their work schedule is not to interfere with their mandatory schooling.

Means of verifying above issues

-  **Records Review**
-  **Factory Management Interviews**
-  **Visual Observation**
-  **Gathering Information from Workers**

AUDIT RATING  **IR IMMEDIATE RESOLUTION**

Only individuals who are at or above the age of 15 may be present in the work areas. The only exception to this policy would involve a guided tour of the facility with a trained professional.

CORRECTIVE ACTION PLAN If a child is found to be in the facility below the minimum age and not on a guided tour the child is to be immediately removed from the facility and a policy is to be implemented by the factory with personnel being trained on this policy. The policy and training should be completed within one (1) month of the incident taking place.

Factories must maintain official and verifiable documentation of each worker's date of birth. If the factory does not have this information, there must be some legitimate and reliable means of confirming each worker's age.

CORRECTIVE ACTION PLAN Factories that do not comply with this requirement must create a policy highlighting this requirement and they must train all personnel on this requirement. A review of all records must take place to determine that there are legitimate means to verify each workers' age. The newly initiated policy and review of records must be completed within one (1) month from the date of the violation.

If a country's law dictates juvenile employment restrictions or if there are certain requirements, the factory must be in compliance with all of these legal requirements. Some examples of this would be if the law states children are only allowed to work a certain number of hours, children are not allowed to handle hazardous materials, or if children are not permitted to work at night.

CORRECTIVE ACTION PLAN

When juvenile employment restrictions are not followed, the factory is to initiate a policy stating the employment restrictions and making sure that all personnel are trained on this new policy to ensure that there will be compliance with this policy. There should be sufficient record keeping for tracking juvenile employees and monitoring practices to ensure compliance. This action needs to be completed within one (1) month from the date of the violation.

Means of verifying above issues



Records Review



Factory Management Interviews



Visual Observation



Gathering Information from Workers

AUDIT RATING



ONGOING IMPROVEMENT

All factories should have the minimum hiring age requirements in a documented policy.

CORRECTIVE ACTION PLAN

Factories in violation of this item should create a policy that sets forth a minimum hiring age. Personnel should be trained on this policy and this policy should be implemented within a period of two (2) months.



Records Review



Factory Management Interviews



Visual Observation



Gathering Information from Workers



TOPIC
2

FORCED LABOR/PRISON LABOR/ HUMAN TRAFFICKING

Employment must be voluntary. Forced labor by any of our suppliers will not be tolerated. Suppliers and factories shall not use any compulsory prison, indentured, bonded or forced labor. In addition, suppliers and factories shall not engage in the use of physical, mental, verbal or other abuse. All workers are to be treated with respect and dignity. This applies to labor used in contracting, sub-contracting or other manufacturing relationships.

**AUDIT
RATING**



NO EXCEPTION

Any form of forced labor, prison labor or indentured labor is strictly prohibited. All employees are to work at their own free will.

**CORRECTIVE
ACTION PLAN**

If forced labor, prison labor or indentured labor is identified at the factory, it needs to be stopped immediately. All personnel should be trained on this issue and a policy needs to be implemented within two (2) weeks from the date of the violation.

There are to be no restrictions or fines if an employee chooses to end their employment with a factory.

**CORRECTIVE
ACTION PLAN**

Employees are to work at facilities at their own free will and should be able to determine if and when they would like to discontinue their employment. The act of any restrictions or fines is to be discontinued immediately and a documented policy should be created along with personnel being trained on this policy within two (2) weeks.

Any forms of Human Trafficking are strictly prohibited. Supplier shall maintain and commit to maintaining a work environment that is free from Human Trafficking. Newell Brands will not tolerate employment practices that include the recruitment, transportation, transfer, harboring or receipt of persons or through the use of force or through other forms of coercion, abduction, fraud, deception, abuse of power or by giving or receiving payments or benefits to achieve the consent of a person having control over another person for the purpose of exploitation.

**CORRECTIVE
ACTION PLAN**

Policy and procedures must be in place to not allow Human Trafficking. All employees must be trained on the Zero Tolerance Policy regarding Human Trafficking.

Means of verifying above issues



**Records
Review**



**Factory Management
Interviews**



**Visual
Observation**



**Gathering Information
from Workers**

**AUDIT
RATING**



IMMEDIATE RESOLUTION

Restrictions on an employees' movement are strictly prohibited

**CORRECTIVE
ACTION PLAN**

When this issue is present it needs to be discontinued immediately. Upon discontinuing this violation there needs to be a newly documented policy indicating that there will be no restrictions on an employee's movement. Upon management creating this policy, supervisors should be trained on it and employees should be made aware of their rights under this policy.

Employer must excuse employees from work for extenuating circumstances such as for family emergencies. Factories will not discipline employees for this nor will they impose any type of penalty for this.

**CORRECTIVE
ACTION PLAN**

All employees should be excused when an extenuating circumstance is present. When this issue is present it should be discontinued immediately. Factory management should implement a documented policy providing guidance for employees being excused from work and management should train supervisors on this policy. Policy and training should be completed within two (2) months or less.

Access to drinking water and clean toilets must be made available to all employees.

**CORRECTIVE
ACTION PLAN**

When there is a lack of compliance for this item there needs to be reasonable accommodations for employees at factories to have access to all of these needs. This should be corrected immediately. A policy should be implemented along with all personnel being trained on this policy within two (2) months or less.

Having mandatory overtime is not allowed. Overtime is to be worked on a voluntary basis.

**CORRECTIVE
ACTION PLAN**

When it is found that mandatory overtime is taking place this practice will need to be discontinued immediately. While it is allowed for employees to work overtime it is at the employee's discretion whether they choose to work it or not. A documented policy should be implemented with all personnel being made aware of this issue. This should be done within two (2) months or less.

Means of verifying above issues



**Records
Review**



**Factory Management
Interviews**



**Visual
Observation**



**Gathering Information
from Workers**

TOPIC

3

DISCRIMINATION

Newell Brands requests that their suppliers do not engage in any forms of discrimination. Vendors shall not discriminate against their employees or prospective employees in hiring practices or other terms or conditions of work on the basis of race, color, national origin, gender, religion, age, disability, political affiliation, sexual orientation, social or martial status, maternity, or membership in worker's organizations, such as unions, or any other similar factors. Employees should be hired based upon their knowledge, skills and abilities to conduct the job task. While employed, employees should work in an environment free of discrimination.

AUDIT
RATING



NO EXCEPTION

Any form of discrimination to include against their employees or prospective employees in hiring practices or other terms or conditions of work on the basis of race, color, national origin, gender, religion, age, disability, political affiliation, sexual orientation, social or martial status, maternity, or membership in worker's organizations, such as unions, or any other similar factors is strictly prohibited. Factories are also prohibited from engaging in any discriminatory practices such as discrimination in wages.

CORRECTIVE
ACTION PLAN

Employees should only be judged on their ability to do their job. Any form of discrimination in any way, whether it is during the hiring process, promotional process or a termination process, should be discontinued immediately. A documented policy should be implemented along with all personnel being trained on this policy within two (2) months or less.

Factories are prohibited from asking female employees to take a pregnancy test and they are also not allowed to discriminate against a female employee who is pregnant.

CORRECTIVE
ACTION PLAN

Factories found to be engaging in this practice are to discontinue this practice immediately. Reasonable accommodations should be made for pregnant employees and their job tasks should be adjusted if their regular position could endanger their pregnancy. Pregnant female employees should be treated equally and there should not be any restrictions placed against them for being pregnant. A documented policy should be implemented within a one (1) month period and personnel should be trained within that period.

Means of verifying above issues



Records
Review



Factory Management
Interviews



Visual
Observation



Gathering Information
from Workers



TOPIC

4

DISCIPLINARY PRACTICES

Newell Brands will not engage in any form of a business relationship with those who engage in any type of physical, mental or sexual abuse against their employees. Employees should be able to work in a safe environment free from any hostility or abuse.

AUDIT RATING



NO EXCEPTION

There must not be any forms of physical violence. This includes the act of violence or the threat of violence. Management will not allow any personnel to engage in any form of physical, sexual, psychological or verbal abuse.

CORRECTIVE ACTION PLAN

Any forms of violence, implied violence or abuse should be stopped immediately. A documented policy should be created that outlines disciplinary actions. Supervisors should be trained on the policy and the correct disciplinary practices that are allowed. Personnel engaging in such acts should be trained and counseled on appropriate disciplinary procedures. Other measures up to termination of employee might be necessary if said employee is not receptive to the training. Policy and training should be implemented and completed within a one (1) month period.

Sexual Harassment in any form will not be tolerated. This includes special treatment for sexual favors or negative treatment if an employee declines sexual advances.

CORRECTIVE ACTION PLAN

Employees should not work in any type of a hostile environment. Any and all forms of Sexual Harassment must be terminated immediately. All factories should have a documented Sexual Harassment policy in place and all personnel including management must be trained on it. The policy and training must be completed within a period of one (1) month.

Means of verifying above issues



Records Review



Factory Management Interviews



Visual Observation



Gathering Information from Workers



Gathering Information from External Resources

**AUDIT
RATING**



IMMEDIATE RESOLUTION

Verbal abuse of any form will not be tolerated. This includes the threatening of workers in any way.

**CORRECTIVE
ACTION PLAN**

All employees are to be treated with dignity and respect. Verbal abuse of any form should be stopped immediately. Personnel should be made aware that any forms of verbal abuse will not be tolerated. Acceptable disciplinary practices should be highlighted in factory policies and all personnel should be trained on these policies. If policies are not in place then the policy and training should be completed in two (2) months or less.

There must be a standard policy in place for disciplinary procedures. This must include verbal or written warnings, an escalation process, and guidelines for terminating an employee. There must not be any form of monetary penalties issued as a disciplinary action.

**CORRECTIVE
ACTION PLAN**

If one is not already in place, a standard policy must be implemented outlining what disciplinary practices are permissible and what disciplinary practices are prohibited. All personnel should be made aware of the policy and all supervisors should be trained on it. Policy implementation and training should be completed in two (2) months or less.

Any coercive behavior such as withholding an employee's basic rights is prohibited. Some examples of this are restrictions on use of water or the withholding of wages.

**CORRECTIVE
ACTION PLAN**

If this behavior is present it needs to be stopped immediately. Employees should be granted all basic rights and all employees should be made aware of their basic rights. If basic rights are not discussed during hiring orientation and not outlined in employee handbooks this should be initiated within two (2) months or less.

There must be an efficient method for workers to report grievances. This process should be company wide and all employees should be trained on the grievance process.

**CORRECTIVE
ACTION PLAN**

If this process is not initiated then it should be implemented within a period of one (1) month or less. Employees should feel safe and secure and should be able to air their grievances without the fear of any repercussions. Some examples of effective solutions would be comment boxes and a dedicated person with an unbiased view to handle the grievances.

Means of verifying above issues



**Records
Review**



**Factory Management
Interviews**



**Visual
Observation**



**Gathering Information
from Workers**

TOPIC
5

HEALTH AND SAFETY

Newell Brands requires that its suppliers' factories provide a safe, clean and healthy working environment for all of their employees. These standards should be set in accordance with all applicable laws, ordinances and guidelines within the country of manufacture.

**AUDIT
RATING**



IMMEDIATE RESOLUTION

Emergency exit doors and stairways should be easily accessible at all times.

CORRECTIVE ACTION PLAN Emergency exit doors and stairways should be clearly identified and free from any obstructions. If this issue exists then actions should be taken immediately to make all exits and stairways accessible.

Fire and other emergency evacuation drills are to be conducted on a regimented basis. Sufficient and accessible fire extinguishers and / or fire hoses should be in good working condition and should be located throughout the facility. All fire extinguishers and fire hoses should be inspected on a regular basis. Supervisors should be trained to monitor the safe and orderly evacuation of all workers. There should be documentation with clear evacuation procedures for all employees in the event of an emergency. Facilities must be inspected at least once a month by trained personnel to ensure that all fire safety standards are met. The inspection date, time, and results should be documented to ensure completion of inspections.

CORRECTIVE ACTION PLAN If these steps are not being regularly conducted then they need to be implemented immediately. Plans should be formed that outline crisis management procedures and responsible personnel should be trained on all these procedures. Plans and training should be implemented and updated as necessary and this should be completed in two (2) months or less. Inspections need to be completed immediately to ensure fire safety standards.

Facilities must have a fire safety committee, or assign this responsibility to an existing committee. 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. There must also be designated emergency response personnel identified, trained and present for each floor, building, and shift.

CORRECTIVE ACTION PLAN If these steps are not in place currently, they need to be implemented immediately. Committees need to be assembled with responsible personnel to handle high hazard areas. Not having these committees in place can cause harm to the employees, having a plan is the key for our employee's safety. Designated emergency personnel must be known to workers to ensure they can be identified.

Work areas are to be properly ventilated. During periods of hot temperatures, adequate Heating Ventilation and Air Conditioned (HVAC) areas are to be provided for the well being of employees. During periods of cold temperatures, adequate heating without any risk to safety is to be provided. There is to be adequate lighting and workspace for the safety and well-being of employees. In all areas where painting, lacquering, spraying or sanding is done or where chemicals or solvents are used, adequate and proper ventilation and air circulation is to be provided.

CORRECTIVE ACTION PLAN

If these necessary steps are not being followed then these safety measures for employees must be started immediately. Not having these safety measures puts employees' health at risk. This plan should be implemented right away with a target date for completion of two (2) months or less.

Workers are required to wear appropriate Personal Protective Equipment (PPE) such as eye protection, hearing protection, hard hats, protective shoes, protective clothing, and any other appropriate protective gear – all provided at no cost to the worker. All chemicals used by workers must be safe and not cause any harm to the worker. Also, there must be eyewash stations located throughout the facility and all hazardous materials need to be labeled.

CORRECTIVE ACTION PLAN

If PPE is not being provided to employees, then this should be corrected immediately. Employees need to be given all the necessary instruments to conduct their work in the safest and most efficient manner. Safety guidelines should be displayed throughout the facility.

Safe drinking water is to be provided at all times. There are to be no restrictions on the normal consumption of drinking water.

CORRECTIVE ACTION PLAN

If it is determined that safe drinking water is not made available to employees, then measures need to be taken to correct this immediately.

AUDIT RATING



ONGOING IMPROVEMENT

Trained first aid personnel should be onsite at the facility. In the case of a serious injury, workers are to be provided with medical treatment at the closest outside medical facility at no cost to the employee.

CORRECTIVE ACTION PLAN

If there are no trained first aid personnel onsite then management should either train or hire a person to be responsible for first aid. Adequate first aid supplies should be stocked at all times. This plan should be implemented within two (2) months or less and become a regular on going process.

Means of verifying above issues



Records Review



Factory Management Interviews



Visual Observation



Gathering Information from Workers

TOPIC

6

ENVIRONMENTAL COMPLIANCE

Newell Brands takes protection of the environment seriously. We believe it is important for our suppliers to share this same philosophy and take initiative in business practices to protect the environment. Natural resources are a precious commodity and we must engage in all practices to conserve those resources and protect the environment. Newell Brands Corporation takes seriously its record of socially compliant, ethical and environmentally sensitive business practices.

AUDIT RATING



IMMEDIATE RESOLUTION

Factories are required to abide by all international, national and local environmental laws and regulations of the country in which they operate.

CORRECTIVE ACTION PLAN

If there is a lack of compliance, factories must improve practices and procedures so that all processes conform to environmental laws and regulations. Necessary steps should be taken immediately to achieve compliance.

All facilities must keep proper environmental records and certificates for air, waste and water in compliance with applicable laws and regulations.

CORRECTIVE ACTION PLAN

Having missing or lack of records is an issue that must be corrected within one (1) month or less. Factories should work to immediately apply for necessary certificates and ensure that there are adequate recordkeeping measures put into place.

All suppliers must dispose of all hazardous materials and chemicals properly and according to the law so that these materials are not discharged and do not pollute the environment.

CORRECTIVE ACTION PLAN




If necessary steps are not being taken then corrective steps must be initiated immediately. Policies must be implemented to outline proper hazardous and chemical material disposal along with training personnel on proper disposal practices. Policy and training should be completed in a period of one (1) month or less and training should be ongoing for this policy.



Suppliers should not use any ozone-depleting chemicals (ODCs) in the manufacturing processes. Among the most common forms of ODCs are chlorofluorocarbons (CFCs).

CORRECTIVE ACTION PLAN Use of any ozone-depleting chemicals should be discontinued immediately. Analysis of comparable chemicals that are environmentally friendly should be conducted. Replacement of these chemicals should occur in one (1) month or less.

Means of verifying above issues

-  **Records Review**
-  **Visual Observation**
-  **Gathering Information from Workers**

TOPIC

7

WORKING HOURS

Suppliers need to maintain reasonable working hours for their employees. Work hours need to be in compliance with all local standards and applicable laws of the jurisdiction.

AUDIT RATING  **IR IMMEDIATE RESOLUTION**

Time worked by employees needs to be documented.

CORRECTIVE ACTION PLAN Adequate measures, such as an automatic time recording system, should be in place to keep track of employee working hours. This process should be completed in two (2) months or less.

Workers are to receive overtime pay which is higher than the regular wage and that is in accordance with the local law.

CORRECTIVE ACTION PLAN If an employee's overtime pay is not higher than the regular wage, a policy should be created that corrects this issue. Employees should be made aware of the changes. This plan should be initiated immediately and completed in one (1) month or less.

Employees should be permitted a reasonable number of days off.

CORRECTIVE ACTION PLAN When employees are not permitted a reasonable number of days off, a policy needs to be put into place that creates guidelines for employee days off. Employees should receive at least one day off for every seven-day period. This plan should be implemented immediately and fully resolved in one (1) month or less.

Means of verifying above issues

-  **Records Review**
-  **Factory Management Interviews**
-  **Visual Observation**
-  **Gathering Information from Workers**

TOPIC

8

WAGES AND BENEFITS

Having proper procedures for wages and benefits for employees is imperative to a factory operating smoothly. Wages that are paid by a factory need to be at least the legal minimum wage of the jurisdiction in which the factory operates.

AUDIT RATING  **IR IMMEDIATE RESOLUTION**

Both minimum wage and overtime wages must meet the legally mandated requirements.

CORRECTIVE ACTION PLAN If this is not the case then this should be corrected immediately to reflect all legal requirements.

There are to be no unauthorized or illegal deductions from an employee's wages. There should also not be any delay in payment of wages to employees.

CORRECTIVE ACTION PLAN If it is determined that there are illegal deductions from an employee's wages, this needs to be stopped immediately and corrected. The employee should be provided back wages to account for the missing funds. There should be a systematic method set up for payment of wages to employees so that there is no delay in payment.

The wage structure, with any legitimate deductions and overtime pay, is to be itemized clearly in writing for the workers and in accordance with the local law.

CORRECTIVE ACTION PLAN

If there is no itemization, clear guidelines need to be developed that are implemented factory-wide for a standard pay structure format. This should be implemented immediately and fully resolved in two (2) months or less.

Wages must be paid at least monthly or within the limited period established by local law, whichever is more frequent.

CORRECTIVE ACTION PLAN

If factories are not paying within the specified time period, then this must be corrected immediately and fully resolved in one (1) month or less. Employees should be made aware of the pay schedule.

AUDIT RATING



ONGOING IMPROVEMENT

Workers should be aware of their pay information, including the pay structure and the benefits they have and to which they are entitled. Workers should be provided with a detailed pay statement for each payment received.

CORRECTIVE ACTION PLAN

If workers are not being provided with a pay slip then the factory should initiate this process immediately with this process being completed in two (2) months or less.

Means of verifying above issues



Records Review



Visual Observation



Gathering Information from Workers



TOPIC

9

LAWS AND REGULATIONS

Newell Brands will only work with suppliers whose business activities comply with all applicable national and local legal requirements, customs and published industry standards in the country of manufacture.

AUDIT RATING



NO EXCEPTION

Factories must be aware of all laws and regulations that apply to them.

CORRECTIVE ACTION PLAN

If a factory is not complying with a law, they must become compliant immediately. The law should be incorporated into standard operating procedure and all personnel should be trained on the laws that apply to the facility immediately. If a supplier is non-compliant with resolving this then Newell Brands may seek another supplier.

Factories producing products for and on behalf of Newell Brands must maintain records and documentation which may be needed to verify compliance with applicable laws and regulations. These records must be maintained at the factory location and should be readily available upon the request of Newell Brands or its third-party auditor. Records should be maintained for a minimum of two (2) years.

CORRECTIVE ACTION PLAN

If factories are not actively keeping documentation and records to verify compliance with applicable laws and regulations, then this practice should be initiated immediately.

All business transactions are to be straightforward and transparent. Factories must never accept or provide anything of value, either directly or indirectly, in order to obtain an improper advantage or to obtain or retain business. We expect that all of our suppliers have adequate policies and procedures in place to prevent any forms of bribery.

CORRECTIVE ACTION PLAN

If there is a lack of compliance or a policy does not exist on these requirements, factories are to immediately establish such policies and procedures on anti-bribery and train employees on these requirements.

Means of verifying above issues



Records Review



Factory Management Interviews



Gathering Information from Workers



Gathering Information from External Resources

SUPPLY CHAIN SECURITY GUIDELINES & ISSUE TOPICS

SUPPLY CHAIN SECURITY STANDARDS

Newell is a member and partner of the U.S. Customs and Border Protection in the CTPAT (Customs-Trade Partnership Against Terrorism) program. In conjunction, the World Customs Organization (WCO) programs, PIP(Canada) and AEO (Europe and Latin America) are aligned with the standards of the CTPAT program and Newell recognizes Vendors and Factories who have obtained certification administered by these foreign Customs administrations.

VENDORS AND FACTORIES SHALL MEET OR EXCEED THE FOLLOWING:

1

Adhere to security standards based on the Supply Chain Security Guidelines to overcome potential threats posed by terrorism and smuggling activities in order to safeguard the supply chain.

2

Comply with security recommendations resulting from any third-party audit firm or properly designated security representative of Newell.



VENDORS AND FACTORIES MUST DEVELOP, IMPLEMENT AND FOLLOW STANDARD WRITTEN SECURITY PROCEDURES, WHICH ADDRESS THE FOLLOWING:



BUSINESS PARTNER REQUIREMENTS

Written policies and procedures to select business partners including customers, carriers, other manufacturers, product suppliers, vendors (parts and raw materials suppliers, etc.).



CONTAINER / CONVEYANCE SECURITY

Written policies and procedures to include storage, inspections, and seal applications.



PHYSICAL ACCESS CONTROLS

Written policies and procedures to prevent unauthorized entry to the facilities, maintain control of employees and visitors, and protect company assets.



PERSONNEL SECURITY

Written policies and procedures to screen prospective employees, contractors and periodic check of current employees in high-risk areas.



PROCEDURAL SECURITY

Written policies and procedures to ensure the integrity and security of processes relevant to the transportation, handling and storage of cargo.



PHYSICAL SECURITY

Implementation of physical barriers and deterrents to guard against unauthorized access and the protection of assets.



SECURITY TRAINING AND THREAT AWARENESS

Training awareness program established and maintained for all employees and contractors. Additional training for all personnel assigned to shipping and receiving areas.



INFORMATION TECHNOLOGY SECURITY

Written policies and procedures to ensure individual password assigned and periodic change. System must have protective measures to identify improper use and tampering.



COMPLIANCE MANAGEMENT

It is a best practice for all Vendors and Factories to acquire membership in a World Customs Organization program such C-TPAT, AEO, PIP, etc. Vendors and Factories that belong must ensure that their programs correspond to the Newell Supply Chain Security Guidelines.



INTERNAL CRITERIA

All Vendors and Factories engaging Newell in the production and/or distribution of finished good must conduct a thorough due diligence of their suppliers and business partners.

Newell is a member and partner of the U.S. Customs and Border Protection in the CTPAT (Customs-Trade Partnership Against Terrorism) program. In conjunction, the World Customs Organization (WCO) programs, PIP (Canada) and AEO (Europe and Latin America) are aligned with the standards of the CTPAT program which is a threat awareness program that identifies weakness in security procedures and introduces needed corrective actions to overcome potential threats posed by terrorist and contraband smugglers at each point in the foreign based logistical supply chain. Supply Chain Security (SCS) compliance carries valuable benefits and due to the global nature of Newell business activities, it is perceived as mandatory by many of Newell customers.

The Supply Chain Security Compliance Guidelines below will provide details in meeting the SCS criteria, highlighting the critical requirements. This document will serve as an important tool to assist factories in achieving SCS compliance.

TOPIC

1

COMPLIANCE MANAGEMENT

It is a best practice for all Vendors and Factories to acquire membership in a WCO program such as CTPAT, AEO, PIP when applicable. Vendors and Factories that belong must ensure that their program corresponds to the Newell Supply Chain Security Guidelines including:

- Identify person(s) of responsibility for the program and liaison with governmental agency as applicable
- Establish a comprehensive manual based on the program criteria to include annual review of the policy and procedures, and update as needed
- Training program for all employees
- Identify international supply chain process and conduct a risk and vulnerability assessment

TOPIC

2

BUSINESS PARTNER REQUIREMENTS

The facility must have written, verifiable processes and procedures used in the selection of business partners including: material suppliers, manufacturers, and logistics service providers.

The facility must incorporate and require minimum supply chain security requirement language in contracts with a business partners.

Contracted business partners are required to conduct and provide an annual security risk assessment of their operation. These business partners include any contract services, such as security, transportation provider, freight consolidation or manufacturing labor.

TOPIC

3

CONTAINER / CONVEYANCE SECURITY

Container Security is a vital part of the CTPAT and WCO standards to protect against the induction of unauthorized material and/or persons. Policies and procedures must be in place to maintain the integrity of the shipping containers that include the following:

1. Container / conveyance inspections at the point of loading
2. Container Seal Security
3. Container Storage

CONTAINER INSPECTION

- Policies and procedures must be in place to verify the physical integrity of the container structure prior to stuffing to include the reliability of the locking mechanism of the doors.
- Based on C-TPAT and WCO standards it is recommended to follow the “seven-point” inspection process for all containers.

- | | | |
|--------------|------------------|---------------------------|
| • Front Wall | • Floor | • Inside / Outside doors |
| • Left Side | • Ceiling / Roof | • Outside / Undercarriage |
| • Right Side | | |

CONTAINER SEALS

Written Policy and Procedures must be in place to stipulate the proper control and implementation of seals. Evidence (invoice or certificate) that the seals meet or exceed the current ISO PAS 17712 standards.

Policies and Procedures to ensure seal security to include:

- Seal control and accountability
- Designated person(s) of responsibility
- Proper method to affix to the container
- Recognizing and reporting of compromised seals or container to proper authority
- Proper disposal of used seals

CONTAINER STORAGE

Containers must be stored in a secure area to prevent unauthorized access and/or tampering. Container doors should be secured by seals or positioned not to allow container doors to be opened (back to back). Policy and Procedures must be in place for reporting, preventing unauthorized access to the interior of the container and/or storage areas.

CONVEYANCE SECURITY

Driver information should be recorded and retained for all departing shipments and written procedures in place instructing the drivers to take designated routes between the origin and the port. Transit routes from the factory to the port or next destination location should be randomly changed to minimize predictability. When applicable tracking technology should be used by the transportation company.

TOPIC

4

PHYSICAL ACCESS CONTROLS**EMPLOYEES**

Policies and Procedures must be implemented to protect against unauthorized personnel from entering the facility. Ingress and egress locations should be kept to a bare minimum based on size and population.

Implementation of an employee identification system must be place for positive identification and control purposes. Access to secure areas should be granted only to those employees who need access based on the performance of their duties.

The overall identification badge and access process must include the following:

- Develop application and tracking process
- Standard ID badge with employee name, company name, photograph
- Control of issuance and removal
- Limit access to secure areas needed to perform duties
- Designated person(s) to manage the program

VISITORS/VENDORS

All visitors and vendors must present photo identification for proper identification upon arrival. Proper documentation process must be in place (electronically preferred) to record name, company, person being visited, date and time. All visitors/vendors should be escorted and are required to display the issued visitor/vendor badge.

DELIVERIES (MAIL)

All mail should be delivered to a designated mail room. All packages should be routinely inspected with a process in place to address suspicious packages. Delivery personnel must present proper ID and/or photo identification upon arrival, information must be documented and retained.

CHALLENGING AND REMOVING UNAUTHORIZED PERSON(S)

Policy and Procedure must be in place to identify, challenge and address unauthorized/unidentified persons. Employees must be trained on the process to include reporting and escalation process.

TOPIC

5

PERSONNEL SECURITY

Policies and procedures must be in place to ensure employees and contractors meet the minimum requirements for selection and screening based on Newell, C-TPAT, and/or WCO standards to include, but not limited to:

- Pre-Employment verification to include employment history and references prior to employment.
- Background Checks/Investigations: It must be recognized that under Newell, C-TPAT and/or WCO standards business units should comply with foreign, federal, state and local regulations. Periodic checks and reinvestigations should be performed based on cause and/or the sensitivity of the employee's position.
- Personnel termination procedures must be in place to ensure identification badges are returned, facility, and systems access removed for terminated employees and/or contractors to include documentation.

TOPIC

6

PROCEDURAL SECURITY

Policies and Procedures must be in place to ensure that all information used in the clearing of merchandise/cargo meets with the following criteria:

- Documentation Process:
 - Legible
 - Complete
 - Accurate
 - Protected against the exchange, loss or introduction of erroneous information
 - Documentation control must include safeguarding computer access and information.
- Manifest Procedures to ensure the integrity of cargo received from abroad must be in place to ensure information received from business partners is reported accurately and timely.
- Shipping and Receiving:
 - Cargo should be reconciled against the manifest
 - Cargo should have accurate description
 - Weights, labels, marks and piece count recorded and verified
 - Departing cargo should be verified against the purchase order
 - Drivers delivering or receiving cargo must be positively identified (photo ID) prior to cargo received or shipped
- Cargo Discrepancies, all shortages and overages and other anomalies must be resolved and/or investigated appropriately internally and externally. Customs and/or other appropriate law enforcement agencies must be notified if illegal or suspicious activities are detected. As appropriate based on current law or governmental structure.

TOPIC

7

PHYSICAL SECURITY

Policy and Procedures must be in place to ensure cargo handling and storage facilities of Newell, Suppliers and 3rd Party locations in domestic and international locations to have physical barriers and deterrents that guard against unauthorized access.

The following C-TPAT and/or WCO criteria should be implemented throughout the supply chain as applicable.

FENCING

Perimeter fencing should enclose the areas around cargo handling and storage facilities. Interior fencing within a cargo handling structure should be used to segregate domestic from international, high-value, and hazardous cargo. All fencing must be regularly inspected for integrity and damage.

GATES AND GATE HOUSES

Gates through which vehicles and/or personnel enter or exit must be manned and/or monitored. The number of gates should be kept to the minimum necessary for proper access and safety.

PARKING

Private passenger vehicles should be prohibited from parking in or adjacent to cargo handling and storage areas.

BUILDING STRUCTURE

Buildings must be constructed of materials that resist unlawful entry. The integrity of structures must be maintained by periodic inspection and repair.

LOCKING DEVICES AND KEY CONTROLS

All external and internal windows, gates and fences must be secured with locking devices. Management or security personnel must control the issuance of all locks and keys.

LIGHTING

Adequate lighting must be provided inside and outside the facility including the following areas: entrances and exits, cargo handling and storage areas, fence lines and parking areas.

ALARMS SYSTEMS AND VIDEO SURVEILLANCE CAMERAS

Alarm systems and video surveillance cameras should be utilized to monitor premises and prevent unauthorized access to cargo handling and storage areas.

TOPIC

8

SECURITY TRAINING AND THREAT AWARENESS

Policy and Procedures must be implemented to ensure security and awareness training programs are established and maintained to recognize to include awareness of the threat of terrorism at each point in the supply chain. Employees and/or contractors must be made aware of procedures Newell has in place to react and how to report. The program should address but not limited to the following:

- Threat posed by terrorism
- Maintaining cargo integrity
- Recognizing internal conspiracies
- Protecting access control
- Specialized training for shipping and receiving personnel
- Handling unauthorized person(s)
- Loss prevention
- Bomb threats

Additional training should be provided to employees and/or contractors assigned to shipping and receiving. The training should be specific to the following:

- Maintaining cargo integrity
- Recognizing internal conspiracies
- Protecting access controls

TOPIC

9

INFORMATION TECHNOLOGY SECURITY

Policies and Procedures must be in place for securing the IT systems. Automated must use:

- Individual assigned accounts
- Periodic change of password protection
- Training
- Accountability

A system must be in place to identify abuse of the IT system including:

- Improper access
- Tampering or altering of data
- Disciplinary actions
- Documentation

TOPIC

10

INTERNAL CRITERIA

All Newell business units engaging international business partners in the production and/or distribution of finished goods should conduct a thorough due diligence to include, but not limited to:

- Financial;
- Contractual security requirements;
- Ability to identify and correct security deficiencies; and
- Risk and vulnerability assessment