



IWAY Standard

Minimum Requirements for Environment and Social & Working
Conditions when Purchasing Products, Materials and Services.

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IWAY Standard: Transport section

A transport section to the IWAY standard edition 4 dated 2008-06-04

This document describes IKEA Transport requirements for all modes of transport involved in the service of transporting IKEA products. The requirements in this document replace the requirements with the same number in the main IWAY Standard document.

- 1 Start up requirements (IWAY musts)**
- 2 General Conditions**
- 3 Environment – Air, Noise, Water and Ground**
- 6 Fire Prevention**
- 7 Worker Health & Safety**
- 8 Housing Facilities**
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Transport Section International References

R18 Maritime Labour Convention (ILO, 2006)



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1. Start-up requirements (IWAY Must)

The requirements in Chapter 1 of the IWAY standard, the Start up requirements, must be complied with before start of business for IKEA. These Start-up requirements also apply to all subcontractors performing Transport Services for IKEA.

1.7 Specific transport environmental requirements

Maritime transports:

For owned and chartered vessels, fill in and annually update the Clean Cargo Performance Metrics tool and Environmental Performance Survey (EPS). For pre- and on carriage (i.e., land transports), the requirements for Land transports apply.

Land transports:

North America	<ul style="list-style-type: none"> For all land transports used for IKEA transports (both owned and sub contracted) be a member of the EPA Smartway program and reach at least the score 1.0
All other countries	<p>For all:</p> <ul style="list-style-type: none"> For all road transports used for IKEA transports (both owned by the Supplier and sub contracted) only use trucks that are 10 years or younger. For the fleet owned by the IKEA Supplier and the supplier's biggest¹⁾ subcontractors fill in and annually update the EPS provided by IKEA. <p>For road transports in Asia Pacific, Russia and Ukraine:</p> <ul style="list-style-type: none"> For the fleet owned by the IKEA Supplier and the supplier's biggest¹⁾ subcontractors at least 50 points in the EPS have to be reached. <p>For road transports in all other countries (excl North America):</p> <ul style="list-style-type: none"> For the fleet owned by the IKEA Supplier and the supplier's biggest¹⁾ subcontractors at least 100 points in the EPS have to be reached. For trucks of a gross vehicle weight less than 3500 kg only use trucks that are 5 years or younger.

Clarifications:

¹⁾ Those subcontractors to road transportation services which are included in the service of transporting 80% of IKEA volumes for the Supplier (or the 5 biggest, if that amount is reached before the 80% in volume).

2. General Conditions

2.3 IWAY communication to sub-suppliers

The IKEA Supplier shall communicate all the IWAY requirements in the IWAY standard and the transport section to its Suppliers, involved in the transportation of IKEA products or other operation for IKEA.

Clarifications:

Included here are only first level of sub-suppliers which are

- Processing work for the IKEA Supplier e.g. loading/unloading, storing and transporting IKEA products.
- Providing on-site services directly linked to the core operations e.g. maintenance of vehicles and fork lifts, fumigation of goods containers, pallet handling and repair etc.

The IWAY requirements do not need to be communicated to partners that e.g. provide electricity, fuel, office material, tools, machinery or other services that are not a part of the core operations.



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2.6 Update of laws and regulations

The IKEA supplier shall have a routine in place that ensures they are continuously updated with applicable laws and regulations relating to the requirements included in IWAY.

Clarifications:

- The routine can be explained through examples etc. with references to sources of update information and recent changes that have occurred. Example: The IKEA supplier can demonstrate an internet based service that is used.
- For cross border transports, the application of country specific law or regulation mean that the entire journey – in the countries of loading, transportation and final destination – shall be considered.

3. Environment – Air, Noise, Water and Ground

3.6 Energy reduction

The IKEA supplier shall have a practical plan in place to reduce the CO₂ emissions due to transportation. The plan shall set a CO₂ emissions reduction target per annum and shall cover at least 36 months.

Clarifications:

- The plan shall include, even partly, transports done for IKEA
- The plan shall be in writing and shall set a feasible, measurable goal and time frames for each action.
- The plan shall be followed up at least every year and/or upon IKEA request.
- For road transports with trucks of a gross vehicle weight less than 3500 kg in EU 15, Norway, Switzerland, Japan, Australia and Singapore, the CO₂ emissions reduction target shall aim to reach an average CO₂-level of 190 g/km by 2010 and 160 g/km by 2015, for the transports done for IKEA.

6. Fire Prevention

6.3 Competence and training

The IKEA supplier shall have an adequate number of workers trained to use the fire fighting equipment in each work area, covering all shifts. Records of the training shall be kept by the IKEA supplier including names of participants, dates of the training and an overview of the training content.

All workers shall be made aware of basic safety issues before starting work through introductory training.

Clarifications:

- Introductory training shall at a minimum include the proper procedure for evacuation, location and activation of the emergency alarm.
- All truck drivers shall be trained how to use the fire fighting equipment.

6.4 Fire fighting equipment

The IKEA supplier shall have the appropriate fire fighting equipment in fixed premises as well as in vehicles, such as trucks, locomotives and ships. Placement and maximum distance between fire extinguishers shall comply with applicable laws and regulations and/or specific approvals from the fire authorities.

The fire fighting equipment shall be easily accessible and identifiable, also from a distance. It shall be maintained, kept unlocked and inspected at least every 12 months.

Clarifications:

- The IKEA supplier shall have an internal review process to check that fire fighting equipment is functioning with documented maintenance records and/or stickers/tags placed on the equipment.



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7. Worker Health & Safety

7.1 Health & Safety classification, reporting and inspections

The IKEA supplier shall ensure compliance with applicable laws & regulations relating to health and safety issues including classification, work place risk analysis, reporting and inspections by authorities. The required corrective actions from such inspections shall be documented and completed within the set timeframe.

The IKEA Supplier shall have a procedure for checking the driving licences of its truck drivers on a regularly basis, at least once per year.

Clarifications:

- If there is a legal requirement to be inspected, but no inspection has been carried out, the IKEA supplier shall as a minimum send the relevant authority a written request to be inspected.
- Should there be an exemption from authorities, this shall be in writing and if required include a plan for improvement.

7.4 Machine safety devices

The IKEA Supplier shall ensure all mobile equipment such as forklifts, trucks, trailers, locomotives and waggons have wheels, tires and break systems that comply with laws and regulations. The wheels, tyres and break systems shall be in good working condition and well maintained.

The IKEA supplier shall ensure all machines, vehicles, ships and other equipment used in operations are equipped with the necessary and required safety devices in order to prevent work injuries.

Clarifications:

- The IKEA Supplier shall ensure that all vehicles are checked by technical inspection authorities according to legal demands. In absence of legal requirements, technical inspections of the vehicles shall be conducted at least every 12 month.
- Machines and other equipment marked with CE-labels or similar and that have not been tampered or modified are to be considered as fulfilling the IWAY requirement on machine safety devices

7.5 Safety instructions

If there is a risk for health or risk of injuries, the IKEA supplier shall ensure that safety instructions and/or warning signs are clearly and visibly posted at designated work area(s), in close proximity to machines and other equipment, and at entrances to such area(s) where such machine(s) or equipment are used.

The IKEA Supplier shall provide emergency phone numbers to all truck drivers, especially for international transports.

Clarifications:

- Risks and hazards can either be described in the form of figurative signs or described in a written instruction or procedure in a language understood by the workers.



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7.7 Use of personal protective equipment

The IKEA supplier shall, free of charge, provide the appropriate Personal Protective Equipment (PPE) and specific protective clothing to all workers and visitors in any harmful or potentially risky work area(s). The IKEA supplier shall ensure the PPE is available, maintained and used.

All trucks shall be equipped with high visibility vests.

Clarifications:

- PPE is to be as understood protective equipment for head, eyes, hands, feet, hearing, body and breathing.
- The IKEA supplier shall strive to reduce the need of PPE by reducing noise levels, improve machine safety, use safe work procedures and improve air quality.
- Areas where PPE is needed shall be clearly marked (e.g. symbol for helmet, ear protection, gloves, mask, goggles, boots etc.).

7.8 First aid equipment

First aid equipment shall be adequately stocked and available to workers during all shifts. The extent of the first aid equipment shall be based upon the size of the facility, the extent of the activities performed as well as the potential risk of injury. Each floor and each building shall have at least one first-aid box placed in a designated area which is clearly marked.

All trucks and locomotives shall be equipped with a first aid box.

Clarifications:

- It can be acceptable to have first aid boxes locked, if the key is easily accessible to all, is next to the box and in a clearly marked container.

7.18 Alcohol and Drugs

The IKEA Supplier shall have an anti alcohol and drug policy and shall actively work to make sure it is communicated to and recognised by all employees.

8. Housing Facilities

8.1 Requirements for housing

The IKEA supplier shall comply with relevant legal requirements for housing facilities.

The IKEA supplier shall also ensure reasonable living space, cleanliness, privacy, quietness, safety, personal hygiene and access to drinking water. The infrastructure of the buildings shall ensure the personal safety of the residents.

Requirement on Fire Safety for Housing Facilities are the same as per section 6 in this document.

Clarifications:

- No restrictions shall be applied which interfere with the worker's right to leave the housing facility during their free time.
- Workers, for whom accommodation is provided, shall be provided with their own individual bed/mattress or sleeping mat.
- Separate accommodations, toilets and washing facilities shall be available for men and women respectively.
- Truck drivers cabins are not considered as housing facilities



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9. Wages, Benefits and Working Hours

9.3 Working hours and overtime

Suppliers shall not require their workers to work more than sixty (60) hours per week on a regularly scheduled basis, including overtime. Working time must not exceed the legal limit.

Overtime hours shall be on a voluntary basis.

Clarifications:

- IKEA can, under certain circumstances, well defined in the local legislation and/or agreed with local trade union, accept that overtime hours may be mandatory and decided by the management of the supplier.
- Maritime transports: the regulations stated in ILO MLC (Maritime Labour Convention, 2006) are applicable.
 - The limits on hours of work or rest shall be as follows:
 - (a) maximum hours of work shall not exceed:
 - (i) 14 hours in any 24-hour period; and
 - (ii) 72 hours in any seven-day period;
 - or
 - (b) minimum hours of rest shall not be less than:
 - (i) ten hours in any 24-hour period; and
 - (ii) 77 hours in any seven-day period.
- Working time for vehicle driver's covers not only time spent at the wheel, but also activities such as loading, unloading, maintenance and cleaning.

Period of Availability (PoA) can be excluded from the working time. If PoA is included in the country legislation on working hours, the amount of working hours and overtime including PoA can never exceed the legal limit in the country.

Period of availability (PoA) is waiting time, the duration of which is known about in advance by the mobile worker, these periods have to meet the following criteria:

- a mobile worker should not be required to remain at his/her workstation;
- (but) he/she must be available to answer calls to start work or resume driving on request; and
- the period and the foreseeable duration should be known in advance, by the mobile worker, either before departure or just before the start of the period in question.

9.7 One day off in seven

Workers shall have at least one day off in seven.

Clarifications

- Maritime transports: see chapter 9.3
- In North America one day off in nine applies for truck drivers



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9.9 Breaks

The IKEA supplier shall provide its workers with appropriate time off for meals and breaks.

Clarifications:

- At least one break per day and shift shall be 30 minutes or more, if not otherwise agreed in writing between the IKEA supplier and the workers (e.g. through an agreement with the local union or workers representatives).
- For vehicle drivers, the IKEA Supplier shall ensure that drivers are entitled to breaks and resting hours that are legally required. If no legal requirements are in place, at least one break per day and shift of 30 minutes or more shall be provided.

9.10 Benefits

The IKEA supplier shall provide its workers with all legally mandated benefits to which they are entitled.

Clarifications:

- These legally mandated benefits could be medical insurance, social insurance, pensions etc.
- If the IKEA Supplier carries out cross border activities and has an employee placed or acting in a territory or state other than the one in which he/she normally works, the employee shall be compensated for additional costs.