

**Australian Homeware Enterprise  
Modern Slavery and Ethical Sourcing Policy**

## **POLICY OBJECTIVES**

Australian Homeware Enterprise Pty Ltd (Australian Homeware Enterprise/the Group) opposes modern slavery in all of its forms as defined by the *Modern Slavery Act 2018* (Cth) (“the MS Act”) to include slavery, servitude, forced labour, deceptive recruiting for labour or services, forced marriage, the worst forms of child labour, debt bondage, and human trafficking.

We acknowledge that modern slavery currently presents as a serious problem which needs to be addressed through collective contribution, commitment and responsibility with a view to resolving same, thus we are committed towards working in partnership on a multi-stakeholder basis to fulfil our objectives.

If our Modern Slavery and Ethical Sourcing Policy (“Policy”) is breached, we endeavour to act as soon as practicable in order to remedy any adverse impact on individuals and/or communities and in doing so we will engage with our affected stakeholders directly.

Under the MS Act, the Group is required to annually report on all actions undertaken by its divisions in addressing modern slavery risks identified in its supply chains and operations.

The objectives of this Policy are to ensure that Australian Homeware Enterprise and its group of companies:

- act to deter, mitigate and remedy where applicable modern slavery in its supply chains (as defined as suppliers of goods and services to Australian Homeware Enterprise and its businesses and divisions) and operations (as defined as any business activity of Australian Homeware Enterprise and its businesses and divisions)
- source goods and services according to all applicable legal and ethical obligations whilst working together with suppliers of goods and services to improve environmental and social practices
- are compliant with all applicable laws in all areas in which Australian Homeware Enterprise and its businesses operate

## **APPLICATION OF POLICY**

All businesses and divisions of Australian Homeware Enterprise must comply with this Policy.

## **POLICY**

(a) Each business and division shall adopt its own policies and procedures in order to ensure that modern slavery risks and ethical sourcing risks are addressed in its supply chains and operations as appropriate in relation to the relevant business or division.

(b) Each business and division shall incorporate terms within its supplier contracts requiring suppliers to comply with all applicable laws in all areas each business and division operates.

(c) Each business and division shall incorporate terms within its supplier contracts requiring suppliers:

- (i) comply with all Minimum Standards as outlined by Annexure A (“Minimum Standards”);
  - (ii) provide each business or division with the right of termination of contract in the event that the supplier is not able or willing to work towards compliance in relation to Minimum Standards.
- (d) Suppliers shall be:
- (i) encouraged to exceed Minimum Standards;
  - (ii) encouraged to promote ongoing improvement and best practice; and
  - (iii) monitored in relation to compliance with Minimum Standards by assessing relevant risk factors, including product risk and country risk.
- (e) Each business and division shall review how effective the policies and procedures are as referred in (a) above.
- (f) Each business and division shall approach modern slavery risk management according to the guidelines outlined by Annexure B.

#### **AMENDMENTS TO POLICY**

This Policy may not be amended without Australian Homeware Enterprise’s senior management committee’s approval. Australian Homeware Enterprise’s senior management committee is responsible for overseeing the group’s commitments towards modern slavery and ethical sourcing and shall be reviewing this Policy on an ongoing basis so as to ensure it remains relevant to community expectations.

#### **LAST UPDATED**

23 December 2021

## **ANNEXURE A – MINIMUM STANDARDS**

### **Forced labour, bonded labour and indentured labour**

Employment must be freely chosen. Suppliers must:

(a) not participate in any form of

(i) forced labour, including any work and/or service received from any worker under the threat of any penalty, and the work is not chosen freely by the worker);

(ii) bonded labour, including any work and/or service received from any worker to repay debt; or

(iii) indentured labour whereby the employer prevents workers from leaving work at the worker's own discretion); and

(b) respect their workers' freedom of movement and not restrict same by taking any action in preventing workers from freely terminating their employment, including but not limited to controlling identity papers and/or holding money deposits.

### **Child labour**

Suppliers must not participate in any form of child labour, including:

(a) any work and/or service performed by a Child or a Young Person that is not in compliance with applicable International Labour Organization standards; and

(b) any work and/or service which will likely:

(i) interfere with a person's education; and/or

(ii) harm a person's health, including mental, spiritual, moral and/or social development

"Child" means a person under 15 years old or under the age whereby attendance at school is not compulsory in accordance with local laws, whichever is older.

"Young Person" means a person under 18 years old who is not classified as being a child.

Suppliers must comply with all laws in their country relating to the minimum legal working age. In absence of any such laws, suppliers must comply with the International Labour Organisation (ILO) Convention 138.

Suppliers must verify the actual dates of birth of all workers.

Suppliers must comply with the Principles Of Remediation in relation to child workers and underage workers.

"Principles Of Remediation" means a program which helps child workers and underage workers return to quality education and create system(s) for preventing in the future the use of child labour.

## **Wages, overtime compensation, benefits and record keeping**

Suppliers must comply with all laws governing wages and overtime compensation as well as mandatory benefits.

Record keeping by suppliers must be transparent and accurate. Suppliers must provide all workers with clear and easy-to-understand information in writing about all employment conditions prior to commencement of employment and about wages for every pay period. Suppliers must not deduct wages as a disciplinary measure and ensure that all disciplinary procedures are recorded.

## **Working hours**

Suppliers must comply with all applicable laws in relation to working hours.

Suppliers must not require workers to work more than the maximum total number of hours of work each week as permitted under applicable laws, or in absence of any such laws, the standards of the ILO.

All overtime must be agreed with workers and must not be excessive. Suppliers must not request overtime regularly from workers. Workers working overtime must be compensated in accordance with all applicable laws.

## **Discrimination**

Suppliers shall provide for conditions of employment which are based upon the ability of workers to perform the job and not based on personal characteristics, for example, ethnic origin, age, gender, sex, sexual preference, marital status, religion, personal beliefs, union membership, political affiliation, or disability. Suppliers shall provide a workplace environment where all workers can perform work without being discriminated against or harassed, or interference from any other workplace behaviour.

## **Harassment**

Suppliers must treat all workers with respect and provide a working environment that prohibits all forms of harassment against workers, including physical, verbal, sexual, and visual behaviour which creates an environment which is threatening and/or hostile.

## **Freedom of association, union participation, collective bargaining, grievances and recourse**

Suppliers must respect all workers' rights to freely associate with groups or individuals, insofar as such association by workers is lawful. For example, all workers should be able to freely join and participate in trade unions based on their choice. Suppliers must not prevent workers' participation in related lawful activities, including collective bargaining. All workers should be allowed to appoint a representative. Suppliers must not discriminate against appointed representatives and must provide

them with access to grievance mechanisms forming part of the supplier's company's management or appropriate process to address and resolve same and other issues.

All suppliers shall adopt a policy for workers to be able to approach the company's management in relation to relevant issues by themselves, or through their appointed representative on a confidential basis.

### **Safe and clean working conditions**

Suppliers must provide:

- (a) safe and clean working conditions
- (b) adequate training on an ongoing basis to ensure workers know how to safely perform their jobs
- (c) personal protective equipment
- (d) safeguards on machinery and training for workers on its use
- (e) if accommodation is provided, only accommodation which is safe, clean, and meets the basic needs of workers
- (f) clean toilet facilities
- (g) clean drinking water
- (h) sanitary facilities for the storage and preparation of food where appropriate

### **Bribery**

Suppliers must not be involved in any form of bribery, including any and all unlawful cash or non-cash payments and/or receipts. Suppliers must keep full and accurate records in relation to all payments and receipts for audit purposes.

### **Sub-contractors**

Suppliers shall have adequate processes in place for the proper management of sub-contractors so as to ensure they comply with this Policy fully.

### **Compliance with environmental protection laws**

Suppliers must comply with all relevant environmental protection laws and international environmental protection standards.

### **Treatment of animals**

Suppliers shall ensure they treat animals humanely.

### **Migrant workers**

Suppliers must provide migrant workers and local works with equal entitlements as required by law. Suppliers must not require workers to hand over their original identification documents to hold onto as a condition of work. Suppliers are responsible for all contractors as well as workers employed via a third-party, including agent, and such contractors and workers shall be covered by the Minimum Standards herein.

### **Employment contracts and working towards providing permanent employment**

Suppliers shall provide all workers with written employment contracts, which must include all entitlements and terms and conditions, which are required by law. Additionally, suppliers must work towards providing workers with permanent work and avoid on an ongoing basis labour-only contracting work, excessive piece-work, consecutive short-term contracts, and false apprenticeship schemes.

## **ANNEXURE B – MODERN SLAVERY AND ETHICAL SOURCING RISK MANAGEMENT**

### **Accountability for addressing modern slavery issues**

Each business/division acknowledges that it is accountable for addressing modern slavery issues in its operations and shall appoint a responsible person for co-ordinating the management of same.

### **Supply chain mapping**

All businesses/divisions shall identify and assess all risks of modern slavery in all operations.

The risk assessment shall initially address modern slavery risks in relation to Tier 1 Suppliers, and subsequently address modern slavery risks in relation to suppliers beyond Tier 1 Suppliers determined by the business/division as high-risk.

“Tier 1 Suppliers” means suppliers that supply goods and/or services directly to the business/division.

### **Due diligence in relation to new suppliers**

All businesses/divisions shall perform due diligence in relation to new suppliers in order to ascertain their level of risk and implement procedures on modern slavery and ethical sourcing as applicable to its business. Each business/division shall adopt a process to assess the supplier’s modern slavery and ethical sourcing performance as part of the supplier’s on-boarding.

### **Audit and compliance programs**

All businesses/divisions shall assess all suppliers through its audit and compliance program to ensure compliance with this Policy. Each business/division shall facilitate the involvement of all relevant personnel and/or external providers who are trained in carrying out audits as applicable.

### **Training**

All businesses/divisions shall provide training to team members in relation to this Policy.

### **Complaints mechanism**

All businesses/divisions shall have in place a complaints mechanism for reporting modern slavery on a confidential and anonymous basis, and provides for protection against the threat of reprisal.

### **Remediation of breaches**

All businesses/divisions shall be committed to working with suppliers in the remediation of any breaches to this Policy.



**Stakeholder engagement**

All businesses/divisions shall adopt an approach towards stakeholder engagement.

**Reviewing effectiveness of risk management measures**

All businesses/divisions shall monitor and review annually the effectiveness of all risk management measures outlined.