

Company Policy



Policy	Ethical Sourcing Policy
Department	All Departments, Divisions and Suppliers
Date	24 th January 2021
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Approved	Kim Collard
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PURPOSE

To ensure that Kulbardi Pty Ltd sources products in a responsible and consistent manner while working with suppliers to improve their social and environmental practices. Provide guidelines to Kulbardi staff for maintaining a reputation of the highest legal, moral and ethical standards in our dealing with our customers and other key stakeholders to ensure our ongoing success.

It is an expectation that all Kulbardi suppliers will support the standards set out in this policy and provide supporting evidence as required.

POLICY APPLICATION

The principles of this policy must be complied with as stated in this policy or incorporated into policies within the division, business unit or Corporate Office (as applicable).

POLICY

(a) Each division/business unit must adopt policies and procedures to ensure that suppliers engaged by the division/business unit to supply goods for resale through its network, no matter where they are located and operate from, are

- (i) contractually required to comply with all local, national and other applicable laws and regulations in the areas in which they operate;
- (ii) contractually required to take all reasonable steps to comply with the minimum standards set out in Annexure A (Minimum Standards)
- (iii) encouraged to exceed the minimum standards, and promote best practice and continuous improvement;
- (iv) Subject to termination rights in the event the supplier is unable or unwilling to work towards full compliance with the Minimum Standards.
- (v) monitored for compliance with the Minimum Standards through supplier assessment processes, taking into account all relevant risk factors such as country risk and product risk; and

(b) Each division/business unit must monitor and regularly review the effectiveness of the policies and procedures.

POLICY AMENDMENT

This policy cannot be amended without approval from the Kulbardi Board. The Kulbardi Board will review this policy regularly to ensure it continues to evolve and reflect community expectations.

Annexure A – Minimum Standards

Modern Slavery

Kulbardi requires all suppliers and their supply chains to comply with the Modern Slavery Bill 2018 including any future amendments. Modern slavery practices are major violations of human rights and serious crimes. Modern slavery practices include trafficking in persons, slavery, slavery-like practices (including forced labour and forced marriage) and the worst forms of child labour (including using children for prostitution or in hazardous work).

No forced/ bonded labour

Employment shall be freely chosen. Suppliers shall not use any type of forced labour, which means any work or service performed involuntarily under threat of physical or other penalty, such as prison, indentured or bonded labour. Further, they shall respect the freedom of movement of its workers and not restrict their movement by controlling identity papers, holding money deposits, or taking any other action to prevent workers from terminating their employment. Workers are free to leave their employer after reasonable notice.

No child labour

Child labour is work that deprives children of their childhood, their dignity and their potential and is harmful to their physical, moral and mental development. Suppliers shall comply with the minimum legal working age in the country in question or by the International Labour Organisation (ILO) Convention 138, whichever is higher. Suppliers must be able to verify the age of all employees to ensure compliance. Suppliers must accept the principles of remediation of child and under age workers, and where such labour is discovered suppliers must establish and implement appropriate remediation for such workers and introduce effective systems to prevent the use of child labour in the future.

Wages, benefits, and transparent record keeping

Suppliers must comply at a minimum with all laws regulating local wages, overtime compensation and legally mandated benefits. Record keeping must be accurate and transparent. Workers must be provided with written and understandable information about their employment conditions before they enter employment, and about their wages for each pay period. Deductions from wages for disciplinary measures or any deductions from wages not provided for by law shall not occur without the express permission of the worker concerned. All disciplinary measures should be recorded.

Working hours

Working hours must comply with applicable local laws. Workers should not be required to work more than the maximum hours per week as stipulated by local laws. Overtime shall be voluntary, shall not be excessive, shall not be demanded on a regular basis and shall be compensated as prescribed by local laws.

No discrimination

All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics, such as gender, ethnic origin, religion, age, disability, personal beliefs, marital status, sexual orientation, union membership or political affiliation. Suppliers must ensure that they provide an environment where their employees can work without distress or interference caused by harassment, discrimination or any other inappropriate workplace behaviour.

No harassment or abuse

Workers shall be treated with dignity and respect. In particular, factories will provide a workplace free from harassment, which can take many forms, including physical, sexual, verbal or visual behaviour that creates an offensive, hostile or intimidating environment.

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Freedom of association

Suppliers shall respect the rights of workers to lawfully associate or not to associate with groups of their choosing, as long as such groups are legal in the country of operation. Workers should have the right to join or form trade unions of their choosing. Suppliers should not interfere with, obstruct or prevent legitimate related activities, such as collective bargaining

Working conditions

Suppliers shall provide a safe and hygienic working environment that is without risk to health, taking into consideration knowledge of the relevant industry and any specific hazards. Workers shall receive adequate and regular training to perform their jobs in a safe manner. Personal protective equipment and machinery safeguards shall be supplied and workers trained in their use. Where suppliers provide accommodation it shall be clean, safe and meet the basic needs of workers. Workers will have access to clean toilet facilities, clean drinking water and, where appropriate, sanitary facilities for food storage and preparation. Workers have the right to refuse work that is unsafe.

No bribery

Bribes, favours, benefits or other similar unlawful or improper payments, in cash or in kind, are strictly prohibited, whether given to obtain business or otherwise. Suppliers shall provide transparent documents and records.

Approved sub-contracting

There shall be no sub-contracting unless previously approved by Kulbardi and/or divisions/business units. Suppliers must have adequate processes in place for properly managing subcontracting to ensure that sub-contractors operate in accordance with this and any applicable divisional/business unit policy.

Environmental compliance

Suppliers shall comply with relevant local and national environmental protection laws and will strive to comply with international environmental protection standards