



## **COLES GROUP LTD ETHICAL SOURCING CODE**

Coles Group Ltd ("CGL") is committed to the safe and ethical manufacture and supply of goods and services. COLES GROUP LIMITED and its subsidiaries reserve the right not to do business with Vendors that do not share and demonstrate this commitment.

This Ethical Sourcing Code sets out our minimum requirements and expectations that all Vendors, including sub-contractors engaged by Vendors, must meet in order to do business with COLES GROUP LIMITED and its subsidiaries.

Vendors must ensure that the production processes they use do not involve exploitation or represent a danger to health, safety or the environment. COLES GROUP LIMITED regard exploitation of children as particularly unacceptable and reserve our right not to do business with Vendors who fail to share our views on this issue.

### **A. Employment Practices**

COLES GROUP LIMITED expects its Vendors to comply with all local laws and regulations regarding labour and employment. In addition, COLES GROUP LIMITED will only do business with Vendors who adhere to the following requirements:

#### **1. Child Labour**

Vendors shall not use child labour. A "child" is a person who is younger than the local legal age for completing compulsory education. COLES GROUP LIMITED supports the development of legitimate apprenticeship programs for the education and benefit of young people under the age of 15 years, provided the child is not being exploited or given jobs that are dangerous to their health or safety.

## **2. Wages and Benefits**

Wages and benefits paid for a standard working week must meet as a minimum, any applicable local laws or industry practices, whichever is the higher. All workers must be provided with written and understandable information about their employment conditions in respect to wages, before they enter employment, and about the particulars of their wages for the pay period concerned each time they are paid.

## **3. Working Hours**

Working hours shall comply with applicable local laws. Workers shall not work more hours in one week than allowable under local laws. Overtime shall be voluntary and shall be compensated as prescribed by local laws.

## **4. Forced/Bonded Labour**

Vendors shall not use forced, bonded or involuntary labour. Workers will not be required to lodge "deposits" or their identity papers with the Vendor, are free to leave once their shift ends, or to leave their employment after giving their employer reasonable notice.

## **5. 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, or personal beliefs. Vendors 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.

## **6. Discipline**

Workers shall be treated with dignity and respect. In particular, Vendors will not use (either directly or indirectly) any physical abuse or discipline, the threat of physical abuse, sexual or other harassment, verbal abuse or other forms of intimidation in any of its premises.

## **7. Freedom of Association**

Vendors acknowledge that workers have the right to join or form trade unions of their own choosing and to bargain collectively. Vendors are required to adopt an open attitude toward the activities of trade unions and their organisation activities. Where the right to freedom of association and collective bargaining are restricted under the local laws, Vendors will not hinder the development of alternative means of independent and free association and bargaining.

## **B. The Workplace**

COLES GROUP LIMITED expects its Vendors to comply with all local laws and regulations regarding safety in the workplace. In addition, COLES GROUP LIMITED will only do business with Vendors who adhere to the following requirements:

### **1. Health and Safety**

Vendors will provide workers with a safe and clean working environment, taking into account the prevailing knowledge of the industry and of any specific hazards and will provide plant and systems of work that are safe and without risks to health. This will include an adequate number of unlocked, freely accessible and clearly marked exits for emergency evacuations, and properly maintained fire fighting equipment. Workers must be appropriately supervised and trained to perform their jobs safely.

### **2. Accommodation**

Where Vendors provide worker accommodation, it shall be clean, safe and meet the basic needs of the workers.

### **3. Toilet Facilities**

Vendors will provide workers with access to clean toilet facilities, clean and drinkable water and, if appropriate, sanitary facilities for food storage and preparation.

### **4. Equipment**

Vendors will ensure that personal protective safety equipment is available and workers are trained in its use. Safeguards on machinery must meet or exceed local laws.

## **C. Management Controls**

COLES GROUP LIMITED expects its Vendors to comply with all local laws and regulations regarding management controls. In addition, COLES GROUP LIMITED will only do business with Vendors who adhere to the following requirements:

### **1. Sub-Contractors**

Vendors must ensure that all its sub-contractors, and suppliers providing materials or labour in the manufacture of goods ordered by us comply with this Ethical Sourcing Code.

### **2. Environment**

COLES GROUP LIMITED require Vendors, as a minimum, to meet all relevant local and national environmental protection laws, and to strive to comply with international environment protection standards.

### **3. Ethical Standards**

Vendors must demonstrate a high degree of professionalism and have a close affinity with our

business ethics. In particular, honesty, fair dealing and the proper treatment of workers are required at all times. Bribes, favours, benefits or other similar unlawful or improper payments, in cash or kind, are strictly prohibited, whether given to obtain business or otherwise.

#### **4. Compliance with Local Laws**

COLES GROUP LIMITED requires all Vendors to comply fully with the legal requirements of the countries in which they operate. All requirements in this Ethical Sourcing Code are in addition to compliance with applicable local laws.

#### **D. Compliance with this Ethical Sourcing Code**

COLES GROUP LIMITED will monitor compliance with this Ethical Sourcing Code, and we, or our representatives, may visit Vendor factories or facilities with prior notice to ensure this Policy is being complied with. Any violations of this Ethical Sourcing Code will be reported to the Vendor's management for follow up and if appropriate corrective action. Corrective action may include ceasing to do business with the Vendor concerned, in accordance with our Standard Terms and Conditions of Supply.