

This Ethical Sourcing & Modern Slavery Policy (ESMS Policy) is built on the principles of the [Ethical Trading Initiative \(ETI\)](#) and [International Labour Organisation \(ILO\) Conventions](#), to ensure there is a commitment that goods and services are sourced in a responsible manner while working with suppliers to improve their social and environmental practices.

If a Supplier¹ is unable to demonstrate a commitment to complying with this ESMS Policy, Officeworks may cease its relationship with the Supplier.

This ESMS Policy sets out the minimum requirements, expected of Suppliers. Where the provisions of the law and this ESMS Policy address the same topic, whichever affords greater protection applies. Suppliers are expected to communicate this ESMS Policy to their suppliers.

Suppliers must extend the principles of this ESMS Policy through their supply chain to include their Tier 1 Suppliers (i.e Officeworks' tier 2 suppliers) at a minimum. All Officeworks Suppliers are strongly encouraged to regularly map their supply chains, conduct their own modern slavery due diligence and share the findings openly with Officeworks

1. Business Critical Issues

Officeworks considers bribery and corruption in any form and denial of site access to be business-critical issues resulting in immediate cease of trade.

1.1 Business integrity

(a) Suppliers must engage ethically in all dealings and provide transparent documentation and records when requested.

(b) 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.

(c) Suppliers must keep accurate records of all payments made and received in cash or in kind, for audit purposes.

1.2 Access to the site of manufacture

(a) Factories are required to grant access to the site of manufacture, if an independent audit is requested.

(b) Access is also to be granted in circumstances where Officeworks wishes to investigate alleged human rights abuses.

¹ 'Supplier' is defined as the organisation that has the commercial arrangement with Officeworks to supply goods or services. They may be located in Australia or overseas.

2. Minimum Requirements

All Suppliers must comply with this ESMS Policy as well as all local, national and other applicable laws and regulations in the countries in which they operate relating to ethical sourcing and modern slavery

2.1 Compliance with Local Laws

(a) All suppliers must fully comply with all local laws and regulations regarding labour and human rights, health, safety and the environment. Suppliers must also fully comply with the legal requirements of the countries in which they operate in addition to all elements of the Policy.

(b) If local laws, regulations or legal requirements differ from the elements in the Policy or Program Requirements, suppliers are expected to comply with whichever affords the greater protection to workers.

(c) Officeworks reserves the right to audit suppliers to ensure compliance with all local laws, the Policy and the Program Requirements. Audits may be announced, semi-announced or unannounced. If a supplier or sub-contractor refuses to participate in an audit without reasonable grounds, Officeworks reserves the right to exercise its rights under the relevant services agreement which may include suspension of supply or termination of the agreement.

2.2 Modern Slavery

(a) Suppliers must comply with all modern slavery laws and regulations relevant to their jurisdiction (including local, domestic or international laws regarding labour, health, safety and the environment) and including, but not limited to the Modern Slavery Act 2018 (Cth)(Australia) and the Modern Slavery Act 2015 (United Kingdom), California Transparency in Supply Chains Act 2010 (United States) including compliance with any reporting requirements.

(b) Suppliers must have appropriate controls in place to avoid modern slavery practices in their operations and supply chains and must not knowingly deal with third parties who engage in modern slavery practices.

(c) All suppliers must have and maintain in place adequate policies and procedures in relation to business ethics and compliance to ensure compliance with modern slavery laws and to enforce all relevant policies and procedures where appropriate. This includes policies for reporting, investigating and remediating suspected or known breaches of modern slavery laws.

2.3 No forced or bonded labour

(a) Employment must be freely chosen. Suppliers must;

(i) Not use any type of forced labour (any work or service extracted from any person under the menace of any penalty, which work has not been freely chosen by the person), bonded labour (work which is not for compensation received by the worker, but to repay a debt, which is often incurred by another person offering the worker's labour in exchange) or indentured labour (in which an employer forbids workers from leaving employment at the workers discretion).

(ii) Respect the freedom of movement of their 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; and

(iii) Ensure that workers are free to leave their employer after reasonable notice.

(iv) Suppliers must take steps to recruit responsibly. This includes not engaging in deceptive recruiting practices, including the charging of fees or recruitment charges (or repaying any such fees charged), by providing migrant workers an understandable and accurate employment contract in their spoken language, and by holding agents and recruiters to the same standards.

2.4 Freedom of association, grievance mechanisms and recourse

(a) Suppliers must 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.

(b) Workers should have the right to join or form trade unions of their choosing. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

(c) Suppliers should not interfere with, obstruct or prevent legitimate related activities, such as collective bargaining.

(d) Workers are allowed to select worker representatives. Representatives should not be discriminated against and should have regular access to company management or appropriate process in order to address grievances and other issues.

(e) Suppliers must have a policy in place for workers to approach management on issues of concern, on their own or through worker representatives, confidentially.

2.5 Child labour must not be used.

(a) Suppliers must not use child labour. 'Child labour' is defined as any work by a child or young person, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to interfere with that person's education, or to be harmful to that person's health or mental, spiritual, moral or social development. 'Child' is defined as a person under the age of 15, or below the age at which school attendance is not compulsory under local law, whichever is older. 'Young person' is defined as a person under the age of 18 but not classified as a child.

(b) Suppliers must comply with the minimum legal working age in the country in question or in the absence of such law, by the ILO Convention 138.

(c) Suppliers must have the appropriate processes for verifying the age of all employees and job applicants and that the process is documented to ensure no child labour is used. Policies, procedures, and training must be in place for legally employable juvenile employees (young employees, interns, and apprentices).

(d) Children and young persons below the age of 18 must not be employed at night and in hazardous conditions.

(e) 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. Principles of remediation is defined as a program enabling child and under age workers to return to quality education and establish and implement effective systems to prevent the use of child labour in the future.

2.6 No illegal labour

- (a) Suppliers must not use illegal labour.
- (b) Suppliers must be able to verify the legal entitlement of their employees to work in the country of employment.

2.7 No harsh or inhumane treatment is allowed

- (a) Workers shall be treated with dignity and respect, and suppliers must provide a workplace free from harassment, including physical, sexual, verbal or visual behaviour that creates an offensive, hostile or intimidating environment.

2.8 Wages and benefits are paid as per legal requirements.

- (a) Wages, overtime compensation and legally mandated benefits and benefits paid for a standard working week must meet as a minimum national or industry standards, whichever is the higher.
- (b) 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 that are paid.
- (c) Deductions from wages as a disciplinary measure is not permitted. All disciplinary measures must be recorded.
- (d) Deductions from wages not provided for by law shall not occur without the express permission of the worker concerned.
- (e) Record keeping must be accurate and transparent.

2.9 Working hours are not excessive.

- (a) Working hours must comply with applicable local laws.
- (b) Workers should not be required to work more than the maximum hours per week as stipulated by local laws or in the absence of such law by the applicable ILO convention.
- (c) Overtime shall be agreed, shall not be excessive, shall not be requested on a regular basis and shall be compensated as prescribed by applicable local laws.
- (d) Workers must have at least one day off in 7 days or two days off in every 14 days.
- (e) Record keeping on hours worked must be accurate, complete, and transparent always.
- (f) Working hours exceeding 60 hours a week must not be a systemic occurrence. Employer is required to demonstrate:
 - (i) Exceptional circumstances apply such as unexpected production peaks, accidents, or emergencies.
 - (ii) Appropriate safeguards to protect workers' health and safety have been undertaken.
 - (iii) This is permissible by national law.
 - (iv) A collective agreement that is freely negotiated with a workers' organisation representing a significant portion of the workforce, is in place.

2.10 No subcontracting without written approval.

- (a) There must be no sub-contracting unless documented and available for review by Officeworks or an independent auditor, including but not limited to records of subcontractors' names and locations.
- (b) Where subcontracting is permitted, suppliers must have adequate policies and processes in place for properly managing subcontracting, to ensure that subcontractors operate in accordance with this ESMS Policy and is undertaken strictly in accordance with the contract.

2.11 Working conditions are safe & hygienic.

- (a) Suppliers shall provide a safe and hygienic working environment that is without risk to health, taking into consideration knowledge of the relevant industry and specific hazards.
- (a) A senior management representative must be assigned responsibility of health and safety. Trained personnel must administer and oversee health and safety,
- (c) Workers shall receive adequate and regular training to perform their jobs in a safe manner. Training records must be maintained accurately.
- (d) Personal protective equipment and machinery safeguards must be supplied, and workers trained in their use.
- (e) Safeguards on machinery must meet or exceed local laws.
- (f) Accommodation, if provided, must be clean, safe and meets workers' basic needs.
- (g) Access to clean toilet facilities, clean drinking water, and sanitary facilities for food storage and preparation, where applicable, must be provided.
- (h) Workers have the right to refuse the work that is unsafe.
- (i) All firefighting equipment (such as fire extinguishers and/or fire hoses) must be regularly inspected and maintained to the required standards.
- (j) All workers must have easy and safe access to emergency exits and stairways, which should be clearly marked, unlocked and free of obstructions.
- (k) Suppliers comply with all applicable laws regarding fire safety.

2.12 No discrimination is practised.

- (a) All conditions of employment must be based on an individual's ability to do the job, not on personal characteristics such as gender, ethnic origin, religion, age, disability, personal beliefs, marital status, sexual orientation, union membership or political affiliation.
- (b) 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.
- (d) Pregnancy testing of employees/potential recruits is not allowed. Pregnant workers must not be dismissed.

2.13 Hiring & Regular employment

(a) Suppliers must provide each worker with a clear, understandable labour contract containing all legally required employment terms, entitlements and conditions.

(b) Where possible, suppliers should work towards providing permanent employment for workers and avoid labour-only contracting arrangements, consecutive short-term contracts, excessive piece work or false apprenticeship schemes to avoid obligations of regular employment to workers.

2.14 Migrant Workers

(a) Migrant workers shall have the same entitlements as local workers as stipulated by local law.

(b) Any commissions and other fees in connection with employment of migrant workers must be covered by the employer.

(c) The employer must not require the worker to surrender identification documents.

(d) Workers employed through a third party agent or contractors are the responsibility of the suppliers, and are thus subject to and must comply with this ESMS Policy.

2.15 Respect land rights of communities

(a) Conduct due diligence and tracing to ensure that sites are not party to land encroachment.

2.16 Structural safety of all supplier buildings and manufacturing sites

(a) Premises must be structurally safe.

(b) Accommodation provided to workers must be structurally safe.

2.17 Grievance Mechanisms and Remediation

(a) Suppliers are to provide appropriate channels for worker and community grievances, and these channels are to be effectively communicated (for example, in spoken languages, in physical and electronic forms). These channels will be communicated in addition to building capacity and awareness around social and labour practices. The effectiveness of these channels will be assessed using stakeholder feedback

(b) Worker grievances are to be heard, appropriately investigated, and any required remediation taken in a timely manner. Complainants are to be informed throughout the process and informed of their options for escalation.

(c) Channels must be provided through which adversely affected people or communities, including workers, can raise complaints or concerns without fear of retaliation, intimidation, harassment, discrimination, or victimisation.

(d) An anonymous, confidential method for all workers to raise concerns to the supplier without fear of retaliation shall be provided.

(e) Officeworks respects the rights of human rights defenders, and does not tolerate threats, intimidation, or attacks against human rights defenders.

3. Animal Welfare

(a) Suppliers must not conduct or commission any animal tests on ingredients, formulations or finished products.

(b) Suppliers must ensure animals are treated humanely and with respect

4. Environmental Standards

The Supplier shall, as a minimum, comply with all applicable laws and regulations relating to the environmental impact of their business. They will maintain procedures for notifying local authorities in the event of an accident or incident which may adversely affect the environment as a result of their operations.

Supplier compliance with environmental law includes any international or applicable local laws affecting the source of materials and processes used to manufacture products. Detailed performance standards are a matter for the Supplier but should at least address the following:

(a) Environmental Permits and Reporting - all required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

(b) Waste of all types, including water and energy, shall be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials. Effective controls of waste in respect of ground, air and water pollution shall be adopted. In the case of hazardous materials, emergency response plans shall be in place. Air emissions, wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterised, monitored, controlled and treated as required prior to discharge or disposal.

(c) Hazardous Substances - chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

(d) Packaging and paper - unnecessary use of materials shall be avoided and recycled materials shall be used wherever appropriate.

(e) Conservation - processes and activities shall be monitored and modified as necessary to ensure conservation of scarce resources, including water, flora and fauna and productive land.

(f) Energy use - all production and delivery processes shall be based on maximising efficient energy use and minimising harmful emissions.

(g) Product Content Restrictions - the Supplier shall adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including labelling for recycling and disposal.

(h) Product selection - the Supplier shall work with and provide assistance to Officeworks in selecting products which are environmentally beneficial.

Effective 1st March 2023

For information on this Policy or to report a breach, please contact sustainability@officeworks.com.au

Remediation Framework

Officeworks can identify a breach of this policy through various channels including directly from workers through the worker helpline or a worker voice survey, internally by a team member conducting due diligence, or from a third party such as a social compliance auditor, contractor, civil society organisation, trade union representative, news reporter, researcher, or a member of the community.

If a breach is identified, the below steps will be taken to remediate the issue.

Investigate and verify

Officeworks will seek to investigate, understand and verify all aspects of the breach by doing the following:

1. Notify all relevant internal personnel to help investigate allegations.
2. Develop a communication strategy that protects the privacy and security of harmed workers.
3. Gather information either directly or via an independent specialist to understand what human rights have been violated or are at risk of being violated; whether a criminal offence has been committed; what Officeworks' relationship to the violation or offence is (cause, contributed or directly linked to) and whether the violation or offence is salient
4. Determine if appropriate to pass the case on to a National Referral Mechanism (if available) or civil society organisation.

Remediate Harm to Workers

When the investigation is complete, a response and proposed remedy will be determined internally and agreed with complainants and other stakeholders where appropriate. The response will surround the needs of the harmed workers and may include facilitating access to medical support, counselling or temporary accommodation; facilitating the repayment of owed wages or fees paid by workers in the recruitment process; and confirming that workers are satisfied with the remedy provided. The cost of this remediation must be borne by their employer, most likely the Supplier.

Mitigate and Prevent Future Harm

To ensure an effective remedy has been provided, the following steps will be taken by Officeworks and the Supplier to correct the cause of harm and prevent the harm from re-occurring.

1. Develop a corrective action plan with clear timelines and priority actions.
2. Assess Officeworks' practices, policies and systems that could have contributed to the breach and determine if changes should be made.

Escalation

If the Supplier is uncooperative and makes little or no effort towards remediating harm, or is suspected of being deliberately deceitful or withholding information, the following steps will be taken:

1. Arrange a meeting with senior members of the company to discuss the issue and try to understand barriers or concerns and seek to arrive at an arrangement where corrective actions are met.



2. If there is no improvement, a written warning or breach notification, re-iterating contract terms and Officeworks ESMS policy, will be issued.
3. If there is no further cooperation, begin working towards a responsible exit strategy that considers human rights harms and end the business relationship with the supplier or third party.
4. Consider alerting police to illegal practices. The decision to do so will depend on the country in which the harm is taking place, and the legality of such practices in this jurisdiction.
5. Share appropriate information with Wesfarmers' peers or expert organisations to make other parties aware of the scenario.

Incident Reporting & Tracking

Any critical breaches will be recorded in the Officeworks critical breach tracker. The following information will be recorded with monthly reporting provided to the Officeworks Leadership Team and included in the annual Wesfarmers' Modern Slavery Statement.

- Detail and verification of the grievance or audit finding.
- Actions taken to support the workers that were harmed and to remediate the issue, including timeframes and deadlines.
- Any changes that were implemented internally to prevent similar harm from reoccurring
- Time taken to reach a resolution.

Approved by	Chief Financial Officer
Content Owner	Officeworks
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