

Approved by Alan Watkins, Executive General Manager

**The COREGAS Ethical Sourcing Policy applies to all facilities that produce goods or provide services for COREGAS or any of its subsidiaries, business units, or agents. COREGAS is committed to sourcing products and services in an ethical and responsible manner, and considers the welfare of workers, their health and safety, business integrity, potential environmental impacts and animal welfare issues. The COREGAS Ethical Sourcing Policy is based primarily on Ethical Trade Initiative Base Code (ETI).**

**COREGAS encourages suppliers to adopt behaviours, procedures and practices that go beyond the minimum requirements set out in this Policy.**

## 1. Legal & Policy Requirements

1.1. Suppliers must comply with the principles in this Policy and as set out in their supply arrangements with COREGAS.

1.2. Suppliers must comply with all local laws and regulations in the countries they operate in regarding labour, health, safety, immigration, the environment and animal welfare.

1.3. Suppliers must complete a self-assessment, as required and COREGAS may, at its discretion, require an independent audit of a supplier's compliance with this policy.

1.4. If a supplier is unable to comply with the COREGAS Ethical Sourcing Policy and is found to have committed critical breach(es) [or, is found to have critical breach(es) in its supply chain], including but not limited to:

- 1.4.1 Child Labour;
- 1.4.2. Forced or Bonded Labour;
- 1.4.3. Prison Labour;
- 1.4.4. Bribery;
- 1.4.5. Active, systemic discrimination, harassment or inhumane treatment;
- 1.4.6. Unauthorised subcontracting;
- 1.4.7. Poor data transparency;
- 1.4.8. Knowingly breaching applicable legislation; or
- 1.4.9. High risk health and safety hazards such as locked exits or structural damage,

then COREGAS reserves the right, at its absolute discretion, to terminate its supply arrangements with the supplier and all current purchase orders.

1.5. If any non-compliance with this policy is identified the supplier must take all necessary steps within the timeframe stipulated by COREGAS to rectify the non-compliance. COREGAS may, (but is not obliged to) verify that remedial actions taken by the supplier are appropriate to rectify any non-compliance with this policy.

## 2. Child Labour

2.1. Suppliers must not use child labour. Child labour is defined as work that deprives children of their childhood, the opportunity to attend school and fulfil their potential and that is harmful to their physical, moral and mental development.

2.2. Suppliers must be able to verify the age of all workers to ensure no child labour is used. All suppliers shall comply with the minimum legal working age in the country in question or by the ETI clause 4, whichever is higher.

2.3. 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.

2.4. Children and young persons under the age of 18 must not engage in night or hazardous work, as per ETI clause 4.3

## 3. Modern Slavery

3.1. Suppliers must comply with all applicable anti-slavery and modern slavery laws and must not engage in any modern slavery practices, including using forced, bonded, involuntary labour or human trafficking.

3.2 Suppliers must comply with all modern slavery reporting requirements stipulated by applicable modern slavery laws. Suppliers must confirm in writing that they have complied with all relevant reporting requirements and provide any other information or evidence of such reporting to COREGAS on request.

3.3 Suppliers must not be convicted or investigated in relation to any practice that amounts to modern slavery practice, or be publicly named by any organisation alleging the Supplier has engaged in modern slavery practices.

3.4. Suppliers must ensure that employment is freely chosen, workers can leave their employment after reasonable notice, freedom of movement is respected and workers are not required to lodge deposits or identity papers with suppliers.

3.5. Suppliers must procure (so far as is reasonably practicable) that its officers, workers, employees, agents, sub-contractors, and any other persons who perform services for or on behalf of it in connection with the relevant supply arrangements with COREGAS comply with the above.

3.6 Suppliers must immediately notify COREGAS ([regulatory@coregas.com](mailto:regulatory@coregas.com)) upon becoming aware of any incident, complaint or allegation that the Supplier or any entity in its supply chain has engaged in modern slavery.

In this Clause 3 and wherever referred to elsewhere in this Policy, "modern slavery" means any activity, practice or conduct that would constitute an offence in relation to slavery, forced labour, involuntary servitude, debt bondage, human trafficking, and other slavery-like exploitation as prohibited or defined as a modern slavery offence under all applicable anti-slavery and human trafficking laws, statutes and codes from time to time in force. For the avoidance of doubt, modern slavery includes any conditions or practices similar to those prohibited under applicable laws, statutes, regulations and codes.

## 4. Harassment and Harsh or Inhumane Treatment

4.1 Workers must be treated with dignity and respect by suppliers and by other workers

4.2 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation are prohibited.

## 5. Business Integrity

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5.1. Suppliers must at all times comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and improper payments including but not limited to the *Criminal Code Act 1995* (Australia), the *Foreign Corrupt Practices Act 1977* (United States), and the *Bribery Act 2010* (United Kingdom) ("**Relevant Requirements**").

5.2 Suppliers must not engage in unethical conduct in any dealings in violation of the Relevant Requirements, including but not limited to:

- 5.2.1. dishonest, fraudulent, corrupt or illegal conduct;
- 5.2.2. unlawful or improper payments, in cash or in kind, from a COREGAS employee to a supplier or from a supplier to a COREGAS employee, including:
  - 5.2.2.1. bribes;
  - 5.2.2.2. favours;
  - 5.2.2.3. secret commissions;
  - 5.2.2.4. facilitation payments in cash or kind;
  - 5.2.2.5. other kick-backs; or
  - 5.2.2.6. inappropriate gifts.
- 5.2.3. falsifying documents or other unacceptable or unethical behaviour or actions that has the potential to damage COREGAS' property, people or reputation; or
- 5.2.4. abuse of authority, threats, intimidation or harassment.

5.3. Suppliers will be responsible for the observance and performance of the Relevant Requirements by all persons performing services or providing goods in connection with the relevant supply arrangements on behalf of the supplier or acting under the supplier's supervision or control.

5.4 Suppliers must immediately notify COREGAS ([regulatory@coregas.com](mailto:regulatory@coregas.com)) if any request or demand for any undue financial or other advantage of any kind is received by the Supplier in connection with the performance of the relevant supply arrangements which will, (or may) be in breach of the Relevant Requirements.

## 6. Wages and Benefits

6.1. Wages and benefits paid for a standard working week must meet as a minimum national or industry standards, whichever is the higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income.

6.2. 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.

6.3. Deductions from wages may only occur with the express written permission of the worker concerned.

6.4. Deductions from wages for disciplinary measure are not permitted.

6.5. Wages are to be paid in a timely manner.

## 7. Working Hours

7.1. Including any overtime, workers must not work above the maximum hours per week or per month as stipulated by local laws, or where local laws do not exist, a total of 60 hours in any 7-day period, as per ETI clause 6.4 and 6.5.

7.2. Workers must have at least one day off in 7 days or two days off in every 14 days.

7.3. Overtime must be voluntary, must not be excessive or demanded on a regular basis and must be compensated as prescribed by local laws.

7.4. Record keeping on hours worked must be accurate, complete and transparent at all times.

## 8. Freedom of Association

8.1. Suppliers acknowledge that workers have a right to freedom of association and to bargain collectively.

8.2. Workers have the right to join or form trade unions of their choosing and suppliers are required to adopt an open attitude towards the activities of trade unions and their organisation activities.

8.3. Where the right to freedom of association and collective bargaining are restricted under local laws, suppliers must not hinder the development of alternative means of independent and free association and bargaining.

## 9. Sub-Contracting and Supply Chain

9.1. Unless previously approved by COREGAS, there must be no sub-contracting. Such arrangements must be documented and available for review by COREGAS or an independent auditor, including but not limited to records of subcontractor's names and locations. COREGAS considers sub-contracting to mean:

9.1.1. Sites contracted by COREGAS' direct suppliers to produce product in its final form for retail sale, packed in the retail unit, or produced in bulk in final form for retail packing elsewhere, or received in bulk final form for retail packing.

9.1.2. Sites that significantly contribute to the final form of the product.

9.1.3. Sites that apply branding to product.

9.1.4. Service providers contracted by COREGAS' direct service provider to deliver any service in substitution of direct provider.

9.2. Suppliers must have adequate policies and procedures in place for properly managing subcontracting to ensure that sub-contractors operate in accordance with applicable laws, regulations and the COREGAS Ethical Sourcing Policy.

## 10. Safe Working Conditions

10.1. Suppliers must provide plant and systems of work that are safe, hygienic and without risk to health to workers including evidence of:

10.1.1. safe fire, structural and electrical safety, plant, or systems of work; and

10.1.2. adequate, unlocked, accessible, and clearly marked emergency exits.

10.2. Suppliers must provide workers with a safe and clean working environment, taking into consideration the prevailing knowledge of the industry and of any specific hazards.

10.3. Workers must receive adequate and regular safety training relevant to their role/s.

10.4. Personal Protective Equipment (PPE) must be supplied and worn by workers where required. Workers must be trained in the use of PPE.11.5. Safeguards on machinery must meet or exceed local laws.

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10.5. Where suppliers provide worker accommodation, it must be clean, safe and meet the basic needs of workers.

10.6. Workers must have access to clean toilet facilities, clean drinking water and where appropriate hygienic facilities for food storage and preparation.

10.7. Workers have the right to refuse to perform work that is unsafe or in an unsafe environment

## 11. Discrimination

11.1. Suppliers must ensure there is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on personal characteristics such as race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, political affiliation or any personal beliefs or values.

11.2. Suppliers must ensure that they provide an environment where their workers can perform their duties without distress or interference caused by harassment or any other inappropriate workplace behaviour.

## 12. Regular Employment

12.1. To every extent possible, work performed must be on the basis of a recognised employment relationship established through national law and practice.

12.2. Workers who have a regular employment must receive entitlements relating to labour and social security laws and regulations.

12.3. Suppliers must not use labour-only contracting, sub-contracting, home-working arrangements, fixed term contracts or use apprenticeship schemes (where there is no genuine intent to impart skills, or provide regular employment), to avoid providing the entitlements in clause 12.2.

## 13. Migrant Workers

13.1 Whether employed directly by a supplier or through third party agents/contractors, migrant workers must:

13.1.1 be employed in accordance with relevant local laws including local immigration laws;

13.1.2. receive the same entitlements as local workers as stipulated by local laws; and

13.1.3. be subject to all principles under this Policy.

13.2 Any commission and other fees due to a third party agent or contractor in connection with employment of a migrant worker must be paid by the employer/supplier.

13.3 The employer/ supplier must not require a migrant worker to surrender personal identity documents, withhold identity documents or restrict worker's access to their identity documents under any circumstances. Personal identity documents include but are not limited to passports, identity papers, travel documents, and other personal legal documents.

13.4 All migrant workers must be provided with clear unambiguous information about their contract for employment, employment conditions, wages and their written contract for employment in their native language. If a worker is illiterate, the contract for employment must be explained in their native language.

13.5 Employers/suppliers must ensure that the written contract of employment complies with all applicable local laws and regulations.

## 14. Environment

14.1. Suppliers must comply with local and national environmental laws and regulations, ensuring no impact on the health of the local environment and community.

14.2. Suppliers must use reasonable endeavours to comply with international standards on environmental protection.

14.3. For paper and timber products (for resale, excluding packaging materials), suppliers must provide Forest Stewardship Council (FSC), Programme for Endorsement of Forest Certification Scheme (PEFC), or other Coregas agreed chain of custody documentation for the source of paper and / or timber used in products sold to COREGAS.

14.4. Conflict Materials: COREGAS supports compliance with the United States (US) Dodd Frank conflict minerals legislation and is committed to responsible sourcing of these minerals, namely tin, tantalum, tungsten and gold. Suppliers are expected to undergo due diligence within their supply chain if these minerals are used in the manufacture of COREGAS products from both source of supply and smelting. Suppliers will not be approved if they cannot demonstrate source of supply and/or are sourcing raw materials originating from the relevant conflict countries.

14.5. Asbestos: All suppliers warrant that such products are free from asbestos (in other words, that such products have no asbestos content).

14.6. Restriction and Banned Substances: COREGAS requires suppliers to comply with European Union (EU) Registration, Evaluation, Authorisation and Restriction of Chemical Substances (REACH) regulations set for restricted and banned substances of high/very high concern to protect our customers wearing our products and those making our products for us.

14.7. Sandblasting: The use of sandblasting as a treatment on any of our products is banned.

14.8. Uzbekistan Cotton: COREGAS Suppliers must attest to the fact that they and their sub suppliers do not (knowingly) source cotton fibre produced in Uzbekistan.

## 15. Animal Welfare

15.1 Suppliers must ensure that animals used in the course of producing goods or services are treated in accordance with the "Five Freedoms for Animal Welfare", as defined by the Royal Society for the Prevention of Cruelty to Animals ('RSPCA')

15.2 Mulesing - In circumstances where mulesing is necessary for the long-term welfare of the animal, it is to be performed in a manner that minimises the impact of the procedure.

## 16. Management Systems, Documentation and Policies

16.1. Suppliers must ensure appropriate documentation, evidence; processes and systems are in place and continually developed to ensure effective ethical management practices.

## *Ethical Sourcing Policy Compliance Declaration*

I \_\_\_\_\_

[PRINT NAME]

of \_\_\_\_\_

[COMPANY NAME]

\_\_\_\_\_ [ACN or equivalent]

in my capacity as

\_\_\_\_\_ confirm that:

1. I have read and understood COREGAS' Ethical Sourcing Policy
2. The above named company (as a supplier to COREGAS) is compliance to COREGAS' Ethical Sourcing Policy and the requirements therein.
3. Our supply chain (including all our suppliers and subcontractors) are compliant to COREGAS' Ethical Sourcing Policy and the requirements therein.
4. The above named company and our supply chain do not have any Zero Tolerance Breaches or have any non-conformances that require a corrective action.
5. I will notify COREGAS of any material changes in the supply chain (including, but not limited, to the engagement of new subcontractors or factories)

I confirm that I am an authorised person for the above-named company and that the information submitted on this form is true and correct.

\_\_\_\_\_

[SIGN]

\_\_\_\_\_

[DATE]