

ETHICAL SOURCING POLICY

Policy Commitment

Pickwick 1A is committed to the highest standards of business culture. As an Aboriginal and Torres Strait Islander facilities services provider, our core business is to make a difference in Aboriginal and Torres Strait Islander communities in which we live and work. As an Indigenous company we recognise our obligation to the social impact of our business practices and our public accountability.

This policy is intended to ensure there is a commitment that goods and services are sourced in a responsible manner and where possible choosing Indigenous suppliers working to improve their social and environmental practices.

If suppliers are unable to demonstrate a commitment to comply with the Ethical Sourcing Policy, Pickwick 1A will move to immediately suspend or discontinue any activities or association with those suppliers.

This policy sets the minimum requirements, expected of suppliers. Where the provisions of the law and the Code address the same topic, whichever affords greater protection applies. Suppliers are expected to communicate this code to their suppliers. Where reasonably practicable, they should extend the principles of this Code through their supply chain.

Business Critical Issues

Pickwick 1A considers bribery and corruption in any form and denial of site access to be a business-critical issue resulting in immediate cease of trade.

Business Integrity

- Suppliers must engage ethically in all dealings and provide transparent documentation and records.
- 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.

Access to the site of manufacture

- Factories are required to grant access to the site of manufacture if an independent audit is requested.
- Access is also to be granted in circumstances where Pickwick 1A wishes to investigate alleged human rights abuses.

Minimum Requirements

All suppliers must fully comply with all local laws and regulations regarding labour, 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 this Ethical Sourcing Policy.

Employment is freely chosen

- No forced or bonded labour or involuntary prison labour.
- Workers must not be required to lodge deposits or identity papers with suppliers.
- Workers must be free to leave their employment after reasonable notice has been given.

Freedom of association and the right to collective bargaining

- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

- The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 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.

Child labour shall not be used

- 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 and mental development.
- Suppliers must have the appropriate processes for verifying the age of job applicants and that the process is documented. Policies, procedures, and training must be in place for legally employable juvenile employees (young employees, interns, and apprentices).
- Suppliers must be able to verify the age of all employees to ensure no child labour is used. Pickwick 1A refers to the International Labor Organization's Minimum Age Convention, 1973 (No. 138), where the minimum age for work is defined as being below the age for finishing compulsory schooling, and in any case not less than 15 years of age.
- Children and young persons below the age of 18 must not be employed at night and in hazardous conditions.

No illegal labour

Suppliers must be able to verify the legal entitlement of their employees to work in the country of employment.

No harsh or inhumane treatment is allowed

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

Wages and benefits are paid as per legal requirements

- 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.
- 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.
- Deductions from wages as a disciplinary measure is not permitted. All disciplinary measures must be recorded.

Working hours are not excessive

- Excluding 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 per week.
- Workers must have a minimum of one day off in 7 days or two days off in every 14 days.
- Overtime must be voluntary and compensated as prescribed by local laws.
- Record keeping on hours worked must be accurate, complete, and transparent always.

- Overtime assignments resulting in working hours up to 60 hours a week must not be a systemic occurrence. Approval will only be granted where employers can demonstrate:
 - a) Exceptional circumstances apply such as unexpected production peaks, accidents, or emergencies.
 - b) Appropriate safeguards to protect workers' health and safety have been undertaken.
 - c) This is permissible by national law.
 - d) A collective agreement that is freely negotiated with a workers' organisation representing a significant portion of the workforce, is in place.

No sub-contracting of major processes without prior written approval

- There must be no sub-contracting unless documented and available for review by Pickwick 1A or an independent auditor, including but not limited to records of subcontractors' names and locations.
- Suppliers must have adequate policies and processes in place for properly managing subcontracting, to ensure that sub-contractors operate in accordance with applicable laws, regulations, and the Ethical Sourcing Policy.

Working conditions are safe and hygienic

- A senior management representative must be assigned responsibility of health and safety. Trained personnel must administrate and oversee health and safety.
- With current working knowledge of the industry and associated hazards, suppliers must provide a working environment that is safe and hygienic.
- Health and safety training must be provided regularly to existing, reassigned and new workers. The training records must be maintained accurately.
- Personal protective equipment must be supplied, and workers must be trained and supervised in its use.
- Safeguards on machinery must meet or exceed local laws.
- Accommodation, if provided, must be clean, safe and meets workers' basic needs.
- Access to clean toilet facilities, potable water, and sanitary facilities for food storage, where applicable, must be provided.

Discrimination

- As an Indigenous majority owned and operated company Pickwick 1A's first preference of employee is those who are Aboriginal and Torres Strait Islander which is considered a "special measure" under the *Discrimination Act 1991* and therefore not unlawful, the Act promotes substantive equality to remove or redress disadvantages or barriers in recruitment.
- There is no discrimination in compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Sexual abuse or harassment must be prohibited.
- Pregnant workers must not be dismissed.
- Pregnancy testing of employees/potential recruits is not allowed.

Regular employment is provided

- To every extent possible, work performed must be based on recognised employment relationship established through national law and practice.
- Employment provided to employees must be subject to labour or social security laws and regulations arising from the regular employment relationship.

- Employees who have a regular employment relationship with their employer are afforded several obligations from their employer relating to labour and social security laws and regulations. These obligations shall not be avoided using labour-only contracting, sub-contracting, home-working arrangements, fixed-term contracts or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.
- Employees must have legal contracts.
- Agencies are required to meet national requirements as a labour provider.

Sustainable business practice

- Suppliers are required to assess environmental impact of the business.
- Aim to do responsible business without causing significant environmental harm.
- Have clear environmental performance targets.

Respect land rights of communities

Pickwick 1A will conduct due diligence and tracing to ensure that sites are not party to land encroachment.

Structural safety of all supplier buildings and manufacturing sites

- Premises must be structurally safe.
- Accommodation provided to workers must be structurally safe.

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:

- 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.
- Waste management – 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.
- 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.
- Packaging and paper – unnecessary use of materials shall be avoided, and recycled materials shall be used wherever appropriate.
- 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.



- Energy use – all production and delivery processes shall be based on maximising efficient energy use and minimising harmful emissions.
- 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.
- Product selection – the Supplier shall work with and provide assistance to Pickwick 1A in selecting products which are environmentally beneficial.

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