

Mr Mark McInnes CEO - The Just Group 658 Church Street RICHMOND VIC 3121

1 April 2015

Dear Mr McInnes

Re: Mother's Day list on transparency and living wages

I am writing to again to ask that The Just Group join the Bangladesh Fire and Building Safety Accord and to again invite The Just Group to take the next step in ethical sourcing by disclosing the locations of your supplier factories. As previously raised with you Oxfam also invite The Just Group to enter discussions around an implementation plan for living wages in your supply chain, which is important step towards ending extreme poverty and inequality.

Bangladesh Fire and Building Safety Accord

I also write to inform you that Oxfam Australia will soon release its updated and rebadged "Heartbreakers" list for Mother's Day this year detailing which Australian retailers have signed the ACCORD, which retailers have not, which have and have not published supplier lists and in how many countries. The list will cover the same list companies that were highlighted in our Christmas 2013, Naughty or Nice list. The list will also acknowledge those companies that are engaged in discussions with Oxfam to develop a living wages implementation plan. This means the progress made by The Just Group will be published.

As you are aware the ACCORD represents a high standard in 21st Century collaboration between companies, unions and Bangladesh groups. The ACCORD has significant support in the garment sector and has been signed by more than 190 companies from more than 20 countries around the world. Eight of the most significant Australian companies including Cotton On, Forever New, Kmart Australia, Pacific Brands, Pretty Girl Fashion Group, Specialty Fashion Group, Target Australia and Woolworths Australia have joined the ACCORD.

I'd like to take this opportunity to let you know that the implementation of the Bangladesh Accord is progressing very well and is improving health and safety in factories. Inspections into the initial list of factories covered by the ACCORD are almost complete and inspections have commenced for the newly added ACCORD factories. Existing inspections have uncovered a range of safety problems and remediation has been completed in approximately 20% of cases. Further, more than a dozen of the inspected factories were temporarily evacuated whilst significant safety issues were addressed.

Transparency in Supply Chains

Additionally many companies, including Patagonia, Brooks, Switcher and women's wear label Eileen Fisher, have also now joined industry best practice in transparency and published their listing of factories in Bangladesh despite this not being a requirement of the Bangladesh ACCORD. Several Australian and world garment retailers including Coles, Target and H&M have gone beyond this and published lists of their suppliers in other parts of the world such as India, Cambodia, Myanmar, Vietnam, India, Indonesia, China, Ethiopia and Kenya. Other Australian companies are in the process of informing their suppliers that they intend to publish and expect to publically release their supplier lists this year. They have joined industry leaders in transparency such as Nike, Adidas, Levi Strauss, Puma and Timberland. This trend is on the increase and it is time for The Just Group to join this impressive list of industry leaders and publicly disclose its supplier factories in all locations.

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The transparency provided by listing supplier factories allows independent verification by NGOs of the claims made by companies. This in turn allows consumers to make informed choices about the products they are purchasing, which customers are increasingly demanding. Wesfarmers describes its commitment to transparency in its supplier locations as helping to "ensure accountability that decent conditions and workers' rights are being upheld".

Towards Living Wages

The principle of a living wage is increasingly gaining momentum and is seen by many as an important step towards ending extreme poverty and inequality. Large industry players such as H&M are committed to moving towards, or are trialling, living wages in supply chains. Several Australian companies are in discussions with Oxfam to develop a time bound living wage implementation plan. Other innovations include interim steps such as paying the gap between factory and living wages and trialling lunch programs for workers in Cambodia, as one leading Australian corporation is doing.

Oxfam will increase its focus on living wages over the next couple of years and we have commenced serious dialogue with companies about this important initiative. We will also continue to work with companies to sign up to the ACCORD, provide transparency in their supply chains and guarantee freedom of association. We know that our supporters are among the rapidly growing number of Australians who want to purchase ethically and safely produced products.

Oxfam hopes to list The Just Group and its labels as having signed the ACCORD and having published, at a minimum, locations of Bangladesh suppliers and demonstrated a commitment to publishing a full list of all global suppliers.

I invite you to provide Oxfam with an update on the steps The Just Group has undertaken to sign the ACCORD, publishing factory locations and work towards the provision of living wages by 24 April 2015 so that we can place it correctly on the list.

I would welcome the opportunity to meet with you to discuss these issues further.

Sincerely

Dr Helen Szoke Chief Executive