

Mr Mark McInnes
CEO – The Just Group
PO Box 2196
Richmond South Victoria 3121

7 May 2015

Dear Mr McInnes

Re: Mother's Day Naughty or Nice list

I would like to thank you for your response to Oxfam's requests for information prior to the publication of our Mother's Day Naughty or Nice listing of garment sector companies.

The updates that you have provided have been noted for the purposes of the list and will inform future discussions with you.

Thank you for your extensive explanation of The Just Group's policy, principles and codes in relation to ethical sourcing.

It is essential to note that without transparency, in particular the publishing of the location of your suppliers, it is impossible for NGOs such as Oxfam verify your claims.

<u>Safety and Building Integrity:</u>

Oxfam acknowledges that the Alliance now has a better inspection regime as a result of the harmonised Fire Safety and Structural Integrity Standard which was developed jointly by the Accord and the Alliance under the auspice of the ILO.

Oxfam appreciates that you have joined the Alliance. However it is possible to be a member of both the Alliance and the Accord, as illustrated by Fruit of the Loom, which is a member of both. The Alliance remains a weak agreement in comparison to the Accord. This is because it lacks enforceability, does not have workers represented at the decision making level. The Accord is a forward looking 21st century agreement whose strength derives from its bipartisan inclusive nature. More than 200 of the world's leading garment brands and retailers, who are leaders in globally responsible sourcing, have joined the Accord which has led many of them beyond health and safety to a higher level of ethical sourcing codes including transparency and living wages.

Compliance and Auditing:

I note the reference to your dependence on Li & Fung for 'thorough background and ongoing checks for compliance'. This is of concern to Oxfam. You would be aware from extensive media reporting that Li & Fung have a long record of failure when it comes to providing compliance checks on labour rights and human rights. Oxfam Australia has also bought these concerns about Li & Fung to the attention of The Just Group in the past.

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Without the transparency provided by the publication of supplier lists it is impossible to verify your claims in relation to compliance and auditing and ensure Li & Fung's background and ongoing checks for compliance are verified.

Please find attached a copy of the list which is going live today.

I look forward to the engagement between the Just Group and Oxfam Australia on these very important supply chain issues. I invite you to meet with us on these matters.

Should you have any questions please feel free to contact Harvey Purse, Corporate Accountability and Fair Trade Advisor, on 02 8204 3950 or email harvyep@oxfam.org.au.

Yours sincerely,

Dr Helen Szoke

Chief Executive