

OXFAM SUPPLIER CODE OF CONDUCT

In line with our values, our vision and our work, Oxfam Australia is committed to the highest standards of ethical conduct, social responsibility and environmental sustainability for ourselves, and those we work with. To this end, Oxfam requires its suppliers to provide their workers with dignity, respect and safe working conditions, to act fairly and ethically, and be environmentally responsible wherever and whenever they make products or perform services for us.

We require our suppliers to not only act in accordance with the principles and standards outlined in this Oxfam Supplier Code of Conduct ("Code"), but to be in full compliance with all applicable laws and regulations. Oxfam's Code outlines our expectations of suppliers and their conduct regarding labour and human rights, workplace health and safety, environmental protection, management and ethical practices. The Code draws upon international standards that advance social and environmental responsibility, so that Oxfam and our suppliers can go beyond simple compliance with the law. If there is a difference between our standards and legal requirements, the stricter of the two will apply, in compliance with applicable law.

Oxfam will assess our suppliers' compliance with this Code, and any violations will be taken seriously and investigated; Oxfam will seek alternative sources where the conduct of suppliers demonstrably violates this Code, and there is no willingness to address the failure to comply with the Code within a reasonable time period.

The Code applies to Oxfam suppliers and their subsidiaries, affiliates and subcontractors (each a "Supplier") that provides goods or services to Oxfam, or that are used in or with Oxfam products.

Detailed standards accompany this Code that clearly define Oxfam's expectations for compliance.

This Code is based on the following general principles that define Oxfam's ethical behaviour: Oxfam expects suppliers, as a minimum, to meet the below principles:

- Accept responsibility for labour and environmental conditions under which products are made and services provided. This includes all work contracted or sub-contracted and that is conducted by home or other out-workers.
- Be open and transparent about the labour and environmental standards in your supply chains, and to provide information requested by Oxfam to enable our assessment of labour and environmental standards in their supply chains.
- Support workers to realise their rights and minimise the barriers which prevent workers from achieving them.
- Demonstrate ability to meet local labour and environmental laws.
- Demonstrate commitment to achieve conformance with our Labour Standards (<u>Appendix A</u>) and Environmental Standards (<u>Appendix B</u>) and commitment to continuous improvement of these.
- The supplier or parent company should not be involved in any of the activities listed in the Ethical Standards (Appendix C).

Appendix A: Labour Standards

Oxfam respects the labour rights of workers and asks suppliers to accept responsibility for the standards in their supply chains and to take active steps to enable workers to realise their labour rights according to the Ethical Trading Initiative Base Code as below:

Employment is freely chosen:

- There is no forced, bonded or involuntary prison labour.
- Workers are not required to lodge "deposits" or their identity papers with the employer and are free to leave their employer after reasonable notice.

Freedom of association and the right to collective bargaining are respected:

- 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 legitimate activities of trade unions.
- 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.

Working conditions are safe and hygienic:

- A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- The company observing the standards shall assign responsibility for health and safety to a senior management representative.

Child Labour shall not be used:

- There shall be no new recruitment of child labour.
- Companies shall develop or participate in and contribute to policies and programmes, which provide for the transition of any child found to be performing child labour to enable her/him to attend and remain in quality education until no longer a child.
- Children and young people under 18 years of age shall not be employed at night or in hazardous conditions.
- These policies and procedures shall conform to the provisions of the relevant International Labour Organisation (ILO) standards.

Living wages are paid:

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmarks, whichever is higher. In any event wages should always be high enough to meet basic needs and to provide some discretionary income.
- All workers shall 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 they are paid.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express and informed permission of the worker concerned. All disciplinary measures should be recorded.

Working hours are not excessive:

- Working hours must comply with national laws, collective agreements, and the provisions below, whichever affords the greater protection for workers. The below provisions are based on international labour standards.
- Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week*
- All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the
 following: the extent, frequency and hours worked by individual workers and the workforce as a
 whole. It shall not be used to replace regular employment. Overtime shall always be
 compensated at a premium rate, which is recommended to be not less than 125% of the regular
 rate of pay.
- The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by the following clause.
- Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:
 - this is allowed by national law;
 - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - o appropriate safeguards are taken to protect the workers' health and safety; and
 - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.*
 - * International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced

No discrimination is practised:

 There is no discrimination in hiring, 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.

Regular employment is provided:

- To every extent possible work performed must be on the basis of a recognised employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the
 regular employment relationship shall not be avoided through the use of labour-only contracting,
 sub-contracting or home-working arrangements, or through apprenticeship schemes where there
 is no real intent to impart skills or provide regular employment, nor shall any such obligations be
 avoided through the excessive use of fixed-term contracts 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 shall be prohibited.

Appendix B: Environmental Standards

Oxfam is committed to reduce its reliance on finite/scarce resources and to minimise the environmental impact of its operations including its supply chain, and will work to achieve the standards listed in this section. To meet this end, Oxfam and its suppliers are not only expected as a minimum to comply with all applicable legislation and statutory requirements but also to demonstrate commitment to meet the following standards:

Climate change:

Monitor and actively seek to reduce the Greenhouse Gas (GHG) emissions associated with its operations and:

- Set absolute GHG reduction targets for operations
- Set and report on targets for improved efficiency

Waste:

- Reduce waste to landfill.
- Monitor operations, including procurement, to ensure waste minimisation and high product and process efficiency.
- Effective controls of waste in respect of ground, air, and water pollution are adopted.

Materials:

- Reuse, recycling and the use of recycled and recyclable materials are strongly encouraged.
- Avoid where practicable reliance on materials that are heavily dependent on finite resources.

Packaging:

 Actively avoid undue and unnecessary packaging wherever practicable and use recycled and recyclable materials wherever appropriate.

Wood and forest products:

- Ensure that all forest products purchased are as a minimum legal in origin and provide evidence
 of due diligence to ensure this if requested by Oxfam
- Suppliers of paper products sourced from Oxfam Australian offices and New Products for Resale
 carrying the Oxfam Brand, must source forest products from recycled sources or well managed
 forests which have been certified to a credible standard. Exceptions will be made for products
 which are Fairtrade marked or produced by members of the World Fair Trade Organisation as
 appropriate. Oxfam views the Forestry Stewardship Council (FSC) as the most credible
 certification for the sustainable sourcing of wood and forest products.
- Suppliers must never knowingly become involved in, collude with or purchase timber from illegal logging operations.

Energy:

 Work to reduce energy consumption and where practicable use energy from renewable resources.

Transport and travel:

- Reduce staff travel wherever practicable.
- Monitor and reduce transport logistics to ensure efficient distribution and delivery of products and services.

Conservation of biodiversity:

 Seek to minimise the impact of operations on fauna, flora and land to ensure the conservation of biodiversity and habitats.

Water:

• Develop a better understanding of its impact on water use and develop management processes where appropriate

Appendix C: Ethical Standards

Oxfam will seek an alternative supplier if the supplier (or its subsidiary) is involved in any of the following activities:

- The sale or export of arms or strategic services to governments which systematically violate the human rights of their citizens, or where there is internal armed conflict or major tensions, or where the sale of arms may jeopardise regional peace and security;
- Tobacco production and sale;
- Production or publication or broadcast of adult entertainment;
- Any other activities which violate fundamental human rights, as set out in the International Bill of Rights.

If the supplier (or its subsidiary) has any involvement in the following areas (specifically greater than 5% of annual turnover), Oxfam requires full disclosure and requires the supplier (or its subsidiary) to indicate how it is working to reduce involvement and/or integrate and implement best practice approaches that protect and respect human rights and the environment in these areas:

- The sale of baby milk outside the World Health Organisation (WHO) Code of Conduct;
- Pesticide sales outside the Food and Agriculture Organisation (FAO) guidelines for pesticide retailing;
- Extractive industries;
- Knowingly become involved in, collude with or purchase timber from illegal logging operations;
- Public or formal party political involvement or activity that compromises Oxfam's independence;
- Actively lobby to undermine public policies to tackle climate change or push for continued expansion of fossil fuel use.

Suppliers must also declare any formal party political involvement or activity.