

Policy no: PLHR024-V001
Original Approval date: December 2021
Last review date:
Policy title: Ethical Sourcing Policy



OVERVIEW

Steel Blue recognises the interconnected nature of global issues and our operations across the world. Steel Blue values and seeks to work with suppliers, vendors, contractors, tanneries, manufacturers, or other business partners (Suppliers), who commit to and conduct business with the same ethical integrity.

Steel Blue's Sustainability Strategy and Five Key Goals for 2020-2025

- We care about **Human Rights**: By 2025, we will have eliminated risk of modern slavery from within our supply chain.
- We care about **Climate**: By 2025, we will be Carbon Neutral as an organisation.
- We care about **Environment**: By 2025, our leather will be sourced exclusively from suppliers with Leather Working Group (LWG) GOLD Rating.
- We care about **Diversity and Inclusion**: By 2025, we will reach a workforce gender diversification of 33% female.
- We care about **Communities**: Between 2020 and 2025, we will reach \$1.5 million of donations and support benefiting community organisations and projects, taking Steel Blue's total community support amount to well over \$3M.

Ethical Sourcing Code

Suppliers must comply with all local laws and regulations in the country they operate in, relating to labour, health, safety, immigration, and the environment. It is the supplier's responsibility to ensure that they keep well informed of changes to laws and regulations that may impact their status of compliance, and that corrective actions are taken to bring them into a state of compliance.

Suppliers must be able to demonstrate compliance with this policy and provide supporting documentary evidence upon request to Steel Blue. Where the supporting evidence supplied is not deemed acceptable, a third-party audit through an independent auditor like SEDEX may be requested.

Child Labour

- 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 be able to verify the age of all workers to ensure that no child labour is used. All suppliers shall comply with the minimum legal working age in the country in question.

Forced/Bonded Labour

- Suppliers must comply with all applicable anti-slavery and modern slavery laws. They must not engage in any modern slavery practice, including using forced, bonded, involuntary labour or human trafficking.
- Suppliers must ensure that employment is freely chosen and that workers can leave their employment after reasonable notice. Freedom of movement is respected, and workers are not required to lodge deposits or identity papers.

Wages and Benefits

- Wages and benefits paid for a standard working week must meet a minimum national or industry standard.
- All workers should be provided with written information regarding their employment. Terms and conditions of employment contracts shall be in line with local legislation.
- Deductions from wages as a disciplinary measure is not permitted.
- It is expected that records will be accurate and available at any time for audit purposes.

Working Hours

- Working hours must comply with applicable local laws.
- Overtime shall be voluntary, shall not exceed maximum hours as per local laws, shall not be demanded on a regular basis and must be compensated as per prescribed laws.
- Workers must be provided with an adequate number of complete days off.
- It is expected that all overtime hours are accurately recorded and available at any time for audit purpose.

Safe Working Conditions

- Suppliers must provide safe plant and systems that meet or exceed local legislative requirements.
- Workers must receive adequate and detailed safety training relevant to their roles.
- Personal Protective Equipment must be supplied with training on correct use.
- Emergency evacuation drills should be conducted quarterly.
- Conditions and amenities provided in all production facilities, toilets, meals areas and accommodation (where applicable), must be safe and hygienic consistent with all applicable local laws, regulations and/or industry best practices in order to avoid preventable work-related accidents, injuries or illness.

No Discrimination

- All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics, such as age, race, colour, nationality, gender, religion, marital status, sexual orientation, maternity status, disability or political beliefs.
- Suppliers must ensure that they provide an environment where employees can work without distress or interference caused by harassment, discrimination, or any other inappropriate workplace behaviour.

No Harassment, Abuse, and Inhumane treatment.

- Workers shall be treated with dignity and respect. In particular, factories will provide a workplace free from harassment, which can take many forms, including physical, sexual, verbal or visual behaviour that creates an offensive, hostile, or intimidating environment.

Freedom of Association

- Suppliers acknowledge that workers have the right to freedom of association and to bargain collectively.
- Workers have the right to join or form trade unions of their choosing.
- Where the rights to freedom of association and collective bargaining are restricted under local laws, suppliers will not hinder the development of alternative means of independent and free association and bargaining.

Conducting Business Ethically.

Suppliers must demonstrate a high degree of professionalism and align with Steel Blue Business Ethics. Honesty, fair dealing, and the proper treatment of workers are always required.

We will not seek, offer or accept any payments, gifts, benefits, favours or entertainment beyond that which is considered normal, legitimate business practice, or may be an, inducement, incentive or reward for preferential treatment. Any gain or benefit, either sought, or accepted, should not be related to any personal associate, relative or friend.

Environmental Impact

Suppliers must comply with local and national environmental laws and regulations as a minimum Code of Business Practice. We expect our suppliers to proactively minimise the environmental impacts of their operations and maintain environmentally responsible policies and practices.

- *Waste Management* Steps are proactively taken to reduce waste and to use recycled content whenever this is practical.
- Effective controls of waste in respect of ground, air and water pollution must be adopted. In the case of hazardous materials, emergency response plans must be put in place.

Packaging and paper

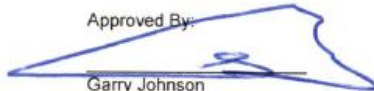
- The unnecessary use of materials and single use plastics must be avoided.
- Materials with recycled content should be used where appropriate.

Raw Materials

- Where practical, materials and content should be made from sustainable materials and produced with processes that reduce the impact to the environment.

Restricted and Banned Substances

As a Supplier, that sources, supplies and provides Steel Blue products, packaging, chemicals, materials, components or other parts (**Items**) used in any Steel Blue products and/or packaging, you are responsible for ensuring that these items you source, supply and provide to Steel Blue, or for Steel Blue products, are compliant with the Restricted Substance List as issued by SATRA.

RELATED DOCUMENTS/INFORMATION	
Australia Federal Legal References:	Modern Slavery Act 2018 (Cth) NSW Modern Slavery Act 2018
Related documents	SATRA Restricted Substance List
International Legal References:	ILO Convention 29, Convention 105 and 2014 Protocol to C29 on forced labour; ILO Convention 138 and Convention 182 on child labour; ILO Convention 111 and Convention 110 on equality and non-discrimination; and ILO Convention 87 and Convention 98 on freedom of association.
Accountability Area:	Human Resources
Policy Owner:	Human Resources Manager
Next Review Date:	December 2022
Approved By:	Chief Executive Officer <div style="text-align: center;">  Approved By: Garry Johnson </div>

Ethical Sourcing Policy Compliance Declaration

As an authorised representative of the Supplier company, I acknowledge on behalf of the Company that I have received Steel Blue's Ethical Sourcing Policy and confirm our Company agreement to act in accordance with this policy and procedure.

Please email this form back to: Dwayne.sewell@steelblue.com

➤ Supplying Company:	➤
➤ Authorised Signature:	➤
➤ Name & Position:	➤
➤ Optional Question - Has your organisation undertaken a third party social compliance audit? Eg SA8000, SEDEX. If yes, please provide details.	
➤	
➤	

STEEL BLUE INTERNAL USE ONLY

➤ Date compliance letter received:	➤
➤ Signature:	➤