

DAVID JONES

Supplier Code of Conduct

To meet the changing expectations of its key stakeholders, David Jones is committed to understanding and managing social, ethical and environmental issues along its supply chain in a responsible manner. This Supplier Code of Conduct ("the Code") has been developed to help meet this commitment and outlines the terms and conditions of doing business with David Jones.

This Code is based on the Ethical Trading Initiative (ETI) Base Code and audit methodologies developed by the Supplier Ethical Data Exchange (SEDEX). This Code has been informed by recommendations of the International Labour Organisation (ILO) and reflects David Jones' obligations as a signatory to the United Nations Global Compact.

This Code is mandatory for all suppliers (hereafter collectively referred to as "Suppliers" and individually as a "Supplier") including:

- **Private Label Vendors**, defined as all parties that provide merchandise that is sold by David Jones, under trademarks registered to David Jones;
- **Non-trade Procurement Vendors**, defined as suppliers that provide goods and services to David Jones not for resale;
- **Own-buy Vendors**, defined as all suppliers that provide branded merchandise that is sold by David Jones;
- **Distributors and Agents**, defined as all suppliers that supply David Jones with other proprietary branded goods; and
- **Concession Partners**, also known as those subject to a Retail Brand Management Agreement, defined as all suppliers that provide branded merchandise that is sold by David Jones but which is not owned by David Jones.

COMPLIANCE OF THIS CODE

All Suppliers must have in place formal policies and systems that align and comply with the Supplier commitments outlined in this Code and must maintain adequate records to demonstrate their compliance. David Jones may request such documentation in the process of tracking performance against this Code and/or if David Jones becomes aware of a breach against this Code. Any such request will be made in David Jones' sole discretion.

Suppliers must ensure that their own operations are compliant and that this Code has been communicated to their supplying brands (in case of a distributor or agent), factories and along their supply chain. Suppliers must also ensure that the requirements noted in this code can be upheld contractually with their own supply chain partners.

To monitor compliance to this Code, David Jones also reserves the right to request a social audit to be conducted of any and all Suppliers and their supply chain partners involved in production for David Jones. Audits may occur with or without notice, shall be unrestricted and may include off-site worker interviews. Where no breaches of this Code of Conduct are found, David Jones will incur the cost of any audits required by our investigation.

In the event that David Jones requests information or evidence to demonstrate compliance, Suppliers must respond within 48 hours of such requests.

Furthermore, to demonstrate compliance:

Private Label Vendors are required to actively participate in David Jones Approved Facility Program by disclosing their full list of suppliers (inclusive of raw material suppliers); providing a valid third party audit of their supplying factories at their own cost; and registering on SEDEX.

Non-Trade Procurement Vendors (if requested) are required to register on SEDEX, complete the SEDEX self-assessment questionnaire and provide a social or ethical audit measured against this Code.

BREACHES OF THIS CODE

Potential or suspected breaches of this Code can be reported to David Jones via email ethicalsourcing@davidjones.com.au. Any grievances or disputes in relation to the Code may be reported in the same manner. These reports can be made anonymously and can be made directly by workers, by Suppliers on behalf of workers or by any stakeholder.

David Jones recognises that suppliers may not be able to deliver on all of the requirements of our Code of Conduct upfront, and we are committed to working with our supply chain partners to achieve change over time. In the event that David Jones becomes aware of a breach of this Code, David Jones reserves the right, at its sole discretion, to request information or evidence and take a range of remedial actions.

To reflect David Jones' commitment to continuous improvement, these actions may initially include having a third party perform an ethical audit (this will be at the cost of the Supplier) and/or the requirement for the Supplier to develop and implement a Corrective Action Plan, which is to be sited and approved by David Jones. In the event of a serious breach of the Code or multiple non-compliances over an extended period of time, remedial actions may include the cancellation of orders, the termination of the business relationship and any other steps as may be reasonably required in David Jones' sole discretion to protect David Jones' business interests and goodwill, including but not limited to public disclosure of the breach and the remedial actions.

INTERPRETATION AND DEFINITION OF THIS CODE

For the purposes of clarity, the supplier commitments outlined herein should be interpreted in accordance with the ETI Base Code, the [SEDEX Member's Ethical Trade Audit \(SMETA\) methodology](#) and the definitions outlined in the Appendix.

1.0 SUPPLIER COMMITMENTS

1.1 ENSURE SAFE AND FAIR WORKING CONDITIONS

Suppliers must comply with local and national laws related to labour practices and ensure that workers are afforded the highest level of protection, whether that be under local law or the following principles, which should be read in conjunction with the ETI Base Code, outlined in the Appendix.

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour is not used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is used

In addition to provisions outlined in the ETI Base Code, Suppliers must ensure that foreign and migrant workers are engaged in compliance with immigration and labour laws in the country of employment.

Suppliers must ensure the structural safety of their facilities and ensure no unsafe buildings are inhabited. Suppliers must also ensure that an Emergency Management Plan and a Workplace Safety Management System (as outlined in the Appendix) is in place and adequately communicated to their own employees, contractors, and supplying factories.

1.2 ENSURE NO FORMS OF MODERN SLAVERY ARE EMPLOYED

David Jones does not condone the use of child or forced labour and any form of modern slavery as defined in the Modern Slavery Act 2018 (Cth). Suppliers and their supplying factories are required to ensure that all reasonable efforts are employed to eliminate modern slavery, including child labour, forced labour, the exploitation of workers and/or deceptive practices in the recruitment of workers. Under no circumstances should workers be required to pay fees or leave deposits to gain employment in their home country or in the country of employment.

Where David Jones becomes aware of child or forced labour, or human trafficking in the supply chain, the Supplier must implement a Remediation Plan if requested by David Jones, which is in the best interest of the worker(s) concerned. This Plan must be developed in consultation with the David Jones' Ethical Sourcing team, who will also oversee implementation, but the Supplier will be responsible for any costs associated with its implementation.

1.3 ENSURE INTEGRITY AND TRANSPARENCY IN DEALINGS BETWEEN DAVID JONES AND ITS SUPPLY CHAIN PARTNERS

Suppliers must take all reasonable measures to conduct their business activities in an ethical manner, without bribery, corruption or any type of fraudulent or unethical behaviour, including during any audits conducted by, or on behalf of, David Jones.

Suppliers must disclose any conflicts of interest between themselves and David Jones to David Jones' Ethical Sourcing team, who will maintain a register of conflicts.

Suppliers must make available details of business activities, structure and any other information relevant to its relationship with David Jones, including details of supply chain partners, subcontractors and the names and locations of facilities involved in the provision and/or manufacture of products for David Jones.

David Jones may choose to publish, either in print or online, information about our Private Label Suppliers, including, but not limited to the Supplier's name and address; their factories' name and address; their product category, number of workers and percent of female workers. The timing and method of the publication of such information is at the absolute sole discretion of David Jones.

The labour practices within or administered by any subcontractors or labour brokers involved in the provision of products for David Jones must be in line with the minimum requirements of this Code. Any homeworkers must also be afforded at least the minimum requirements of this Code.

Any homeworkers, subcontractors and labour brokers in the supply chain must be disclosed to David Jones in order for a register to be developed and maintained.

1.4 IMPROVE ENVIRONMENTAL OUTCOMES

Suppliers must comply with local and national laws related to environmental standards. Suppliers must also develop and implement a formal policy that outlines their approach to managing environmental impacts within their control.

In particular, Suppliers must manage and monitor initiatives that reduce greenhouse gas emissions, reduce impacts on natural resources and optimise water use, and provide relevant data if requested to do so by David Jones.

Suppliers must not use harmful materials, dyes or chemicals that have any unacceptable risk to health or the environment during production, use or disposal as per [David Jones Harmful Substances Policy](#).

Suppliers must also take all reasonable measures to use recycled and recyclable packaging materials and ensure that private label merchandise and packaging is produced in-line with [David Jones Sustainable Packaging Policy](#).

1.5 PROTECT THE WELFARE OF ANIMALS

Suppliers must comply with local and national laws related to animal welfare. Suppliers must employ all reasonable efforts to ensure that animals under their care (or the care of their supply chain partners) are treated in a humane manner, meeting the expectations set out in [David Jones' Animal Welfare Policy](#).

David Jones does not condone the use of fur and Suppliers must ensure that fur is not used in any product supplied to David Jones. David Jones does not source or stock foie gras or wool from the Angora rabbit.

Suppliers must employ all reasonable efforts to ensure that animal testing of beauty products is only conducted when required by law.



Scott Fyfe
Chief Executive Officer

APPENDIX

ETI BASE CODE

Employment is freely chosen

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

Freedom of association and the right to collective bargaining are respected

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 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

- 3.1 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.
- 3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

Child labour is not used

- 4.1 There shall be no new recruitment of child labour.
- 4.2 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 or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

DEFINITIONS IN RELATION TO CHILD LABOUR

Child Labour

Any work by a child or young person, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to interfere with that person's education, or to be harmful to that person's health or mental, spiritual, moral or social development.

Child (or Children)

A person under the age of 15, or below the age at which school attendance is not compulsory under local law, whichever is older.

Young Person

A person under the age of 18 but not classified as a child.

Living wages are paid

- 5.1 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 be enough to meet basic needs and to provide some discretionary income.
- 5.2 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.
- 5.3 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 expressed permission of the worker concerned. All disciplinary measures should be recorded.

Working hours are not excessive

- 6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers.

Sub-clauses 6.2 to 6.6 are based on international labour standards.

- 6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.
- 6.3 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.
- 6.4 The total hours worked in any seven-day period shall not exceed 60 hours, except where covered by clause 6.5 below.
- 6.5 Working hours may exceed 60 hours in any seven-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;
 - 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.
- 6.6 Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.

No discrimination is practiced

- 7.1 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

- 8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.2 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, subcontracting, 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 used

- 9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

SAFETY AND WELFARE OF WORKERS

In addition to provisions outlined in Item 3 of the ETI Base Code, suppliers must also take all reasonable measures to develop, implement and communicate an Emergency Management Plan and a Workplace Safety Management System, as outlined below.

Emergency Management Plan

An Emergency Management Plan aims to ensure the safe, orderly and timely evacuation of workers in the event of an emergency. All workers must have easy and safe access to emergency exits and stairways, which should be clearly marked, unlocked and free of obstructions. Evacuation drills must be conducted on a regular basis, with trained supervisors designated to locations through the facility to ensure the safe, orderly and timely evacuation of workers. Fire extinguishers and/or fire hoses must be provided and must be inspected regularly to ensure they are in good working order. This plan must communicate that all workers have the right to remove themselves from imminent danger without first seeking permission.

Workplace Safety Management System

A Workplace Safety Management System aims to manage any residual risks in the work environment. It should include a Workplace Safety Policy, an Injury Management and Return-to-Work Policy, Job Safety Assessments, Safe Work Method Statements and a Safety Information Management System. Personal Protection Equipment (PPE) suitable for each task must be available for workers, at no cost to workers, including protective eye wear, protective footwear, hearing protection, gloves, masks, hard hats and insulated clothing. This system should be governed by a Workplace Safety Policy, which should be signed and managed by a senior management representative. This policy must be displayed on premises.