

## Responsible Sourcing Code of Conduct

<b>Effective date</b>	1 September 2014
<b>Policy owner</b>	Group Finance – Procurement
<b>Applies to</b>	All suppliers to GWF and their employees and contractors
<b>Contact Officer</b>	Your Procurement Account Manager

**This signed statement confirms our commitment to making GWF's business activities responsible and professional for ALL.**

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### Purpose and aims

George Weston Foods Limited, George Weston Foods (NZ) Limited and their related companies (**GWF, we, our, us**) are committed to achieving the highest standards of responsible conduct in all aspects of our business. High standards of conduct will serve to enhance our reputation for fair and responsible trading, for taking care of our people, working with our communities and managing our environment, and always delivering quality products and services. We believe that these behaviours build trust between our people, suppliers, customers and consumers and ensure our continued prosperity.

As part of an international business with suppliers and representatives the world over, we believe we have a duty to trade responsibly. We therefore want to ensure that those people with whom we deal, in particular our suppliers and our representatives, live up to our values and standards and share that responsibility.

GWF has a Code of Conduct which applies to all GWF employees, contractors, customers and visitors, Australia, New Zealand and Asia. This Responsible Sourcing Code of Conduct (**Responsible Sourcing Code**) is an **additional** requirement on Suppliers, recognising that integrity and trust is a core element of our supply chain requirements, and applies in any jurisdiction where the Supplier operates or sources goods or services. Accordingly, Suppliers and representatives should comply with local laws and the principles set out below as a minimum, and develop relationships with their own supply chains consistent with same.

This Responsible Sourcing Code is a GWF policy and may be reviewed, varied, added to or withdrawn by GWF at any time, at our absolute discretion.

### Employment is freely chosen

There is no forced, bonded or involuntary prison labour. Workers of the Supplier and their suppliers 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

Workers, without distinction, have the right not to join, to join, or to form trade unions of their own choosing and to bargain collectively. The Supplier adopts an open attitude towards the activities of trade unions and their organisational activities. 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 Supplier 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 for all workers of the Supplier and their suppliers, 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 the causes of hazards inherent in the working environment.

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

### **Child labour shall not be used**

Supplier and their suppliers 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. There shall be no further recruitment of child labour.

A *Child* is defined as any person less than the local minimum age law for work or mandatory schooling. If the local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, the lower age will apply. A *Young Person* or *Young Worker* is defined as any work over the age of a child as defined above and under the age of 18.

Children and young persons under 18 shall not be employed at night or in hazardous conditions. Policies and procedures shall conform to the provisions of the relevant ILO standards.

### **Land Acquisition**

We adhere to the principle of free, prior and informed consent of all communities when acquiring land. The rights of communities and traditional peoples to maintain access to land and natural resources will be recognised and respected.

### **Living wages are paid**

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or national minimum wage for the work being performed. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

All workers of Supplier and their suppliers 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 expressed permission of the worker concerned. All disciplinary measures shall be recorded.

### **Working hours are not excessive**

Working hours comply with national laws and benchmark industry standards, whichever affords greater protection. Overtime shall be voluntary and shall always be compensated at a premium rate or as otherwise mutually agreed.

### **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, physical or mental disability, gender, marital status, family or carer responsibilities, sexual orientation, union membership or political affiliation.

### **Regular employment is provided**

To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

### **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.

### **Confidentiality**

The confidentiality of information exchanged in the course of business must be respected and never be used for illegal purposes or for individual gain. False information must not be given in the course of commercial negotiations.

### **No bribery or corruption will be tolerated**

The offering, paying, soliciting or accepting of bribes or kick-backs, including facilitation payments, is strictly prohibited. A bribe may involve giving or offering any form of gift, consideration, reward or advantage to someone in business or government in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly or where it would be improper for the recipient to accept the benefit. Bribery can also take place where the offer or giving of a bribe is made by or through a third party, e.g. an agent, representative or intermediary. Some examples of bribes are as follows. This is not an exhaustive list:

- lavish gifts, meals, entertainment or travel expenses, particularly where they are disproportionate, frequent or provided in the context of on-going business negotiations;
- the uncompensated use of company services, facilities or property;
- cash payments;
- loans, loan guarantees or other credit;
- the provision of a benefit, such as an educational scholarship or healthcare, to a member of the family of a potential customer/public or government official;
- providing a sub-contract to a person connected to someone involved in awarding the main contract; and
- engaging a local company owned by a member of the family of a potential customer/public or government official.

Facilitation payments are small payments or fees requested by government officials to speed up or facilitate the performance of routine government action (such as the provision of a visa or customs clearance). Such payments are strictly prohibited.

Suppliers, representatives, their employees and suppliers must comply with all applicable anti-bribery and corruption laws. If no such anti-bribery or corruption laws apply, or are of a lesser standard to that prescribed in the *UK Bribery Act 2010*, Suppliers, representatives and their employees must adhere to the *UK Bribery Act 2010*.

Suppliers and representatives shall have in place anti-corruption and bribery procedures designed to prevent employees or persons associated with its business from committing offences of bribery or corruption. Suppliers and representatives will properly implement these procedures into their business and review them regularly to ensure that they are operating effectively.

### **Environmental Management**

We support and encourage operating practices, farming practices and agricultural production systems that are sustainable. Suppliers and representatives will continually strive towards improving efficiency and sustainability of their operations which will include water conservation, energy efficiency and waste reduction programmes. The following aspects of environmental management will be included in the assessment of Suppliers and representatives:

- there should be a Supplier environment representative;
- Supplier should be aware of and able to demonstrate compliance with all current legislation that may affect their activities;
- Supplier should conduct an environmental review and consider all aspects of their products & services;
- any enforcement, improvement or prohibition notices served on the site within the last 3 years.

## Sustainable Sourcing

**Palm Oil** We have committed to the responsible sourcing of palm oil by 2015. We aim to only source products that include Certified Sustainable Palm Oil by **1 January 2015**, or where not available, trade RSPO Green Certificates for such purchases. We require all suppliers of palm oil and products containing palm oil as an ingredient or derivative to have systems in place to determine traceability, and to provide GWF with certified and auditable documentation to evidence the source of palm oil on request.

**Animal Welfare** We require all suppliers of animal products and services to comply with local animal welfare laws, regulations and standards, and demonstrate compliance, certification and traceability at all times.

**Packaging** We have been a signatory to the Australian Packaging Covenant since 2001 and we require all suppliers to supply products consistent with our commitments. This includes:

- designing packaging fit-for-purpose to meet market and consumer needs while reducing the environmental impact;
- seeking opportunities to reduce material weight and volume and optimise efficiencies in transport and distribution;
- wherever appropriate, using materials or substances that are environmentally friendly, increasing levels of recycled content, designing for recyclability and decreasing packaging waste at all stages of our supply chain;
- collaborating with our suppliers on innovative packaging features that will maintain our product quality and retain the integrity of our great brands;
- Where possible, providing environmental information to consumers to encourage responsible disposal; and
- maintaining management systems that identify, monitor and control packaging risks and performance.

**Capital Works** We will consider energy efficient equipment and processes wherever feasible in any capital works program.

**Sourcing generally** Suppliers must advise GWF where it supplies products that contain genetically modified ingredients or any product that may not be sustainably or responsibly sourced.

## Quality

Any goods supplied shall be without fault and of the best available design, quality, material and workmanship, be fit for any purpose held out by Supplier or representative or made known to Supplier or representative or for which they are commonly used and shall conform in all respects with any order and specification and/or patterns or samples supplied or advised by Supplier or representative.

Any services supplied shall be provided by appropriately qualified and trained personnel, with due care and diligence, to such high standard of quality as is reasonable for us to expect in all the circumstances and shall conform in all respects with any order.

## Audit and Termination of Agreements

GWF reserves the rights to verify Suppliers and representative's compliance with this Responsible Sourcing Code. Where Supplier or representative reviews or audits demonstrate shortcomings in any of these areas, Supplier and, where relevant, its representative should strive to implement a time bound programme of improvement (remediation) leading to conformance. In the event that GWF becomes

aware of any actions or conditions not in compliance with the Responsible Sourcing Code, we reserve the right to request corrective actions. GWF reserves the right to terminate an agreement with any Supplier or representative who does not comply with the Responsible Sourcing Code.

## **Your Responsibility to Report Breaches of this Responsible Sourcing Code**

If you believe there is an actual or suspected breach of this Responsible Sourcing Code, it is your obligation to bring it to the attention of one of those listed below.

- **Tell your account manager**
- **Raise it via “Expolink” - our independent Ethics Hotline** We have an arrangement with an independent external party “Expolink” where you can express your concerns anonymously. If you feel you are unable to raise the matter with your account manager, for whatever reason, you should use this service. Your details will only be provided to GWF if you agree. You can either:
  - call Expolink on 1800 121 889 (Freecall **Australia**), 0800 443 816 (Freecall **New Zealand**),
  - email Expolink at [gwf@expolink.co.uk](mailto:gwf@expolink.co.uk), or
  - logon to [www.expolink.co.uk/gwf](http://www.expolink.co.uk/gwf) and enter your concern online

All matters, including those raised anonymously, will be reported to GWF’s Ethics Committee to consider and, where appropriate, investigate.

- **Notify the Chief General Counsel & Company Secretary of George Weston Foods Limited** contact Julia Banks on + 61 417 579 866 or [julia.banks@gwf.com.au](mailto:julia.banks@gwf.com.au).

## **Statement from Chief Executive**

I am fully committed to the implementation of this Responsible Sourcing Code of Conduct and the motivation of all to achieve its objectives.



Andrew Reeves, GWF Chief Executive