

Responsible Sourcing Policy



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Document control

Responsible Sourcing Policy

Approved by

Risk and Compliance Committee and Board

Contact for inquiries and proposed changes:

Jackie Bianco-Hill

General Manager Sourcing & Supplier Relationships

Change History

Version	Date	Revised by	Brief outline of changes
1.0	00/00/00	Jackie Bianco-Hill	Final version

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Purpose

The purpose and intent of this policy is for suppliers of goods and services to PEXA to:

- align with PEXA values
- adhere to high standards
- maintain environmental sustainability practices, and
- comply with labour standards and business integrity.

Scope and application

The Policy sets out the standards we expect from our suppliers and extended network of partners.

This Policy applies to all suppliers and contractors of the PEXA Group (PEXArians) as well as any other third party, including those who perform services for, or on behalf of PEXA. The PEXA Group includes Torrens Group Holdings Pty Ltd and each of its subsidiaries.

Policy Principles

Policy Requirements

- 1.2 All suppliers are required to agree to the principles in the Responsible Sourcing Policy as set out in the Agreement with PEXA.
- 1.3 Should suppliers be unable to demonstrate compliance with the Responsible Sourcing Policy, PEXA reserves the right to terminate the Agreement.
- 1.4 Suppliers must complete an annual self-assessment questionnaire and PEXA may, at its discretion, require an independent audit, at the supplier's expense, of compliance with this policy.

2. Legal Requirements

- 1.2 All suppliers must fully comply with all local laws and regulations regarding labour, health, safety and the environment.
- 1.3 Suppliers must also fully comply with Ethical legal requirements of the countries in which they operate in addition to all elements of this Responsible Sourcing Policy.

3. Human Rights

- 1.2 Human rights are basic standards aimed at securing dignity and equality for all. Suppliers must operate and fully comply with the Australian Modern Slavery Act 2018.
- 3.2. Suppliers must not use Forced, Bonded or Involuntary Labour.
- 3.3. Employment must be freely chosen.
- 3.4. Workers must not be required to lodge deposits or identity papers with suppliers.
- 3.5 Workers must be free to leave their employment after reasonable notice, as is appropriate or reasonable expected based on the role and jurisdiction.
- 3.6 No employee or contractor is required to pay or be charged by the company, the recruiter or broker agent via loans or deductions for worker recruiter or broker charges.

4. Child Labour

- 4.1 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, or that is harmful to their physical and mental development.
- 4.2 Suppliers must be able to verify the age of all employees to ensure no child labour is used. PEXA refers to the International Labour Organisation's Minimum Age Convention, where the minimum age for work is defined as being below the age for finishing compulsory schooling, and in any case not less than 15 years of age.

5. Illegal Labour

- 5.1. Suppliers must not use Illegal Labour.
- 1.2 Suppliers must be able to verify the legal entitlement of their employees to work in the country of employment.

6. Harsh or Inhumane Treatment

- 1.2 Physical abuse or physical discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation are prohibited.

7. Business Integrity

- 7.1 Suppliers must engage professional business ethics in all dealings and provide transparent documentation and records.
- 7.2 Bribes, favours, benefits or other similar unlawful or improper payments, in cash or in kind, are strictly prohibited, whether given to obtain business or otherwise.

8. Wages and Benefits

- 8.1 Wages and benefits paid for a standard working week must meet as a minimum national or industry standards, whichever is the higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income.
- 8.2 All workers must 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 are paid.
- 8.3 Deductions from wages may only occur with the express written permission of the worker concerned.
- 8.4. Deductions from wages for disciplinary measures are not permitted.

9. Working Hours

- 9.1 Including any overtime, workers must not work above the maximum hours per week or per month as stipulated by local laws.
- 9.2. Workers must have at least one day off in 7 days or two days off in every 14 days.
- 9.3. Overtime must be voluntary and compensated as prescribed by local laws.
- 9.4. Record keeping on hours worked must be accurate, complete and transparent at all times.

10. Freedom of Association

- 10.1 Suppliers acknowledge that workers have a right to freedom of association and to bargain collectively.
- 10.2. Workers have a right to join or form trade unions of their choosing. Suppliers are required to adopt an open attitude towards the activities of trade unions and their organisation activities.
- 10.3. Where the right 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.

11. Sub-Contracting and Supply Chain

- 11.1. There must be no sub-contracting unless documented and available for review by PEXA or an independent auditor, including but not limited to records of subcontractors' names and locations.
- 11.2. Suppliers must have adequate policies and processes in place for properly managing subcontracting (including auditing rights), to ensure that sub-contractors operate in accordance with applicable laws, regulations and the PEXA Responsible Sourcing Policy

12. Safe Working Conditions

12.1. Facilitates and systems of work which are safe and without risk to health will be provided.

12.2. Suppliers will provide workers with a safe and clean working environment taking into consideration the prevailing knowledge of the industry and of any specific hazards.

12.3. Workers must receive adequate, recorded training to perform their jobs in a safe manner.

12.4. Personal protective equipment must be supplied, and workers trained in its use.

12.5. Safeguards on equipment must meet or exceed local laws.

12.6. Where suppliers provide worker accommodation, it must be clean, safe and meet the basic needs of workers.

12.7. Workers must have access to clean toilet facilities, clean drinking water and where appropriate sanitary facilities for food storage and preparation.

13. Discrimination

13.1. 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.

14. Regular Employment

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

14.2. Employees who have a regular employment relationship with their employer are afforded a number of obligations from their employer relating to labour and social security laws and regulations. These obligations shall not be avoided through the use of labour-only contracting, sub-contracting, home-working arrangements, fixed term contracts or through

apprenticeship schemes where there is no real intent to impart skills or provide regular employment.

15. Environment

15.1. Suppliers must comply with local and national environmental laws and regulations.

15.2. Suppliers must use reasonable endeavours to comply with international standards on environmental protection.

16. Documentation and Policies

16.1. Appropriate documentation is in place to ensure effective ethical management practices.

16.2. Appropriate policies are developed to ensure effective management of ethical issues.

17. Remediation

17.1 PEXA is committed to working with suppliers to remediate any breaches.

Version control

Contact(s) for enquires and proposed changes

For information regarding this document or if you have any questions or suggestions regarding the content, please contact the following:

Name	Title
Jackie Bianco-Hill	General Manager Sourcing & Supplier Relationships

Change history

Version	Date	Revised By	Brief Outline of Changes
1.0	April 20	Jackie Bianco-Hill	
1.1	December 20	Jackie Bianco-Hill	Change name from Ethical Sourcing to Responsible Sourcing
	January 20	Jackie Bianco-Hill	Remediation

Approvers

Name	Title	Document Version	Date	Approval Evidence