

Policy: Modern Slavery

1. PURPOSE

This policy is to affirm our commitment to contribute to ending all forms of modern slavery and outlines our approach to reducing the risk of modern slavery practices within our supply chains and operations.

The purpose of this policy is to ensure that Mayo Hardware (“the Company”):

- is compliant with local, national and other applicable laws and regulations in the areas in which the businesses operate;
- sources products and services in accordance with legal obligations and community expectations while working with suppliers to improve their social and environmental practices;
- act to prevent, mitigate and where appropriate, remedy modern slavery in their operations and supply chains.

This policy also supports the intent of international conventions, treaties, and protocols relevant to combatting modern slavery and the Modern Slavery Act 2018 (Cth).

If the policy is breached, we will act as quickly as practicable to remedy our adverse impacts on employees, individuals or communities and we will engage directly with affected stakeholders.

2. APPLICATION OF POLICY

This policy applies to all persons working for the Company or on the Company’s behalf, including employees, hired labour, volunteers, interns, contractors, and third-party representatives. All collectively referred to in this policy as employees.

The principles of this policy must be complied with or incorporated into policies within the various function as applicable. This policy should be read in conjunction with the Company’s Code of Conduct.

3. COMMENCEMENT OF POLICY

This policy will commence from 1 April 2021. It replaces all other Modern Slavery and ethical sourcing practises whether written, and/or expressively implied.

4. DEFINITIONS

Modern Slavery Act 2018 (Cth) being the Commonwealth legislation (the Act) enacted by the Parliament of Australia on 29 November 2018.

Modern slavery for the purposes of this policy is defined as including eight types of serious exploitation and outlined in Section 7 of this policy.

Operations is defined as any activity controlled by the Company.

Risks of modern slavery practices means the potential for the Company to cause, contribute to, or be directly linked to modern slavery through its supply chains and operations.

Suppliers is defined as any factories, supplier sites and providers of goods or services, including their subcontractors, agents, related entities, and consultants.

Supply chains is defined as the products and services (including labour) that contribute to the Company's own products and services. This includes products and services sourced in Australia or overseas and extends beyond direct suppliers.

5. WHAT IS MODERN SLAVERY

Modern slavery includes the crimes of human trafficking, slavery, and slavery like practices such as servitude, forced labour, forced or servile marriage, the sale and exploitation of children, and debt bondage.

6. PARTNERSHIP SCREENING

The Company is required to complete a partnership screening tool before entering into a partnership with another organisation.

Prospective partners automatically disqualify from public association with the Company if they are knowingly or deliberately engaged in activities running counter to:

- Principles of International Humanitarian Law; and/or
- Internationally recognised standards of human rights, labour rights and protection of health.

Each function of the Company must, as far as practicable, ensure in its operational and supplier trading terms that suppliers:

- comply with all local, national and other applicable laws and regulations in the areas in which they operate;
- comply with the Minimum Standards outlined in Section 7 of this policy.
- provide the Company with the rights of termination if the supplier is unable or unwilling to work towards full compliance with the Minimum Standards.

As far as practicable, suppliers must be:

- encouraged to exceed the Minimum Standards, and promote best practice and continuous improvement; and
- monitored for compliance with the Minimum Standards through supplier assessment processes as appropriate for the Company, considering all relevant risk factors such as country/product/service risk.

7. MINIMUM STANDARDS

- Expected of Suppliers:

No forced or bonded labour	Employment shall be freely chosen. Suppliers shall: <ul style="list-style-type: none"> • not use any type of forced labour (any work or service extracted from any person under the menace of any penalty, which work has not been freely
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	<p>chosen by the person), bonded labour (work which is not for compensation received by the employee, but to repay a debt, which is often incurred by another person offering the employee's labour in exchange) or indentured labour (in which an employer forbids employees from leaving employment at the employee's discretion);</p> <ul style="list-style-type: none"> • respect the freedom of movement of their employees and not restrict their movement by controlling identity papers, holding money deposits or taking any other action to prevent employees from terminating their employment; and • ensure that employees are free to leave their employer after reasonable notice.
No child labour	Suppliers shall comply with the minimum legal working age in the country in question or in the absence of such law, by the International Labour Organisation (ILO) Convention 138. Suppliers must be able to verify the age of all employees to ensure compliance. Suppliers must accept the principles of remediation of child and underage employees, and where such labour is discovered suppliers must establish and implement appropriate remediation for such employees and introduce effective systems to prevent the use of child labour in the future.
Wages, benefits, and transparent record keeping	Suppliers must comply at a minimum with all laws regulating local wages, overtime compensation and legally mandated benefits. Record keeping must be accurate and transparent. Employees must be provided with written and understandable information about their employment conditions before they enter employment and about their wages for each pay period. Deductions from wages for disciplinary measures or any deductions from wages not provided for by law shall not occur without the express permission of the employees concerned. All disciplinary measures should be recorded.
Working hours	Working hours must comply with applicable local laws. Employees should not be required to work more than the maximum hours per week as stipulated by local laws or in the absence of such law by the applicable ILO convention. Overtime shall be agreed, shall not be excessive, shall not be requested on a regular basis and shall be compensated as prescribed by applicable local laws.
No discrimination	All conditions of employment must be based on an individual's ability to do the job, not based on personal characteristics, such as gender, ethnic origin, religion, age, disability, personal beliefs, marital status, sexual orientation, union membership or political affiliation. Suppliers must ensure that they provide an environment where their employees can work without distress or interference caused by harassment, discrimination, or any other inappropriate workplace behaviour.
No harassment or abuse	Employees shall be treated with dignity and respect. In particular, suppliers will provide a workplace free from harassment, including physical, sexual, verbal or visual behaviour that creates an offensive, hostile or intimidating environment.
Freedom of association, grievance mechanisms and recourse	Suppliers shall respect the rights of employees to lawfully associate or not to associate with groups of their choosing, as long as such groups are legal in the country of operation. Employees should have the right to join or form trade unions of their choosing. Suppliers should not interfere with, obstruct or prevent legitimate related activities, such as collective bargaining. Employees are allowed to select employee representatives. Representatives should not be discriminated against and should have regular access to company management or appropriate process in order to address grievances and other issues. Suppliers must have a policy in place for employees to approach management on issues of concern, on their own or through employee representatives, confidentially.

Working conditions	Suppliers shall provide a safe and hygienic working environment that is without risk to health, taking into consideration knowledge of the relevant industry and any specific hazards. Employees shall receive adequate and regular training to perform their jobs in a safe manner. Personal protective equipment and machinery safeguards shall be supplied and employees trained in their use. Where suppliers provide accommodation it shall be clean, safe and meet the basic needs of employees. Employees will have access to clean toilet facilities, clean drinking water and, where appropriate, sanitary facilities for food storage and preparation. Employees have the right to refuse work that is unsafe.
No bribery	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. Suppliers shall keep accurate records of all payments made and received in cash or in kind, for audit purposes.
Sub-contracting	Where sub-contracting is permitted, suppliers must have adequate processes in place for properly managing sub-contracting to ensure that subcontractors operate in accordance with this policy and is undertaken strictly in accordance with the contract.
Environmental compliance	Suppliers shall comply with relevant local and national environmental protection laws and will as far as practicable comply with international environmental protection standards.
Animal welfare	Suppliers must ensure animals are treated humanely and with respect.
Migrant employees	Migrant employees shall have the same entitlements as local employees as stipulated by local law. Any commissions and other fees in connection with employment of migrant employees must be covered by the employer. The employer must not require the employee to surrender identification documents. Employees employed through a third-party agent or contractors are the responsibility of the suppliers, and are thus covered by these Minimum Standards.
Hiring and regular employment	Suppliers must provide each employee with a clear, understandable labour contract containing all legally required employment terms, entitlements, and conditions. In addition, where possible, suppliers should work towards providing permanent employment for employees and avoid labour-only contracting arrangements, consecutive short-term contracts, excessive piece-work or false apprenticeship schemes to avoid obligations of regular employment to employees.

- Risk Management for the Company:

Accountability for modern slavery issues, with an identified risk owner	The Company acknowledge that they are accountable for addressing modern slavery issues in operations and supplier trading terms and will nominate a specified individual or role to be responsible for co-ordinating management of this risk.
Supply chain mapping and risk assessment	The Company must assess the risks (via the Declaration form, but not limited to) of modern slavery across their operations. The risk assessment must initially address the modern slavery risks of the suppliers and then those who are determined by the Company to be high risk.
On-boarding and	The Company must perform due diligence on new suppliers to determine their risk level and control procedures in relation to ethical sourcing and modern slavery as

contracting	appropriate for the business. The Company must have a process in place to consider the supplier's ethical sourcing and modern slavery performance during the supplier on-boarding.
Audit and compliance program	The Company must assess suppliers through our audit/compliance program to confirm compliance with this policy. The Company should involve relevant personnel or external providers trained in conducting audits when required.
Training	The Company must ensure that team members with relevant roles in relation to the policy receive adequate training on the policy and any supporting processes applicable to their role.
Complaint's mechanism	The Company must have an accessible and well-publicised reporting mechanism for concerns or disclosure in relation to modern slavery which allows for confidential and anonymous reporting and provides protection from reprisal. There must be clear processes for investigating and reporting on the issues raised through the reporting mechanism.
Remediation	The Company must be committed to working with suppliers to remediate any breaches of this policy.
Stakeholder engagement	The Company must have an approach to stakeholder engagement in place.
Review	The Company must monitor and annually review the effectiveness of the risk management measures described above.

8. REPORTING CONCERNS

All employees of Mayo Hardware are to feel free and safe to speak up when there are reasonable grounds to suspect that the Company or a Supplier are not acting in accordance with the laws and obligations.

Concerns about compliance or unethical activities are to be reported to Mayo Hardware's "Register Alert" email at registeralert@mayohardware.com.au.

9. VARIATIONS

This policy cannot be amended without approval of the Senior Management Team. The Senior Management Team is responsible for oversight of the Company's ethical sourcing and modern slavery commitments and will review this policy regularly to ensure it continues to evolve and reflect community expectations.