

## Introduction

Hortcraft Australia strives to provide its customers with premium products that are value for money. In today's global market, this means sourcing products from a variety of locations nationally and internationally. As a privately owned Australian business, Hortcraft is committed to managing our business in a manner that reflects our ethical and moral values. Hortcraft is committed to upholding human rights and fair working conditions.

In accordance with expectations of our customers, the community, and the requirements of the Law, we endeavor to always operate responsibly within the community and we expect the same from our suppliers. Maintaining a reputation for the highest legal, moral and ethical standards in our dealing with our customers and other key stakeholders is critical.

Hortcraft's Ethical Sourcing Policy embodies our commitment to integrating ethical and socially responsible business practices into all aspects of operations. Hortcraft is committed to:

- sourcing its products in a responsible manner, and
- working with its suppliers to improve their social and environmental practices

## Expectations

We expect our suppliers to support the ethical standards set out in this Policy with regard to workplace safety, environment and fair pay and employment conditions.

The policy sets out the standards that we expect all of our suppliers to comply with when producing and supplying products for Hortcraft, no matter where they operate in the world. We recognise that full compliance with these criteria may take time for some suppliers, and we are committed to working with our suppliers to implement improvement plans and help them achieve compliance. Hortcraft reserves the right to cease business with suppliers that do not meet the minimum ethical standards.

## Ethical Standards

### 1. Business Integrity

Vendors must demonstrate a high degree of professionalism and have a close affinity with our business ethics. In particular; honesty, fair dealing and the proper treatment of workers are required at all times. Bribes, favours, benefits, facilitation payments, secret commission, or similar unlawful or improper payments, in case or kind, are strictly prohibited, whether given to obtain business or otherwise.

### 2. Labour Rights

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

### 3. Working Conditions

- 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 in the working environment.
- Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to clean and drinkable water and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

- Suppliers will ensure that personal protective equipment is available and workers trained in its use. Safeguards on machinery must meet or exceed local laws.

#### 4. Child Labour

Suppliers shall not use child labour and must only employ workers who meet the local minimum age requirement. Suppliers must verify the age of their workers and maintain evidence of workers' proof of age. Hortcraft has a zero tolerance policy towards child exploitation and labour.

#### 5. Living Wages

Wages and benefits paid for a standard working week meet, at a minimum national legal standards or industry benchmark standards. In any event, wages should always be enough to meet the basic needs and to provide some discretionary income. Vendors must comply with all laws regulating local wages, overtime compensation, and legally mandated benefits. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about their particulars of their wages for the pay period concerned each time that they are paid. Deductions from wages as a disciplinary measure or any deductions from wages not provided for by Law shall not occur without the expressed permission of the worker concerned.

#### 6. Working Hours

Working hours comply with any Law and benchmark industry standards, whichever affords greater protection. In any event, workers must not be required to work excessive working hours per week including overtime and have the option of at least one day off in seven. We expect that all record keeping will be strictly accurate, complete and transparent at all times.

#### 7. Discrimination

All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics. There must be 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.

#### 8. Harsh or Inhumane Treatment

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

#### 9. Entitlement to Work and Immigration

Only workers with a legal right to work shall be employed or used by the supplier. All workers, including employment agency staff must be validated by the supplier for their legal right to work by reviewing original documentation.

### **Environmental Standards**

Hortcraft places a high level of importance on the behaviour of our total supply chain. Suppliers shall as a minimum comply with all applicable laws and regulations relating to the environmental impacts of their business, and maintain procedures for notifying local authorities in the event of an environment accident resulting from the suppliers operation. Supplier compliance with environmental law shall include any international or applicable local laws affecting the source of materials and processes used to manufacture products. Detailed performance standards are a matter for suppliers, but should address at least the following:

- **Waste Management**

Waste is minimised and items recycled whenever this is practicable. 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**

Undue and unnecessary use of materials shall be avoided, and recycled materials should be used whenever appropriate

- **Conservation**

Processes and activities shall be monitored and modified as necessary to ensure conservation of scarce resources

including water, flora and fauna.

- Energy Use

All production and delivery processes, including the use of heating, ventilation, lighting, IT systems, transportation, must be based on the need to maximise efficient energy use and to minimise harmful emissions.

### **Compliance with the Policy**

Hortcraft expects its suppliers to comply with all aspects of this Policy.

Hortcraft is committed to working in partnership with its suppliers to help achieve compliance with this Policy. In the event where any supplier is unwilling or unable to demonstrate continuous improvement towards full compliance with our standards, the trading agreement between Hortcraft and the supplier will be terminated.

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