



**HRM-CP-006 ETHICAL SOURCING OF LABOUR POLICY
COVERED BY THIS POLICY: ALL EMPLOYEES AND SUPPLIERS**

PERFECTION FRESH GROUP– ETHICAL SOURCING OF LABOUR – POLICY DOCUMENT

Perfection Fresh Australia and its' group of companies is committed to upholding human rights, fair working conditions and environmental protection.

In accordance with our customers, the community and the requirements of Federal and State legislation, we endeavour to always operate within the community and we expect the same from our farms, suppliers, and labour hire companies.

We will maintain and enhance our policies to ensure that our employee welfare and protection is a top priority. We will continue to comply with regulations concerning employees' safety and ensure that we pay wages and give benefits that are competitive within the industry and allow, as best we can, workers and their families to have a good standard of living commensurate within the societies they live and work.

We will continue to invest in risk analysis, training and education of our workforce in order to continuously promote safe work habits.

We will not knowingly purchase products from a commercial producer who –

- Violate applicable child labour laws
- Use children in the production or supply of their product
- Practices or condone the use of forced labour.

We are committed to working with our suppliers to help improve their labour and environmental practices.

We expect our suppliers to support the ethical standards as embraced by Perfection Fresh and its group of companies with regard to workplace safety, environment, fair pay and employment conditions. Many of these requirements are drawn from Ethical Trading Initiatives (ETI) and the Internal Labour Organisation (ILO) Conventions. These represent minimum standards based on the principle of the United National Universal Declaration of Human Rights.

To ensure our continued commitment and compliance with these initiatives, we expect our employees and suppliers to comply with all aspects of these initiatives. To ensure compliance we have an extended coverage of international external auditing facilities and annual monitoring processes.

Perfection Fresh Australia is committed to working in partnership with its suppliers to comply with all aspects of this commitment. In the event that any supplier is unwilling or unable to demonstrate continuous improvement towards full compliance with our standards, the trading agreement will be terminated.





HRM-CP-006 ETHICAL SOURCING OF LABOUR POLICY COVERED BY THIS POLICY: ALL EMPLOYEES AND SUPPLIERS

Audit Process

In order to ensure our businesses and farms operate in alignment with Ethical Standards (ETI Base code and the UN Guiding Principles of Human Rights, ILO Conventions) we will embark on a systematic audit process **HRM-ES-001** (Ethical Sourcing of Labour Policy audit requirements). This process includes internal as well as third-party external audits for all our PFA owned farms and facilities. We conduct random audits of our other suppliers, at announced and unannounced audits at regular intervals.

The audit process is conducted in two parts. The first part is an audit of the documentation of the farm/facility, Supplier or labour hire company, and concerns all aspects of the labour force prior to commencement with the business. The supplier must provide documentation as requested in the Ethical Sourcing of Labour Policy Supplier requirements **HRM-CP-022** as well as the Suppliers Code of Conduct **HRM-CP-017** must be read in conjunction with this Policy.

In addition, any labour hire company supplying labour to our farms and business is required to provide the following:

- Copies of worker's passports with current visa status
- Provide payslips showing all salary payments, superannuation and leave accruals.
- Bank statement providing evidence of payment to labour hire workers.
- Proof of induction training and copies of relevant tax forms.
- A monthly report showing hours worked per labour hire worker
- Evidence of a comprehensive Workers Compensation policy in respect to and for any and all of the Labour Hire Workers employed.
- A signed contract clearly stating that the labour hire company will comply with all State and Federal Laws in respect to its employees and itself relating to mandatory superannuation contributions and taxation requirements.
- Proof that they are not subcontracting the work to a third party contractor.
- Proof that they are not renting accommodation to labour hire workers.
- Proof that they are utilising ethical recruitment practices. Practices that require job applicants to pay any fees or charges to gain employment are prohibited in all forms, including if they occur through third party recruitment or other companies or agencies





HRM-CP-006 ETHICAL SOURCING OF LABOUR POLICY COVERED BY THIS POLICY: ALL EMPLOYEES AND SUPPLIERS

The onsite audit is conducted by the Ethical Sourcing Team with an external auditor to ensure compliance with the Modern Slavery Act. This thorough audit process assesses all areas of Ethical Sourcing of labour.

Detailed areas that are checked during the audit include the following:

Labour rights

- Employment is freely chosen
- There is no forced, bonded or involuntary prison 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.

Freedom of Association and the right to collective bargaining are respected

- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively
- The employer 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 Legislation, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

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 clean and drinkable water and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe and meet basic needs of the workers





HRM-CP-006 ETHICAL SOURCING OF LABOUR POLICY COVERED BY THIS POLICY: ALL EMPLOYEES AND SUPPLIERS

- Suppliers will ensure that personal protective equipment is available and workers are trained in its use. Safeguards on machinery must meet or exceed local laws.
- Suppliers shall assign responsibility for health and safety to a senior management representative.

Working Hours

- Working hours must comply with Legislation and benchmark industry standards, whichever affords greater protection.
- In any event, workers shall not on a regular basis be required to work in excess of 60 hours per week and shall be provided with at least one day off for every 7 day period on average during the peak season. Overtime shall be voluntary, shall not be excessive, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

Living Wages

- Wages and benefits paid for a standard working week at a minimum national legislative standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- All workers shall be provided with written and understandable information about their employment conditions in respect to 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 Legislation shall not occur without the expressed written permission of the worker concerned. All disciplinary measures should be recorded.

Regular Employment

- To every extent possible work performed must be on the basis of recognised employment relationship established through Federal and State legislation and practice.
- Obligations to employees under employment laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangement, 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 contract of employment.

Discrimination

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HRM-CP-006 ETHICAL SOURCING OF LABOUR POLICY COVERED BY THIS POLICY: ALL EMPLOYEES AND SUPPLIERS

- There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, ethnicity, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Sub-Contracting and Home Working

- There will be no sub-contracting unless previously agreed with Perfection Fresh Australia and its group of companies.

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.

Entitlement to Work and Immigration

- Only workers with a legal right to work in Australia shall be employed by us
- All workers, including employment agency staff must be validated by PFA for their legal right to work by reviewing original documentation.
- Perfection Fresh shall implement processes to enable adequate control over agencies with regards to the above points and related legislation.

Child Labour

- Perfection Fresh supports ILO Convention 138 with regard to the appropriate age of workers and will not work with suppliers who use child labour. A 'child' is a person who is younger than the local age for completing compulsory education as per the current Education Act. Perfection supports the development of legitimate apprenticeship programs for the education and benefit of young people over the age of 15 years, provided the child is not being exploited or given jobs that is dangerous to their health or safety.

Child labour refers to work that:

- Is mentally, physically or morally harmful to children
- Can negatively affect their mental, physical or social development and
- Interferes with their full time schooling:
- By depriving them of the opportunity to attend school
- By obliging them to leave school prematurely
- By requiring them to attempt to combine school attendance with excessively long and heavy work





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Grievances and responding to allegation of human rights breaches

Perfection Fresh employees, suppliers and any other stakeholder that have concerns about potential or actual adverse human rights impacts arising in the Perfection Fresh Group's procurement can report these to the Chief People Officer at ethicalsourcing@perfection.com.au, for consideration by the Chief Executive Officer where appropriate. Where adverse human rights impacts are identified in the Perfection Fresh Group procurement, the business will be guided by the United Nations Guiding Principles in its response.

Where the PFG is directly linked to an adverse human rights impact through a Supplier, the business will use its leverage to work with the relevant Supplier to prevent or mitigate the harm and its recurrence and play a role in ensuring the victims are remediated by the Supplier. If this is unsuccessful, the business will consider ending their business relationship with the Supplier. Where instances or allegations of modern slavery are identified in the Perfection Fresh Group's procurement the business will work with the relevant stakeholders to respond. The PFG's response will prioritise the safety of potential victims and draw on best practice guidance for responding to instances of modern slavery. Where allegations relate to modern slavery occurring in Australia, the business will engage where appropriate with relevant civil society experts such as the Australian Federal Police or the Fair Work Ombudsman.

Michael Simonetta
Chairman, Perfection Fresh Group

This document is identified as HRM-CP-006 – Ethical Labour Sourcing Policy. A new version will be issued by the Chief Executive Officer whenever significant changes occur.

Version	Released	Changes	Date
V3.0	Released	Doc coding	20161222
V4.0	Released	Legislative changes	20190411
V5.0	Review	Addition of grievance mechanism	20221215

