



## Code of Conduct for Labour Standards

This code defines labour standards that aim to achieve safe, fair, legal and humane working conditions for everyone working in our supply chain.

Our Code of Conduct for Labour Standards has been based and drawn from the standards set out by the Ethical Trade Initiative (ETI) and the International Labour Organisation (ILO) conventions.

Companies applying this code are expected to comply with national and other applicable law and, where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection.

We work with great people and we care for their well-being. We care how we do business, who we do business with, and how people are treated. This Code helps us ensure we, and our suppliers act respectfully and responsibly.

If you believe your rights or our standards have been violated, please contact MILC Group at [accounts@milcgroup.com.au](mailto:accounts@milcgroup.com.au).

All information we receive will be kept in strict confidence and your identity protected.

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### 1. EMPLOYMENT IS FREELY CHOSEN.

- 1.1. There must be no use of forced labour, including prison labour, indentured labour, slave labour, and bonded labour.
- 1.2. Acts of human trafficking are prohibited.
- 1.3. Suppliers are required to monitor any third-party entity which assists them in recruiting or hiring employees, to ensure that people seeking employment at their facility are not compelled to work through force, deception, intimidation, coercion or as a punishment for holding or expressing political views. (ILO Conventions 29, 105, 182).
- 1.4. Suppliers must have due diligence processes in place to ensure that workers on their site do not pay any form of recruitment fees to any agents to gain employment.
- 1.5. Workers must not be required to lodge "deposits" or their identity papers with their employer and must be free to leave their employer after reasonable notice.
- 1.6. Employment contracts must be signed with a signed copy provided to each worker for their records.
- 1.7. Suppliers must ensure all workers on their sites are provided with written and understandable information before they enter into employment. This should include wages, hours, and holidays and the details of such should be included for the pay period concerned each time that they are paid.

## **2. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED AND AN EFFECTIVE WORKERS GRIEVANCE MECHANISM IMPLEMENTED.**

- 2.1. Suppliers must develop processes for communicating and consulting with workers and their democratically elected representatives to share information on the business and to gather feedback. Where relevant a gender committee should be considered to ensure women's health and rights are considered and their voice heard by management.
- 2.2. All workers have the right to join or form trade unions of their own choosing and to bargain collectively. Where the right to freedom of association and collective bargaining is restricted under law, the employer must facilitate, and must not hinder, the development of parallel means for independent and free association and bargaining.
- 2.3. The employer must adopt an open attitude towards the activities of trade unions and their organisational activities.
- 2.4. Workers representatives must not be discriminated against and must have access to carry out their representative functions in the workplace.
- 2.5. Suppliers must provide a grievance mechanism for workers to raise workplace concerns. This grievance mechanism must involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism must also allow for anonymous complaints to be raised and addressed. The existence and scope of this mechanism must be clearly communicated to all workers and their representatives, and all workers must have equal access.

## **3. WORKING CONDITIONS ARE SAFE AND HYGIENIC.**

- 3.1. Suppliers must provide a safe and healthy workplace to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of suppliers' facilities. Conditions must be safe, clean and meet or exceed requirements of all applicable laws and regulations relating to health and safety.
- 3.2. Suppliers must take a proactive approach to health and safety by implementing policies, systems and training designed to prevent accidents, injuries, protect worker health and help workers perform their jobs safely. (ILO Convention 155). Appropriate and effective personal protective equipment must be provided as needed.
- 3.3. Suppliers must assign responsibility for health and safety to a senior management representative.
- 3.4. Workers must receive regular and recorded health and safety training, and such training must be repeated for new or reassigned workers.
- 3.5. Access must be provided to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage.
- 3.6. Accommodation, where provided, must be clean, safe, and meet the basic needs of the workers.
- 3.7. Suppliers must provide adequate safeguards against fire, and must ensure the strength, stability and safety of buildings and equipment, including residential facilities where provided.
- 3.8. All sites must have an effective fire safety management system in place. This must include but not limited to:
  - Responsibility of general manager for overall fire safety
  - Ongoing risk assessments
  - Training for fire safety personnel
  - Appropriate and reliable equipment
  - Clear and safe evacuation systems
  - Regular fire drills for all shifts and all types of workers (site must keep a list of trained personnel). All systems must be reviewed on a frequent basis.
- 3.9. Suppliers must provide access to adequate medical assistance and facilities.

#### **4. CHILD LABOUR MUST NOT BE USED.**

- 4.1. No worker must be employed under the age of 15 or under the local mandatory school education age, whichever is higher.
- 4.2. Juvenile workers (ages 15-17) must not perform work, which by its nature or the circumstances in which it is carried out, is likely to compromise their health, safety or morals. (ILO Convention 138 and 182)
- 4.3. Suppliers must maintain a written hiring policy and age verification procedure in place for the recruitment of all workers, both full-time and part-time or temporary. This is to include copies of official government records and/or identification papers that verify worker's date of birth and legal right to work. In countries where proof-of-age documents, birth certificates, or other government-issued forms of identification are not available, suppliers must seek an independent and reliable way of determining a worker's age to verify the worker's age (e.g. education certificates, election cards, residential document, etc.)
- 4.4. Regardless of the minimum age of employment, no Young Worker must be employed through a labour agent.
- 4.5. If children are found to be working directly or indirectly for the supplier, suppliers must develop or participate in and contribute to the MILC Group's approved processes 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."

#### **5. DECENT WAGES ARE PAID.**

- 5.1. Every worker has a right to compensation for a regular working week that is sufficient to meet the worker's basic needs and provide some discretionary income. Employers must pay wages, which meet at a minimum national legal standard or industry benchmark standard, whichever is higher and comply with all legal requirements on wages including providing any fringe benefits required by law and/or contract.
- 5.2. 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 they are paid.
- 5.3. Deductions from wages as a disciplinary measure must 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 must be recorded.
- 5.4. Suppliers must ensure that men and women receive equal pay and conditions for the same jobs.
- 5.5. Where compensation does not meet workers' basic needs and provide some discretionary income, the employee shall work with the MILC Group to establish a program that will progressively achieve a level of compensation that does.

#### **6. WORKING HOURS ARE NOT EXCESSIVE.**

- 6.1. Working hours must comply with national laws, collective agreements, and the provisions of the below ETI code below, whichever affords the greater protection for workers.
- 6.2. Working hours, excluding overtime, must be defined by contract, and must not exceed 48 hours per week.
- 6.3. All overtime must be voluntary. Overtime must be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It must not be used to replace regular employment.
- 6.4. Overtime must always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- 6.5. The total hours worked in any seven day period must not exceed 60 hours, except in exceptional circumstances where all of the following are met:

- 6.5.1. this is allowed by national law;
  - 6.5.2. this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
  - 6.5.3. appropriate safeguards are taken to protect the workers' health and safety; and
  - 6.5.4. the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- 6.6. Workers must be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.
  - 6.7. Legally required breaks must be provided to workers during their working day.
  - 6.8. Where excessive hours are found, the supplier must work with the MILC Group to establish root cause and be transparent in developing a program of continuous improvement endorsed by the workers committee.

## **7. NO DISCRIMINATION IS PRACTISED.**

- 7.1 No worker must be subject to any discrimination in any aspect of their employment, on the basis of race, religious belief, colour, gender, pregnancy, childbirth, age, national origin, ancestry, sexual orientation, gender identification, physical or mental disability, medical condition, illness, genetic characteristics, family care, marital status, caste, socio-economic situation, political opinion, union affiliation, ethnic group, illness any other classification protected under applicable law.
- 7.2 All employment decisions (including hiring, compensation, advancement, discipline, termination and retirement) must be made based on the principle of equal employment opportunity. (ILO Conventions 100 and 111)
- 7.3 Suppliers must not require a pregnancy test or discriminate against pregnant workers except where required by applicable laws or regulations or prudent for workplace safety. In addition, suppliers must not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable laws or regulations or prudent for workplace or food safety.
- 7.4. Suppliers must have an equal opportunity employment policy that promotes gender equity in employment practices, and states maternity leave provision and support for childcare where appropriate.

## **8. REGULAR EMPLOYMENT IS PROVIDED.**

- 8.1. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.2. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship must not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor must any such obligations be avoided through the excessive use of fixed-term contracts of employment.
- 8.3. Any use of temporary, agency, or contract workers must be made clear to and authorised by Alliance Promotions Pty Ltd.

## **9. NO HARSH OR INHUMANE TREATMENT IS ALLOWED.**

- 9.1. Suppliers must commit to a workplace free of harassment. Suppliers must prohibit and must not tolerate all forms of physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, corporal punishment, mental coercion, physical coercion or other forms of intimidation.
- 9.2. Suppliers must not place unreasonable restrictions on entering or exiting the company facilities.
- 9.3. Suppliers must prohibit harassment and unlawful discrimination in the workplace.
- 9.4. Suppliers should provide training on non-discrimination and harassment where possible.

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*The standards in this Code shall apply equally to all workers whether they are employed directly or through a labour provider, agent or contractor, permanent or otherwise.*

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**Reviewed and updated on 01 January 2023 for and on behalf of MILC Group Pty Ltd.**

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