

Responsible Sourcing Standards Addendum:

Requirements for Labour Providers in our Horticulture Supply Chain

We create better experiences together
for a better tomorrow

At Woolworths, we are proud to be the 'fresh food people', a local Australian business known for providing quality produce locally sourced in Australia.

Ensuring our horticulture supply chain meets our expectations for providing fresh and responsibly sourced produce is a renewed focus of Woolworths' Responsible Sourcing Program.

Since 2016, Woolworths has had in place an Overseas Workers Policy and conducted checks against this policy. These checks have covered a range of different participants in our horticulture supply chain, including growers, farmers and producers.

Labour providers are another key stakeholder group in Woolworths' horticulture supply chain. Labour providers are businesses that provide labour and labour recruitment services, including but not limited to employing workers (whether temporary, seasonal, casual, contract, student or migrant labour) with the view to making them available to a third party. A labour provider may also be referred to as a labour contractor, labour broker, labour hire company, labour recruiter, private employment agency, recruitment agency or agency.

Some labour providers supply temporary seasonal labour to work in farms and packing sheds throughout Australia that are involved in the supply of fresh produce to Woolworths. Woolworths understands that many of these workers are migrant workers.

Safeguarding responsible employment practices by labour providers involved in Woolworths' supply chain is a key component of Woolworths' responsible sourcing commitments. Woolworths' approach to responsible recruitment is aligned with industry standards and underpinned by three core principles known as the Priority Industry Principles¹:

- every worker should have freedom of movement;
- no worker should pay for a job; and
- no worker should be indebted or coerced to work.

Woolworths' [Responsible Sourcing Standards](#) outline the minimum standards expected of suppliers with respect to the use of overseas workers (Section 17). Please refer to these Standards for guidelines on overseas workers,

including recruitment practices, worker contracts, training, and access to grievance mechanisms.

The requirements in this Addendum ("**Requirements**") are additional to the Responsible Sourcing Standards and outline Woolworths' specific requirements relating to the engagement of labour providers by participants in Woolworths' Horticulture Supply Chain.

Scope

Each supplier that is involved in the Woolworths Supermarkets Australian Horticultural Supply Chain and engages a labour provider to supply workers who will be used in connection with the supply of fresh produce to Woolworths is within scope of these Requirements.

For the purposes of these Requirements, "Woolworths Horticultural Supply Chain" means all suppliers, service providers and other participants that, directly or indirectly, are involved in the supply of fresh produce to Woolworths Australia for resale through Woolworths' retail businesses.

Each supplier in Woolworths' Horticulture Supply Chain must take proactive measures to ensure that any labour providers involved in their supply chain operate in accordance with these Requirements, all applicable legal and regulatory requirements, and the Responsible Sourcing Standards. This includes labour providers engaged directly by the supplier and also labour providers engaged 'downstream' by the supplier's suppliers.

Verification

Woolworths will work with certification bodies and schemes to verify compliance to these Requirements as per the due diligence protocol of our Responsible Sourcing Standards. Suppliers should regularly self-assess against these Requirements, noting Woolworths may request verification of compliance at any time. Suppliers must comply and cooperate with any verification request by Woolworths.

Continuous improvement

Woolworths will continually review the application and effectiveness of these Requirements and may update the Requirements when necessary to align with industry best practice and changes to the regulatory landscape.

¹ The Priority Industry Principles are an initiative of the Consumer Goods Forum. You can read more about Principles here: <https://www.theconsumergoodsforum.com/initiatives/social-sustainability/key-projects/priority-industry-principles/>

Requirements for engaging Labour Providers

Compliance with local laws

1. Suppliers must only source workers from labour providers that are an identifiable and legal business entity.
2. Suppliers must ensure that its labour providers possess all licenses, accreditations, permits and registrations that are required to operate labour provider services under applicable laws and regulations.
3. Suppliers must ensure all workers from overseas employed through a labour provider have the legal right to work in Australia (both at the time of engagement and throughout their employment).
 - 3.1. Suppliers must validate the legal right to work for workers by either doing a VEVO check² or by requiring workers to provide documentary proof of their working rights and must maintain current records of such working rights.

Management systems

4. Prior to obtaining any services from a labour provider, the supplier must enter into a formal contract for services with the labour provider.
5. Suppliers must implement processes to enable adequate oversight of labour providers engaged in their supply network, including in relation to compliance with workplace laws, including minimum wages and terms and conditions.
 - 5.1. This oversight should include appropriate ongoing due diligence checks to ensure that the labour provider is complying with our Responsible Sourcing Standards, these Requirements and any applicable legal or regulatory requirements.
6. Suppliers must pay an appropriate fee to the labour provider that allows the labour provider to meet workers' minimum statutory entitlements (including wages, superannuation and terms and conditions).

7. Suppliers must ensure that site level grievance mechanisms are made available to all workers, including those engaged through labour providers. This system must provide for workers of labour providers to confidentially report any issues that may arise with the labour provider or their affiliates including in relation to the provision of transport, accommodation or other services.

Worker Education

8. Suppliers must ensure that all workers from overseas, either through the labour provider or if employed directly, are provided a copy of the Fair Work Information Statement³ and 'My employment checklist'.⁴
9. Suppliers must ensure that their labour providers respect workers' rights to freedom of association, which means workers must be free to choose whether to join a union.

Compliance criteria

10. Suppliers may only use labour providers that meet one or more of the following checks:
 - 10.1 The labour provider is legally registered under relevant State or any future Federal legislation related to labour hire registration or licensing; or
 - 10.2 The labour provider is an Approved Employer on the Australian Government's Seasonal Worker Programme;⁵ or
 - 10.3 The labour provider is certified by a recognised third party scheme approved by Woolworths. This is currently StaffSure, which is inclusive of a documented worker interview process.⁶

³ More information on the Fair Work Information Statement can be found at: <https://www.fairwork.gov.au/employee-entitlements/national-employment-standards/fair-work-information-statement>

⁴ The My Employment Checklist can be found here: <https://www.fairwork.gov.au/ArticleDocuments/715/My-employment-checklist.pdf.aspx>

⁵ Approved Employer list found: <https://www.jobs.gov.au/listing-current-approved-employers>

⁶ More information for StaffSure is available at: http://www.staffsure.org/StaffSure/About_Staff_Sure/Home.aspx