



Dunelm Group plc

Ethical Code of Conduct

DUNELM INTENDS TO WORK ONLY WITH SUPPLIERS AND MANUFACTURERS FROM A POSITION OF TRUST, TEAMWORK, HONESTY AND MUTUAL RESPECT.

We expect all of our business partners to operate on the same principles.

The following Code of Conduct outlines our minimum expectations in various areas, and we expect all businesses involved in the production of goods for Dunelm to review and join in its implementation, working together to achieve continual improvements.

Child Labour

- There shall be no recruitment of child labour.
- Children who are younger than the minimum age permitted by the law of the country of manufacture, or who are younger than the age for completing compulsory education shall not be employed.
- Children and young persons under the age of 18 shall not be employed at night or in hazardous conditions.
- The factory must maintain documentation for every worker, verifying the worker's date of birth. Where official documents are not available, a factory must be seen to take all reasonable steps to verify age.
- Companies shall develop a policy to provide for the transition of any child found to be performing child labour to enable them to attend and remain in quality education until no longer a child.

Employment is Freely Chosen

- Suppliers shall uphold the human rights of all workers and treat them with dignity and respect.
- There shall be no forced, bonded or involuntary prison labour or any form of human slavery, servitude or human trafficking.
- 'Human trafficking' means the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.
- Dunelm strictly prohibits any exploitative labour practices or any associated criminal conduct.
- Workers are not required to lodge "deposits" or their identity papers with their employer, and are free to leave their employer after reasonable notice.

Hours of Work

- Employees should not be required to work more than the maximum regular and overtime hours allowed by the law of the country of operation. No more than 48 hours per week are worked on a regular basis and no more than 12 hours per week overtime on a regular basis.
- Overtime must be voluntary and not used to replace regular contracted hours. Workers must be compensated at a premium rate according to national law.
- Holidays should be granted in accordance with local laws and employees shall be given, except in extraordinary business circumstances, at least one day off per week.

Wages and Benefits

- Wages and benefits paid for a standard working week must meet, as a minimum, national legal standards.
- Dunelm will seek to work only with suppliers who ensure wages paid meet basic needs and provide some discretionary income.
- All workers shall 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.
- Any deductions must be at a rate that is fair and reasonable by local standards and must be lawful and not discriminatory.

- Deductions from wages as a disciplinary measure shall not be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Freedom of Association

- Suppliers shall recognise and respect the right of workers to lawfully join associations of their choosing, and to bargain collectively.
- Dunelm adopts an open attitude towards the activities of trade unions and their organisational activities.
- Workers' representatives are not to be discriminated against and will be given access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Discrimination

- Workers should be employed on the basis of their ability to do the job, rather on their personal characteristics or beliefs.
- No person shall be subject to discrimination in hiring, access to training, salary, discipline, promotion, termination or retirement, on the basis of religion or belief, gender, gender reassignment, race, nationality, marital status, age, pregnancy or maternity, caste, disability, sexual orientation, union membership or political affiliation.

No Harsh or Inhumane Treatment is Allowed

- Every employee shall be treated with respect and dignity.
- Workers shall not be subjected to any form of physical, sexual or mental harassment or verbal abuse.

Regular Employment is Provided

- To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationships shall 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 shall any such obligation be avoided through the excessive use of fixed term contracts of employment.

Health and Safety

- Suppliers must provide a safe, clean and hygienic place of work and keep to all local laws relating to health, safety and welfare in the workplace. All reasonable steps must be taken to prevent accident and injury at work. This requirement also applies to any accommodation provided for the workforce.
- The company observing the code shall assign responsibility for health and safety to a senior management representative.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- Exits must be clearly marked, be accessible and must be unlocked while work is taking place. Fire prevention and evacuation procedures and alarms must exist and be tested regularly.
- First aid facilities must be available.
- Access to clean toilet facilities and to drinking water, and, if appropriate, sanitary facilities for food storage shall be provided.

Environmental Requirements

- Suppliers must manage all waste that they generate in accordance with applicable environmental laws and regulations and must continually work to reduce the percentage of waste going to landfill.
- Suppliers should be aware of their carbon footprint and commit to a strategy of carbon reduction.
- Suppliers should look to reduce the level of packaging used and improve the recyclable content of both their products and packaging.

Sub Contractors

- Suppliers and manufacturers for Dunelm must ensure any sub-contractor is aware of and has given a written commitment to comply with this Code of Conduct.

Agency labour

- If workers are sourced from a third party, suppliers must ensure that the third party is reputable and (if required) properly licensed (for example under the Gangmasters (Licensing Act) 2004).
- Suppliers must take reasonable steps to ensure that all workers supplied have the right to work in the country of operation, and are engaged on terms that comply at least with minimum legal requirements in that country.
- Agencies must be made aware of, and give a written commitment to comply with this Code of Conduct.

Audits

- Inspections will take place at least every two years (and more often as appropriate) to assess compliance with this Code.
- Suppliers should promptly report to Dunelm any known breach of this Code and take corrective action within a specified time period if concerns are found.

Supplier Compliance:

Business with Dunelm depends upon full compliance with this Code. Failure to abide by any part of this Code may result in the termination of a Supplier's contract with Dunelm and the cancellation of all outstanding orders without compensation.

The Supplier agrees that any non compliance issues raised by regular audits and inspections will be agreed with Dunelm, and a timetable for the rectification of these points will be implemented to ensure full compliance.