



Dunelm Group plc

Ethical Code of Conduct

(Updated: March 2020)

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
- No children under the age of 15 shall be employed
- No children or young person under the age of 18 shall be employed to work during night shifts
- No children or young person under the age of 18 shall work in hazardous conditions that include machinery, chemicals, cutting machinery, forklifts or heavy lifting
- Factories shall participate in programmes which enable any child found to be involved with child labour the opportunity to attend and remain in education until at least 15 years of age.

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 law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

- Factories shall carry out risk assessments to understand areas of vulnerability, raise awareness internally & externally to establish clear policies and due diligence on human trafficking.
- Dunelm strictly prohibits any exploitive labour practices or any associated criminal conduct.

Hours of Work

- Working hours must comply with national laws collective agreements
- Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week on a regular basis
- All overtime shall be voluntary. Overtime shall be used responsibly and should not exceed 12 hours per week on a regular basis. Overtime must not be used to replace regular contracted hours. Workers must be compensated at a premium rate according to the national law.
- Workers shall be provided with at least one day off in every seven-day period and holidays should be granted in accordance with local laws

Wages and Benefits

- Wages and benefits paid for a standard working week meet, at a minimum, national legal 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 before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure shall 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 should be recorded

Freedom of Association

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

Discrimination

- There is 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.

No harsh or inhumane treatment is allowed

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited
- Every employee shall be treated with respect and dignity
- Dunelm operates an independent anonymous whistleblowing helpline, this information should be made available to all workers so that they can report a breach of this policy or other unlawful conduct.

Regular Employment is provided

- To every extent possible work performed must be based on 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 relationship 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 obligations be avoided through the excessive use of fixed-term contracts of employment.

Health and Safety

- Suppliers must be committed to continuous improvement of factory standards and improving the working conditions of the people who make Dunelm products.
- 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 arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training, such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable 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.
- The company observing the code shall assign adequately trained first aid personnel
- Dunelm do not accept any factories that operate in vertically shared production sites.

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 to go to landfill
- Suppliers should be aware of their carbon footprint and commit to a strategy of carbon reduction.
- Suppliers should commit to reduce the level of packaging used and improve the recyclable content of both their products and packaging.
- Suppliers of Dunelm branded product are required to complete the Dunelm Environmental Assessment and commit to reducing water, waste, energy and emissions.

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 gang masters 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

- Audits of all suppliers of Dunelm brand product or suppliers of services to Dunelm will take place at least every two years (more often if required) to assess compliance with this code.
- Audits should be carried out on all sites including warehouses that hold stock of Dunelm brand product.
- Audits must be unannounced or semi announced in a minimum of a 2 week window.

- Suppliers should promptly report to Dunelm any known breach of this code and take corrective action within the specified time period.
- Dunelm may conduct unannounced audits at their own discretion.

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.

Sub-Contractors

- Suppliers must declare all production facilities to Dunelm.
- No subcontracting should take place unless authorized by Dunelm.
- Suppliers and manufacturers for Dunelm must ensure any sub-contractor, including homeworkers are aware of and have been given a written commitment to comply with this Code of Conduct.

Whistleblowing

Dunelm operates an independent whistleblowing helpline to enable suppliers to report breaches of this code or any other wrongdoing. This service is provided by Expolink. The service is anonymous and no contact details are requested.

TEL: +44 0800 374 199

WEB: wrs.expolink.co.uk/dunelm