

About Our Ethical Sourcing Code

Set out below is a summary of the core principles which form the foundation of our Ethical Sourcing Code. The Code includes minimum ethical sourcing requirements and expectations that all suppliers must meet as a condition of doing business with Kmart Australia and Target Australia. We require our supplier factories to display this summary of our Code in a location that can be seen by all factory workers.

1. Legal Compliance

Suppliers must fully comply with the legal requirements of the countries in which they operate. All requirements in this Ethical Sourcing Code are in addition to compliance with applicable local laws.

2. Child Labour

Suppliers must not engage in or support the use of child labour. This applies to workers directly employed by the Supplier or any third party providing raw materials, components, labour or services to the Supplier. Suppliers must comply with the minimum employment age limit defined by national law or by International Labour Organization (ILO) conventions, whichever is higher. Suppliers must also be able to verify the age of all workers to ensure compliance. Furthermore, young workers (under the age of 18) must not undertake work which is hazardous or unsafe to their physical and mental health.

3. Forced and Bonded Labour

Suppliers must not engage in or support the use of any type of forced labour, bonded labour or indentured labour. This applies to workers directly employed by the Supplier or any third party providing raw materials, components, labour or services to the Supplier. Further, Suppliers shall respect the freedom of movement of their workers and not restrict their movement by controlling identity papers, holding money deposits or taking any other action to prevent workers from terminating their employment.

4. Wages, Benefits and Working Hours

Suppliers must comply with all laws regulating local wages, overtime compensation, and legally mandated benefits. In any event, wages should always be enough to meet a worker's basic needs and to provide some discretionary income. Under ordinary business circumstances, workers must not be required to work excessive working hours per week, including overtime, and have the option of adequate days off.

5. Discrimination

Suppliers must provide a working environment where workers are treated fairly and without discrimination. All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics, such as age, race, ethnicity, colour, nationality, gender, religion, marital or maternity status, sexual orientation, disability, union membership or political beliefs.

6. Harassment and Abuse

Suppliers must treat workers with dignity and respect. In particular, suppliers must provide a workplace free from harassment or abuse of any form, including physical, sexual, verbal or visual behaviour that creates an offensive, hostile, or intimidating environment.

7. Freedom of Association and Collective Bargaining

Suppliers, to the extent permitted by local laws, must respect the right of their workers to freedom of association and collective bargaining. This includes the right to form and join trade unions or other worker associations of their own choosing without harassment, interference or retaliation.

8. Health and Safety

Suppliers must ensure all operations are safe, clean and consistent with all applicable laws and regulations and/or industry best practices, whichever is higher, in order to avoid preventable work-related accidents and injuries.

9. Migrant Workers

Suppliers must ensure that migrant workers have the same entitlement as local workers stipulated by local law and under this Ethical Sourcing Code.

10. Hiring and Regular Employment

Suppliers must provide each worker with a clear, understandable labour contract containing all legally required employment terms, entitlements and conditions. In addition, obligations to workers under labour or social security laws and regulations arising from regular employment shall not be avoided through the use of labour-only contracting arrangements, consecutive short-term contracts, excessive piece-rate work or false apprenticeship schemes.

11. Environment

Suppliers must meet all relevant local and national environmental protection laws, and strive to comply with international environment protection standards.

12. Consumer Protection

Suppliers must take all reasonable steps to ensure the goods they produce are safe and are not harmful to consumers.

13. Animal welfare

Suppliers must ensure animals are treated humanely and with respect.

14. Business Integrity and Anti-corruption

Suppliers must act with integrity and honesty. Bribes, favours, benefits or other similar unlawful or improper payments, in cash or in kind, are strictly prohibited. All record keeping must be accurate and transparent at all times.

15. Subcontracting


Suppliers must not sub-contract without prior authorisation. Where sub-contracting has been authorised, suppliers must ensure sub-contractors also comply with this Ethical Sourcing Code.

16. Compliance Management System


Suppliers must have in place a compliance management system to ensure (a) compliance with applicable laws and regulations; (b) conformance with this Ethical Sourcing Code; (c) identification and mitigation of compliance risks related to this Ethical Sourcing Code; and (d) continual improvement.

Reporting Violations

Any actual or suspected violations of the ESC can be reported as follows:

 By Phone:

China	(86) 21 23122777
India	(91) 124 4915177
Bangladesh	(880) 96 10127977
Other regions	(852) 27323477

 By email: Lets.Talk@kasasia.com

All reports will be followed up. The identity of anyone who makes a report will be kept strictly confidential, unless requested otherwise. Any form of retaliation against a person making a report in good faith will not be tolerated.

(March 2021)

