

# CODE OF CONDUCT



We acknowledge the traditional custodians of country throughout Australia and their connection to land, water, and community.

We respect the elders past, present and emerging, of all Aboriginal and Torres Strait Islander peoples.

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## **Our Commitment**

At K5 Furniture we are committed to sustainable and respectful operations, working alongside suppliers and end users that share our vision and ambition of quality, sustainable furniture and a circular economy. We continuously improve our work practices to be an ethical and sustainable business, through collaboration, co-operation, mutual trust and respect.

We encourage suppliers and end users to promote environmental, social, and economic development to contribute to the sustainability of the communities in which we operate.

Our Code of Conduct outlines our commitment to being a responsible business, operating in a responsible manner across all aspects of the company.

This document stipulate conditions in the fields of human rights, labour standards, environmental management, and anti-corruption criteria to be followed and respected by all persons who work with and in partnership with K5 Furniture. It outlines our clear commitment for all stakeholders, and in particular our employees, suppliers, and customers.

We have based this Code of Conduct on the United Nations Global Compact's ten principles and referenced key suppliers code of conducts, and international standards for material health.

The term "worker" in this document includes direct employees as well as on-site temporary workers, piece rate workers, contracted workers, trainees and workers on trial or probation.

The term "supplier" in this document refers to any company, corporation, or individual supplying and/or delivering products, components, materials, or services to or on behalf of K5 Furniture.

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## Compliance

This Code of Conduct is applicable to all K5 Furniture operations and to any part that contributes to K5 Furniture and the products, services, or business activities from across the supply chain.

We therefore require all employees and suppliers to comply with this Code of Conduct, even if the Code stipulates a higher standard than is required by law.

This includes:

- Acceptance and compliance of the requirements in the Code of Conduct shall be effective immediately upon a reached agreement.
- Evidence and verification of compliance shall be presented upon request. Compliance is verified and maintained through audits (second or third party) or through other appropriated verification.
- All employees are required to accept responsibility to be informed and compliant with the Code of Conduct.
- The supplier is requested to accept responsibility to ensure that its workers and subcontractors are informed and in compliance with the Code of Conduct.
- Identified and/or reported violation of the code of conduct is properly investigated. Violations can lead to formal reprimands and / or termination of contract.

This Code of Conduct is reviewed annually. This Code of Conduct has been in place since 2010.

## ENVIRONMENT

K5 Furniture is committed to renewable, regenerative materials and the minimisation of finite resources and material toxicity. We collaborate and work towards smarter and innovative products and processes which minimise environmental burden through a lesser use of energy, raw materials, chemicals, and water, and maximise positive returns to the natural ecological cycle.

We take it upon ourselves to ensure that our raw materials are produced in a responsible manner and that we repair and or take back any of our products from customers for reuse and recycling whenever this is possible.

We shall ensure that:

- the circular economy is considered, and a plan developed to improve circular design and thinking throughout the material and product lifecycle.
- The K5 Furniture Material Guide is referenced and all attempts to use preferred materials and resources are undertaken.
- the red list of toxic materials is referenced and all attempts to end use of red listed products and resources are undertaken.
- there is an endeavour to reduce or eliminate solid waste, waste- water, and air emissions, including energy related indirect air emissions, by implementing appropriate conservation measures in their production, maintenance, and facilities processes, and by recycling, reusing, or substituting materials.
- initiatives are taken to promote environmental responsibility and encourage the development and adoption of environmental technology.
- a documented and communicated environmental policy, signed by the management is held.
- short and long-term objectives are established along with action plans in order to ensure continuous improvement.
- environmental training to all workers is provided.
- a risk assessment is conducted of the areas where the supplier has the greatest environmental impact and shall ensure that the precautionary principle is used regarding environmental risks.
- routines are documented to monitor and measure the supplier's environmental performance.
- a system to ensure compliance with applicable laws and regulations relating to environmental protection is held.
- all required environmental permits are obtained, maintained, and kept current (for example, discharge monitoring) with registrations and follow the operational and reporting requirements of such permits.

## ETHICS, INTEGRITY AND ANTI-CORRUPTION

K5 Furniture is committed to honest and respectful working relationships.

We and the supplier shall ensure that:

- no form of extortion and/or bribery is tolerated to or from workers or organisations. This includes improper offers for payment in order to influence any form of business negotiation, that includes workers, customers, suppliers, or any individual working with or on behalf of K5 Furniture. Our definition of bribes and corrupt behaviour is based on chapter VII in the OECD's guidelines for multinational corporations.
- there is not, direct, or indirect, give, offer or provide improper payment or bribe to second party on the premises of gaining improper advantage for own or other parts benefit.
- there is not, direct, or indirect, accept or demand improper payment, bribe, or improper advantage from second party.
- a systematic process for detecting, remediating, and handling corruption is held.
- conflicts of interest are avoided that may compromise the supplier's credibility in K5 Furniture or other exterior parties' confidence in K5 Furniture. An example of such conflicts of interest may be if the Supplier is a member of an association whose core values are contrary to those of K5 Furniture.
- information is accurately recorded and disclosed regarding business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practices.
- copyright is protected, along with the integrity of the product and no unlawful or unlicensed copies of designer furniture is made.

## HUMAN RIGHTS

We and our supplier shall support and respect the protection of international human rights and ensure that we or the supplier is not complicit in human rights abuse.

## LABOUR STANDARDS

### Freedom of Association

We shall ensure that:

- all workers are, as far as any relevant laws allow, free to form and to join or not to join trade unions or similar external representative organizations and to bargain collectively if they are a member of such a group. Collective bargaining is defined as negotiations between employer and worker representatives (freely and independently chosen by the workers).
- there is a possibility for workers to organize in work meetings or equivalent when freedom of association is not allowed.
- punishment is not accepted of workers for associating with a trade union or equivalent organization.

### Forced Labour

We shall ensure that:

- workers are free to leave their employment after reasonable notice as required by national law or regulated through contract.
- there is no forced, bonded, or compulsory labour is used. Forced labour means work executed involuntarily or under threat of punishment.
- no lodge depositions are required of money or identity papers as part of a worker's employment.
- no threat to use, or use of physical or verbal punishment.

### Employment Conditions

We shall ensure that:

- workers understand their employment conditions.
- all workers are provided with a written contract which indicates the nature of work, working hours, salary and vacation.
- workers are regularly paid fair and reasonable salaries that comply with national laws or industry standards (whichever is higher) and are considered living wages so that workers can satisfy their basic needs.
- working hours comply with national laws and that they are not unreasonable. Except in emergency or unusual situations, a work week shall be restricted to 60 hours, including overtime.
- requested overtime is voluntarily and compensated according to national law.
- all workers have at least one day off per week.
- all workers have breaks during their working day.
- all workers have the right to paid vacation.
- worker's absence is approved of due to illness and parental leave.
- no dismissal of worker/s due to parental leave.
- no workers or potential workers are required to undergo medical tests that could be used in a discriminatory way except where required by applicable laws or regulations or prudent for workplace safety.

## Child Labour

We support the ILO Convention on minimum age and child labour. No person below the minimum legal age shall be employed, which means the age of completion of compulsory schooling, or no less than 15 years of age.

This Code of Conduct does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

We shall ensure that:

- children below the age of 18 are not employed for hazardous work or work that is incoherent with the child's personal development (health, physical, mental, spiritual, moral and/or social development).
- all work that is carried out by children is supported and supervised to ensure the best interest of the child.
- a policy is established for what type of work a child in the age 15-18 is allowed to execute.

## Elimination of Discrimination

We actively working to eliminate discrimination in all its forms, specifically gender and pay discrimination.

We shall ensure that:

- all workers are treated with respect and dignity.
- all forms of corporal punishment, physical or verbal abuse, unlawful harassment, threats and/or intimidation are prohibited.
- workers with the same qualifications, experience and performance receive equal pay for equal work with respect to their relevant comparators.
- no kind of discrimination is accepted based on prejudice or partiality, such as discrimination based on sex, race, colour, sexual orientation, pregnancy, parental and/or marital status, religion, political opinion, nationality, ethnic, indigenous and/or social background or status, disability, age, union membership and any other characteristic protected by local law as applicable.

## Health and Safety

We are committed to the provision of health and safety for our stakeholders.

We shall ensure that:

- products are produced with required safety and health testing.
- a safe and healthy working environment for the workers is provided in accordance with national laws.
- a written policy, signed by the management, regarding health and safety at the workplace is established.
- workplace accidents and work-related illnesses are minimized, and records kept of work incidents and accidents. An incident is an event in the workplace that could have caused an accident. Where physical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as physical guards, interlocks, and barriers. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures.
- workers are provided with general safety instructions as well as relevant training and instructions to operate machinery and other equipment.
- temperature, air quality and noise level at the workplace comply with national laws and regulations. Where the work environment cannot be changed protective equipment shall be provided to workers free of charge.
- documented routines for handling chemicals and safety data sheets shall be provided. Suppliers shall identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. Suppliers must eliminate chemical hazards where possible. Where chemical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as closed systems and ventilation. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures.
- the workplace is clean and safe and provide hygienic facilities for the workers.
- we anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate first aid supplies, appropriate fire detection and suppression equipment, adequate exit facilities, and recovery plans.
- we identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.
- routines are documented to ensure compliance and continuous improvements in the health and safety area with regards to objectives, audits, and action plans.





## **Related Documents and Policies**

Environmental Policy

Equity, Diversity and Inclusion Policy

Social Media Policy

Telephone Mobile and Internet Policy

Workplace Behaviour Guide

Materials Guide

**KFive Pty Ltd**

**K5 Melbourne**

Level 1/275 Smith St, Fitzroy, VIC 3065

Tel:03 9417 4768 Fax:03 9416 2034

**K5 Sydney**

1/249 Devonshire Street, Surry Hills, NSW

Tel: 02 8541 7547