

EEO and Diversity Policy

My Department Stores

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Purpose

MDS Group (MDS) is committed to the principles of Equal Employment Opportunity (EEO) and diversity to ensure that employees receive fair and equal treatment in all aspects of their work, and can work in an environment that is free from discrimination, bullying, harassment and victimisation.

Discrimination, bullying, harassment and victimisation are not acceptable and will not be tolerated by MDS. These types of conduct can be unlawful and result in legal action against individuals and MDS.

This policy provides guidelines about acceptable behaviour in the workplace and the responsibilities of everyone at MDS to promote and uphold the principles of EEO and diversity. It also seeks to ensure that MDS attracts and retains the best people seeking and utilising employees with diverse views and experiences.

This policy should be read in conjunction with the MDS Code of Conduct.

2 Coverage/Scope

This policy applies to all MDS employees and contractors who are operating under MDS policies and procedures (referred to in this policy as "Employees"). It operates at all company premises and worksites, and other sites where the company conducts business, such as premises and sites operated by contractors, suppliers and customers. It also applies to employees travelling in or using vehicles for business purposes.

This policy extends to conduct in any work-related context including outside of normal working hours including (but not limited to) at conferences, functions, office parties, business trips and meetings conducted outside normal business hours (business or social) whether or not on MDS premises. It covers interactions with customers, suppliers and other third parties as well as colleagues.

3 Values & Commitments

MDS is committed to providing a safe and professional working environment where people feel valued, respected and are treated fairly. MDS recognises the value that a diverse workforce adds to the company and employs principles of EEO to achieve that diversity.

This policy recognises the right of Employees to work in an environment that is free of discrimination, bullying, harassment and victimisation. By applying the principles of EEO and diversity, MDS is also fulfilling its legal and moral obligations to the community.

4 EEO Policy

MDS is an equal opportunity employer committed to treating all Employees on their merits without regard to race, age, gender or other personal characteristics.

EEO will be achieved by ensuring that all Employees receive fair and equal treatment in all aspects of their working life with MDS.

All employment related decisions will be made on the basis of merit. A fair and open process of appointment, promotion and transfer will be conducted to ensure people are assessed according to their abilities, qualifications, experience, and potential for development.

4.1 Legal obligations

Discrimination, bullying, harassment and victimisation can be unlawful and can result in legal liability (including penalties and orders to pay damages):

- personally for an Employee if he or she engages in such unlawful behaviour; and
- for MDS as the employer or principal on the basis that MDS is vicariously liable for the acts of Employees.

Laws prohibiting discrimination, bullying, harassment and victimisation in Australia are contained in both Federal and State legislation.

(a) Federal

- Racial Discrimination Act 1975
- Sex Discrimination Act 1984
- Disability Discrimination Act 1992
- Age Discrimination Act 2004
- Human Rights and Equal Opportunity Act 1986
- Fair Work Act 2009
- Workplace Gender Equality Act 2012

(b) State

- QLD – Anti-Discrimination Act 1991
- NSW – Anti-discrimination Act 1977
- VIC – Equal Opportunity Act 2010
- SA – Equal Opportunity Act 1984
- TAS – Anti-Discrimination Act 1998
- WA – Equal Opportunity Act 1984
- ACT – Discrimination Act 1991

These laws prohibit discrimination, bullying, harassment and victimisation in certain areas of public life – including the workplace – including where such actions are taken on the grounds of any of the following characteristics or attributes of a person:

- Age
- Political belief or activity
- Breastfeeding
- Pregnancy or potential pregnancy
- Carer status
- Race (colour, nationality, ethnic or national origin, descent or ancestry)
- Disability or impairment
- Religious belief or activity
- Gender identity and intersex status
- Sex/gender
- Industrial activity
- Sexual orientation
- Marital status
- Personal association with anyone who has any of these characteristics.
- Parental status
- Physical features

Work health and safety laws in every State also give rise to legal duties relevant to bullying and harassment.

MDS has a legal duty to prevent discrimination, bullying, harassment and victimisation in the workplace. If it fails to do so it can be held liable for the behaviour of Employees. MDS will work to ensure that all form of discrimination and harassment are eliminated from the workplace by:

- assessing and removing policies and procedures that may be discriminatory;
- training all employees in appropriate behaviour in the workplace;
- responding appropriately and promptly to allegations of discriminatory or harassing behaviour.

4.2 What is unlawful discrimination?

Unlawful discrimination occurs when someone is treated less favourably than another person or group because of one or more of the attributes referred to in State and Federal legislation above.

Discrimination in the workplace can occur in the following contexts:

- recruitment, appointment and promotion of employees and potential employees;
- the conditions, benefits and terms offered to employees;
- access to training;
- the transfer, discipline, dismissal and retrenchment of employees.

Discrimination can be either direct or indirect.

- Direct discrimination occurs when a person treats a person unfavourably because of a protected attribute. For example, refusing to interview someone for a job because of their race or ethnic origin.
- Indirect discrimination is focused on the impact of requirements, practices or policies that apply equally to everyone, but have a disproportionate impact on those with particular attributes. For example, requiring a minimum length of service for promotion or transfer. This could amount to indirect discrimination against younger workers who will have shorter service, unless it can be shown to be a reasonable requirement.

4.3 What is sexual harassment?

Sexual harassment means an unwelcome sexual advance, an unwelcome request for sexual favours or other unwelcome conduct of a sexual nature, in circumstances in which a reasonable person would have anticipated that the other person would be offended, humiliated or intimidated.

Sexual harassment is a type of sex discrimination and it is unlawful.

Sexual harassment covers a wide range of behaviours and can be verbal, written, visual or physical. It can include:

- sexually suggestive behaviour, such as staring or leering
- unnecessary familiarity, such as deliberately brushing up against a person, or unwelcome touching (kissing, hugging, patting shoulder, leg, back, etc.)
- suggestive comments or dirty jokes
- insults or taunts of a sexual nature
- intrusive questions or comments about the person's private life or the way they look
- displaying posters, magazines, screen savers or objects of a sexual nature

- sending sexually explicit emails or text messages
- inappropriate advances on social networking sites
- accessing sexually explicit internet sites
- requests for sex or repeated unwanted requests to go out on dates
- behaviour that may also be considered to be an offence under criminal law, such as physical assault, indecent exposure, sexual assault, stalking or obscene communications.

A single/one-off incident can be sexual harassment; it does not have to be repetitive conduct. Sexual harassment is not limited to members of the opposite sex, and both men and women can bring a sexual harassment complaint.

Sexual harassment can occur when a work environment is permeated with unwelcome conduct of a sexual nature (e.g., sexual banter or innuendo), even where not directed at the person making the complaint.

4.4 What is harassment?

Unlawful harassment occurs when someone is intimidated, insulted or humiliated because of an attribute protected by discrimination legislation (for e.g., age, race, sex, disability – see above). Such harassment will amount to unlawful discrimination.

Harassment can also occur where someone is working in a hostile or intimidating environment.

Examples of harassment include:

- telling insulting jokes about particular racial groups;
- making derogatory comments or taunts about someone's race, religion or disability;
- isolating a person or subjecting them to ridicule.

Making unwelcome or uninvited comments or actions (verbal, written or physical) which may offend, intimidate or humiliate a person or group of persons or creating a work environment that is hostile or intimidating toward one or more persons is harassment and will not be tolerated at MDS under any circumstances.

4.5 What is not harassment or discrimination?

Administrative action. Managers and supervisors frequently have to make difficult decisions, such as changing work allocation or moving people about. These decisions may not please everybody but they will not generally constitute harassment or discrimination.

Performance management. Giving reasonable criticism and taking appropriate corrective action to address a person's under-performance is a normal and expected part of the role of a manager and will not generally constitute harassment or discrimination.

Consensual relationships. A friendship or consensual relationship of a sexual nature does not constitute harassment, provided the interaction is consensual, welcome and reciprocated. However, the fact that a consensual relationship existed between two colleagues in the past will not provide a defence to harassment that takes place by one against the other when the interaction is no longer consensual or welcome.

4.6 What is victimisation?

Victimisation happens where an Employee is treated less favourably or subjected to a detriment because he or she has made or intends to make a complaint of discrimination, bullying or harassment.

Victimisation also happens if a person is subjected to a detriment because they have furnished information or evidence in connection with a complaint. Failing to take a complaint seriously can also be construed as victimisation.

Victimisation is unlawful under State and Federal laws and MDS will not tolerate any Employee being subject to victimisation of any kind.

4.7 Racial vilification

It is unlawful to vilify someone because of their race or religion. Vilification is doing something in a public place (including a workplace) that encourages others to hate, disrespect, or abuse a person or group of people because of their race, colour, national or ethnic origin.

MDS values the rich diversity of its workforce and as such will not tolerate vilification.

4.8 Bullying

Workplace bullying is repeated unreasonable behaviour towards a person or group of people that creates a risk to health and safety. It includes behaviour that a reasonable person would find offensive, humiliating, intimidating, degrading or threatening.

Bullying behaviour can range from obvious verbal or physical assault to subtle psychological abuse. Bullying behaviour may include:

- physical or verbal abuse (including via email, text message or social media);
- yelling, screaming or offensive language;
- excluding or isolating someone;
- threats and intimidation;
- assigning meaningless tasks unrelated to the job;
- giving employees impossible tasks;
- undermining work performance by, for example, withholding information.

Conduct is not necessarily "bullying" just because it upsets or embarrasses someone. Differences of opinion, non-aggressive conflict and problems in working relations will not necessarily amount to bullying. Reasonable management action (such as counselling and managing under-performance) will not constitute bullying.

Workplace bullying can be the subject of a legal complaint. Bullying can be extremely harmful to the health of an individual and to the morale in the workplace. Bullying in any form will not be tolerated by MDS.

5 Consequences of behaviour in breach of this policy

Disciplinary action may be taken against any employee whose behaviour breaches this policy. Breaches of this policy will amount to misconduct or serious misconduct and may, in some cases, result in dismissal. Some types of harassment, such as indecently or sexually assaulting another person, or assaulting another person, are considered to be criminal conduct. Any complaints of conduct of a criminal nature will be reported to the police.

6 Responsibilities

6.1 Group Executive Human Resources

The Group Executive Human Resources is responsible for ensuring that:

- All managers, supervisors and employees are aware of their obligations, responsibilities and rights in relation to EEO;
- Matters which do not comply with the principles of EEO are identified and addressed as promptly and sensitively as possible;
- Ongoing support and guidance is provided to all employees in relation to EEO principles and practices.

6.2 Managers/Supervisors

Managers and Supervisors are responsible for ensuring:

- They understand their obligations under legislation and this policy, are committed to the principles of EEO and that they are applied in the workplace;
- All decisions relating to appointment, promotion and career development are made without regard to any matters, other than the individual's inherent ability to carry out the job;
- They provide an environment which encourages compliance with this policy and set an example by their own behaviour;
- All Employees are aware of the EEO policy.

6.3 Employees and Contractors

Employees and MDS contractors are responsible for ensuring:

- They comply with the EEO policy;
- They treat all colleagues and customers with respect and professionalism without regard to non-relevant criteria or distinctions.

7 Making a complaint

MDS has a Grievance Policy. Any person who feels that he or she has been subjected to any form of discrimination, bullying, harassment or victimisation should refer to the Grievance Policy in the first instance to guide them on resolving the issue internally in an informal or formal manner (as appropriate).

MDS's Grievance Policy is based on confidentiality (to the extent possible), procedural fairness, protection from victimisation and prompt resolution. Any complaints relating to breaches under the EEO and Diversity Policy will be dealt with in accordance with those principles.

8 Diversity

Diversity is a term used to describe the uniqueness of and differences between people. This includes their skills, knowledge, experiences and perspectives. Diversity can refer to demographic characteristics, such as age, gender, sexual orientation, religion, national or social origin. It can also be recognised by personal characteristics such as disability, carer's responsibilities, pregnancy or potential pregnancy.

The aim of diversity is to attract and retain the best people to do the job.

8.1 Guiding principles

The following guiding principles are aimed at promoting awareness and proactive management practices to achieve workforce diversity. These principles should be applied across all facets of MDS's business:

- A diverse workforce is a competitive advantage in retaining and attracting the best people to improve our business performance.
- It is everyone's role at MDS to promote a work environment that values seeking and utilising the contributions of Employees with diverse views and experiences.
- We want a skilled workforce that reflects the diversity of our customers and communities.
- A person's experience at work should be inclusive and respectful of individual differences, including but not limited to, family responsibilities.
- Awareness of the rights and responsibilities of individuals with regard to equity and respect for others is important for all Employees.
- We value practices that provide access to development and other opportunities based on merit.
- We will take particular care to make sure that groups who have been disadvantaged in the past in many workplaces (for example, women, people from racial or religious minorities, people with disabilities, older workers and younger workers) are not disadvantaged at MDS.

8.2 Responsibility for workforce diversity

The Remuneration Committee will be responsible for:

- Reviewing and making recommendations to the MDS Board on workforce diversity practices.
- Annually reviewing the diversity initiatives set by the business and forwarding recommendations to the MDS Board with regard to the diversity initiatives undertaken.
- Monitoring performance on diversity initiatives using appropriate measures and targets, and reporting on initiatives.
- Making appropriate disclosure of this policy to shareholders in MDS's Annual Report. This will include outlining specific objectives regarding gender diversity as set out in the ASX Corporate Governance Principles and Recommendations.

All Leadership teams also have a responsibility for managing local practices and ensuring adequate understanding of this policy exists across the span of responsibility.

MDS Managers and Leaders are responsible for acting in alignment with and upholding the principles of this policy.

8.3 Governance

As part of MDS Group seeking sound and practical corporate governance, the Remuneration Committee will give due regard to:

• Relevant provisions of the ASX Corporate Governance Principles and Recommendations EEO and anti-discrimination legislation.

• Commitments made to the Workplace Gender Equality Agency (WGEA).

9 Links/interaction with other policies

Code of Conduct

Grievance Policy

Recruitment & Selection Policy

Assisted Education Policy

Flexible Workplace Practices Policy

Leave Policy

Pregnancy and Parental Leave Policy

10 Attachments

Nil