

FY24

# Modern Slavery Statement



This statement outlines dusk's approach to addressing Modern Slavery during the financial year 2024.

**DUSK GROUP LIMITED (ACN 603 018 131)**

**dusk**



# This statement describes the following for the Financial Year 2024

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# dusk Modern Slavery Statement FY24

This is dusk’s modern slavery statement and sets out the information required by the Modern Slavery Act 2018 (Cth) (the Act) during the reporting period of 1st of July 2023 to 30th of June 2024.

## Introduction

At dusk, we are committed to upholding the highest ethical standards in all aspects of our operations. We recognise the significant impact that modern slavery have on individuals and communities worldwide, and we are dedicated to ensuring that our business practices do not contribute to these injustices.

This Modern Slavery Statement outlines the steps we have taken and continue to take to prevent, identify, and address any risks of modern slavery within our operations and supply chains. We are fully committed to transparency in our efforts and to fostering an environment of respect, dignity, and fairness for all individuals connected to our business.

We recognise that combating modern slavery is an ongoing effort, and we are dedicated to continuous improvement in this critical area. This statement reflects our commitment to ethical business practices and our responsibility to protect human rights across our organisation.



# Our Business – Structure, Operation, Supply Chain

dusk Group Ltd is an Australian company headquartered in Sydney, Australia and is the ultimate holding company for the following Australian companies:

- DUSK GROUP LIMITED ACN 603 018 131 (ASX listed);
- DUSK AUSTRALASIA PTY LTD ACN 090 850 383 (the trading entity);
- DUSK WHOLESALE & IMPORTS PTY LTD (currently a dormant entity); and
- DUSK EUROPE PTY LTD (currently a dormant entity).

dusk is a publicly listed company on the Australian Stock Exchange (ASX: DSK) as a specialty retailer of home fragrance products, offering a range of dusk branded premium quality products at competitive prices from its physical stores and online store. The business established a solid customer following since launching in Perth, now with a strong national presence across 149 stores, including 3 in New Zealand with omni-channel solutions. dusk’s product range is designed in-house and is exclusive to dusk. We have grown to become the leading Australian omni-channel specialty retailer focused on home fragrance products.



dusk remains committed to a zero-tolerance policy against all forms of modern slavery, which includes but not limited to:

- Human trafficking
- Enslavement
- Servitude
- Coerced labour
- Misleading recruitment practices
- Debt bondage
- Forced marriage
- Child labour

## Our approach to combating modern slavery is underpinned by a robust framework of governance and policies:

### Code of Conduct:

Our Code of Conduct sets out our expectations for ethical behaviour, including a zero-tolerance policy towards modern slavery and human trafficking.

### Diversity and Gender Equality Policy:

The company’s vision for diversity and gender equality includes factors like gender, transgender identity, ethnicity, disability, age, and education. One goal of this policy is to ensure fair representation of each individual without discriminating against any other group, over a reasonable period.

### Whistleblower (Speak-up) Policy:

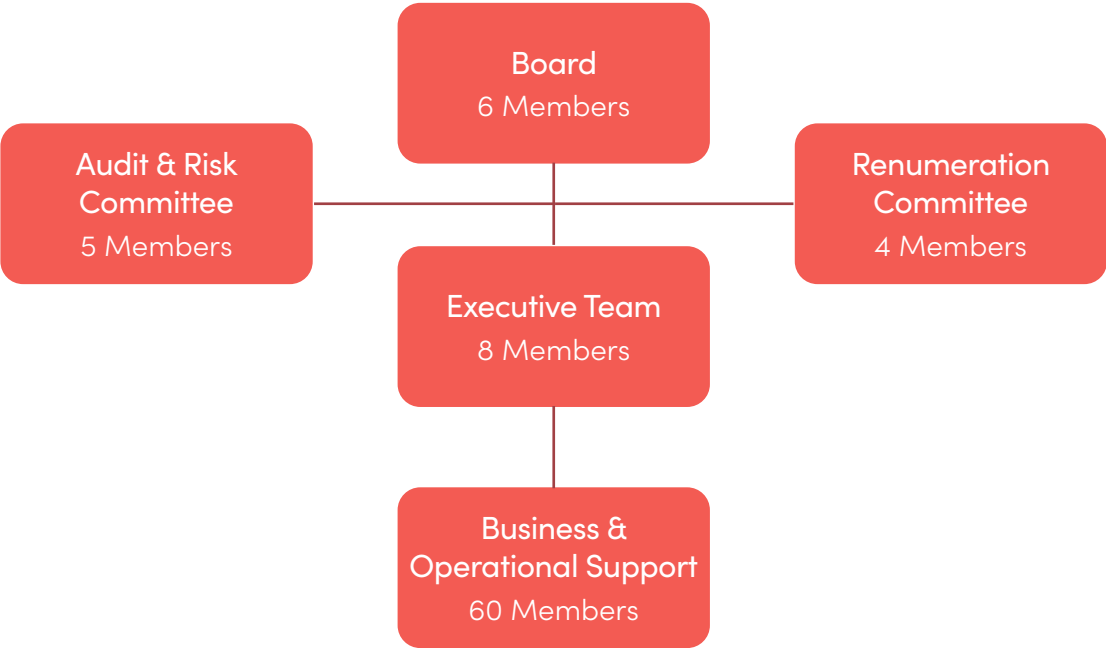
We maintain a Whistleblower Policy that encourages employees, suppliers, and other stakeholders to report any concerns related to unethical behaviour, including potential instances of modern slavery. All reports are treated seriously, investigated thoroughly, and acted upon promptly.

Further information about our business and operations, including its corporate governance is available at <https://investors.dusk.com.au>



# Our Structure

dusk’s structure comprises four key functions, including the Board, Audit and Risk Committee, Executive Team, Remuneration Committee, and Business Operations and Support Team.



# Our Operations & Supply Chain

dusk’s operations and supply chain are strategically structured around five key groups of stakeholders: suppliers, customers, employees, regulators, and the local community. This framework ensures that each group plays a vital role in the company’s commitment to ethical practices and operational excellence. By engaging with these diverse stakeholders, dusk fosters strong relationships that enhance its standing and drive long-term growth while navigating challenges effectively.





# Identified Risks

dusk identifies its modern slavery risks by taking a comprehensive understanding of its operations and supply chains, particularly in high-risk areas such as labour-intensive roles, third-party labour, vulnerable worker groups, and regions with inadequate labour laws. Through continuous monitoring and engagement with multiple stakeholders, dusk addresses and mitigates these risks. This approach not only supports recognising potential vulnerabilities, but also ensures that the business remains committed to ethical labour practices. By staying vigilant and responsive to emerging challenges, dusk aims to create a safer and more transparent environment for all workers involved in its operations.



# Inherent Risks

dusk acknowledges that certain inherent risks of modern slavery within its supply chain cannot be completely eradicated, which has led the company to establish ongoing monitoring and review processes. Recognising that factors such as geographical vulnerabilities, industry practices, and economic conditions contribute to these risks, dusk is committed to identifying and addressing potential issues as they emerge. By continuously monitoring, dusk is dedicated to adapting its strategies to address challenges but also reaffirms its commitment to transparency and accountability in combating modern slavery.

## Domestic Risks

### Store Operations

Store operation risks include (but are not limited to) the potential challenges and vulnerabilities that can arise within a retail environment. These risks can affect the efficiency, safety, and compliance of store operations, including the potential for modern slavery practices. Here are some key domestic risks we identified:

- Employee Rights and Treatment
- Temporary workers Health and Safety Risks
- Cultural Norms and Attitudes
- Legal and Regulatory Compliance

## Non-Merchandise Services

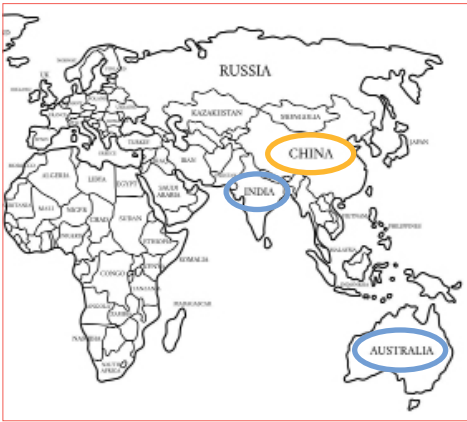
Non-merchandise service risks include (but are not limited to) services such as IT, cleaning, statutory audit, refer to the potential for exploitation and unethical labour practices that can occur when businesses engage with external service providers. These risks can manifest at various points in the relationship, from hiring practices to the working conditions provided by these third parties. Here are the key risks we have identified associated with third-party services:

- Unethical recruitment practices
- Cultural and social factors
- Subcontracting
- Contractual irregularities
- Brand and reputational

## Supply Chain Risks

dusk has effectively identified its supply chain risks through the implementation of the risk matrix, which provides a structured approach to assessing potential vulnerabilities across its operations. This matrix allows the company to analyse various factors, including order volume, supplier locations, and the associated risks within specific countries. By mapping out these elements, dusk can isolate higher-risk areas in its supply chain and prioritise its risk management efforts accordingly.

This systematic analysis not only enhances dusk’s understanding of where potential issues may arise but also facilitates informed decision-making in selecting suppliers and managing relationships. This approach strengthens dusk’s commitment to maintaining a responsible and ethical supply chain while ensuring compliance with industry standards.



COO	Index Risk	Order Leverage	Risk
China	Low-Medium	90%	Med
Australia	Low	9%	Low
India	Medium-High	1%	Low



# Action Plans

## Business Commitments

The Board and Leadership Team are fully committed to eradicating Modern Slavery, ensuring that our practices and policies reflect our dedication to combatting this issue across all areas of our business operations. The business has appointed a new Compliance Officer to oversee the prevention of Modern Slavery and ensure adherence to all related regulations and ethical standards across our operations. The Compliance Team is fully engaged with suppliers to highlight the importance of addressing Modern Slavery and to ensure compliance with ethical standards throughout the supply chain.



## Continuous Oversight Store Operation

We are committed to raising awareness and educating our employees about the risks of modern slavery. We provide regular training to our employees, particularly those in procurement and supply chain roles, to help them identify and respond to modern slavery risks.

## Non-Merchandise Supplier

To address modern slavery within our third-party service providers, such as IT and cleaning services, we have collaborated on a proactive action plan centred on prevention, compliance, and ongoing collaboration. All service providers are required to adhere to our Supplier Code of Conduct, which explicitly prohibits any form of modern slavery and mandates ethical labour practices. We will continue to conduct risk assessments to identify potential vulnerabilities in these partnerships, allowing us to tailor our strategies to specific risks.

Additionally, we requested comprehensive training programs to raise awareness to each service provider’s staff about recognising signs of exploitation and the importance of reporting concerns. Routine engagement and performance evaluations are carried out to ensure compliance with our standards, and we address any violations with swift corrective actions. By promoting a culture of transparency and cooperation with our IT and cleaning service providers, we aim to uphold our commitment to eradicating modern slavery throughout our operations.

## Logistic Services

In collaboration with our third-party logistics (3PL) providers, we have focused on prevention, awareness, and accountability. Regular visits and checks are performed by dusk or our partners to monitor adherence to these standards, and any violations are met with swift corrective actions. The reporting of concerns relating to Modern Slavery or unethical behaviour is encouraged and some partners have a whistleblower policy. By fostering open communication and collaboration with our 3PL partners, we aim to create a transparent and responsible logistics network that actively combats modern slavery in all its forms.

## Supplier Code of Conduct

Our Supplier Code of Conduct applies to all providers of goods and services and is incorporated into our standard trading terms. It has been implemented with all suppliers and is included in the onboarding process for all new suppliers. All suppliers are required to comply with the applicable laws in their respective jurisdictions, including Modern Slavery Laws, and to ensure that their sub-contractors and suppliers also adhere to these laws and the Supplier Code of Conduct.



## Factory Registration

As part of the updated requirements, all suppliers that have active orders must register all manufacturing sites and their subcontractors in order to continue supplying dusk. This is to ensure transparency and accountability throughout the production process. By maintaining a comprehensive register, dusk can actively monitor compliance with labour standards, health and safety regulations, and ethical sourcing practices. This new requirements mandate helps identify potential risks related to modern slavery and exploitation, fostering a culture of responsibility among subcontractors.

## Factory Audit Report

All dusk’s suppliers are required to submit audit reports for all manufacturing sites and their respective subcontractors to ensure adherence to industry standards and ethical practices. This mandate must be conducted by a certified 3rd party provider and has been a crucial mechanism for assessing compliance with labour laws, health and safety regulations, and environmental guidelines. These reports help identify areas for improvement, mitigate potential risks related to modern slavery and exploitation, and foster a culture of continuous improvement among subcontractors.

Furthermore, open discussion for regular submission of audit reports enhances communication with stakeholders and reinforces the supplier’s dedication to maintaining high standards across the entire supply chain. Ultimately, this practice not only safeguards the rights and well-being of workers but also strengthens the overall integrity of the manufacturing process.

## Supplier Consolidation

dusk has made a strategic decision on supplier consolidation to enhance supplier engagement while effectively monitoring and controlling potential modern slavery behaviours within its supply chain. By streamlining its network of suppliers, dusk enhances stronger relationships and encourages open dialogue about ethical practices and compliance. This concentrated approach allows for more regular interactions and collaboration, making it easier to address any concerns related to labour conditions. With fewer suppliers to manage, dusk can conduct more thorough assessments and audits, ensuring that all partners adhere to stringent ethical standards. This commitment not only helps identify and mitigate risks of exploitation but also reinforces dusk’s dedication to promoting responsible sourcing and maintaining transparency throughout its operations.

## Remediation Framework

dusk is committed to continuously reviewing its modern slavery practices and acknowledges that further action is necessary to strengthen its efforts in this critical area. Through ongoing assessments of current policies and procedures, the business identifies gaps and areas for improvement, ensuring that its approach remains effective and relevant. Recognising the importance of not just prevention but also remediation, dusk has scheduled developing frameworks to address any incidents of modern slavery that may arise within its supply chain. These remediation frameworks will provide clear guidance on how to support affected individuals and hold perpetrators accountable while fostering a culture of responsibility among suppliers. By taking these proactive steps, dusk affirms its dedication to eradicating modern slavery and promoting ethical practices throughout its operations.



## Assessing Effectiveness

dusk has taken proactive measures to address modern slavery within its operations and supply chain, regularly assessing the effectiveness of these actions to ensure meaningful progress. The company has implemented a comprehensive strategy that includes supplier audits, risk assessments, and training programs aimed at raising awareness of modern slavery issues among employees and suppliers. By systematically evaluating the outcomes of these initiatives, dusk can identify successes and areas that require further enhancement.

This ongoing assessment process enables the company to adapt its strategies in response to emerging challenges and evolving best practices in addressing modern slavery. Through these efforts, dusk demonstrates its commitment to maintaining a transparent and responsible supply chain while actively working to eliminate any potential instances of exploitation.



# Process of Consultation

We are committed to continuously reviewing and improving our policies, practices, and procedures to ensure that we remain at the forefront of efforts to eradicate modern slavery from our business and supply chains.

This statement pertains to the financial year of 2024. Throughout the drafting of this statement, the business consulted with all relevant parties to effectively communicate its values, policies, and strategies, as well as its obligations under the Modern Slavery Act 2018. dusk shared its action plans, strategies, and achievements with all pertinent teams, partners, and external consultants to ensure comprehensive understanding. The CEO and the Executive Team are delegated with the responsibility of ensuring dusk meets the requirements outlined in the Modern Slavery Act 2018. This statement was prepared by the Sourcing and Compliance departments and received approval from the Board of Directors on 27th of December, 2024.

# Continued Commitment

This Modern Slavery Statement is made in accordance with the Modern Slavery Act 2018 and reflects dusk’s ongoing commitment to combatting modern slavery in all its forms. We will continue to monitor, assess, and enhance our approach to ensure that our operations are free from any form of activity.



Vlad Yakubson  
CEO of dusk Australasia







dusk