

ASSA ABLOY Australia

ASSA ABLOY

# Modern Slavery Statement

Experience a safer  
and more open world

for the reporting period  
1 January 2023 to 31 December 2023

Publication date: June 2024

[assaabloy.com/au/en](https://assaabloy.com/au/en)



# Introduction

This modern slavery statement is made to comply with the requirements of the Modern Slavery Act 2018 (Cth) ('the Act').



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## Reporting Entities

This modern slavery statement is a joint statement made by ASSA ABLOY Australia Pacific Pty Ltd ('AAAP') on behalf of itself and the ASSA ABLOY Australia group companies listed in the Schedule to this statement.

# ASSA ABLOY Australia Group Structure and Operations

AAAP is the parent company of all companies in Schedule 1 (together '**ASSA ABLOY Australia Group**', '**AAAG**' or "**We**"). In turn, AAAP is owned by a Swedish parent company, ASSA ABLOY AB, which is traded on the Swedish Stock Exchange and is responsible for ASSA ABLOY group management and group-wide functions.

ASSA ABLOY has been operating in Australia in one form or another for over 24 years.

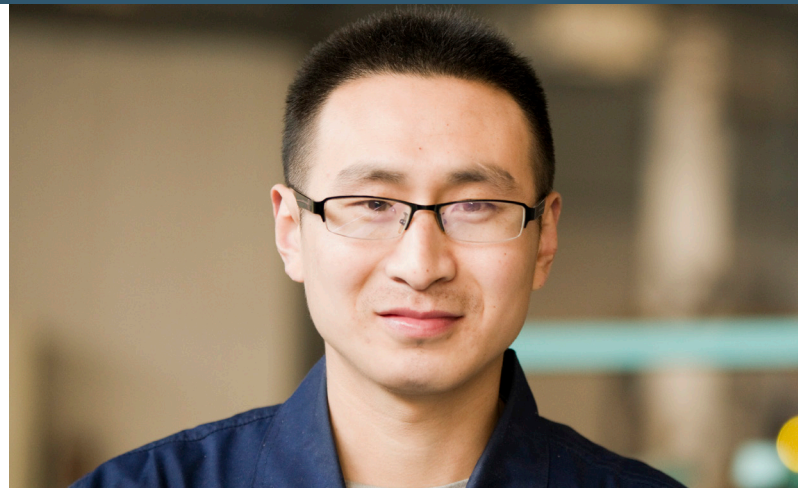
Collectively, AAAG operates numerous manufacturing facilities, as well as sales, service, research and development and administration offices throughout Australia.

ASSA ABLOY globally leads the development within door openings and products for access solutions in homes, businesses, and institutions. Our offering includes doors, door and window hardware, mechanical and smart locks, access control and service.

AAAG currently employees

**1,370**

employees in the group



# ASSA ABLOY Australia Group supply chain

AAAG at the end of 2023 had

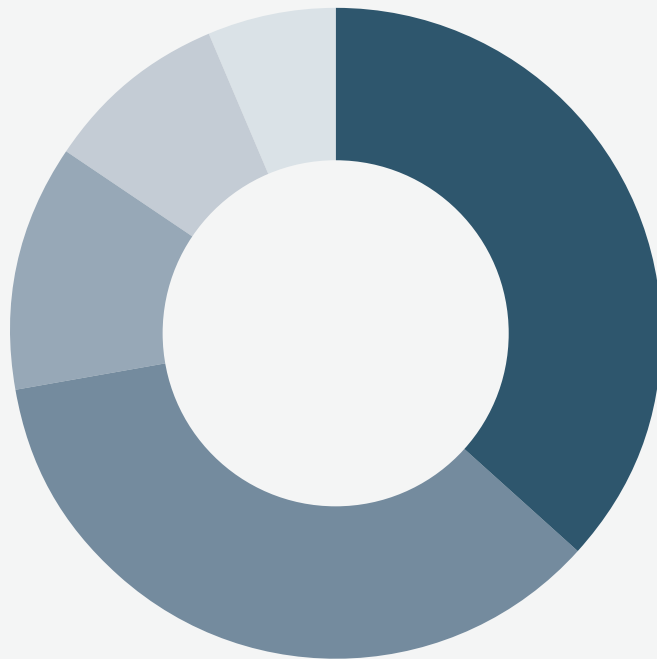
**4,873**

suppliers. In the reporting period,  
AAAG spent approximately

**\$396**  
MILLION

with its supply chain, with a total  
import spent of just over

**\$158**  
MILLION



The largest supplying countries, based  
dollars (rounded up to the nearest  
million) spent in those countries were:

- 1. China – \$36m
- 2. Sweden – \$35m
- 3. Finland – \$12m
- 4. Singapore – \$9m
- 5. Hong Kong – \$6m

The categories supplied from these countries include raw materials, components, finished goods and services. The types of business relationships AAAG has with external suppliers range from one time or short-term engagements, to long-term relationships.

We also sourced from ASSA ABLOY owned manufacturing facilities in countries including Australia, Malaysia, Vietnam and China.

# Risks of Modern Slavery Practices in our Operations and Supply Chains

In 2018, the Global Slavery Index was released, which identified countries where individuals were most at risk of being subject to modern slavery.

In 2020, Walkfree, an international human rights group focussed on the eradication of modern slavery, published a toolkit on what business needs to know about modern slavery. This included information on the high-risk sectors for modern slavery, which include industrial cleaning, meat works, hospitality, construction, manufacturing, agriculture and fishing.

We undertook assessment on the risks of modern slavery practices in our operations and supply chains over the reporting period.



# Risks of Modern Slavery Practices in our Operations and Supply Chains

Through that assessment, one area of potential modern slavery risk vulnerability we identified in our operations relates to labour hiring for our manufacturing facilities in Asian countries such as China, Malaysia and Vietnam - because these are countries identified as having a relatively high prevalence of modern slavery in the Global Slavery Index.

We also identified that the inherent risks of modern slavery may be heightened for us in the context of our significant manufacturing operations, given manufacturing is one of the sectors that has been identified as a high-risk sector by Walkfree.

Another risk we identified relates to the fact that we believe our intra-AAAG reporting relevant to assessing modern slavery risks can be improved. Until those reporting processes are sufficiently optimised, we may be limited in the extent to which we can comprehensively identify risk areas.

In relation to risks of modern slavery practices in our supply chains, our suppliers operate, produce, and source across several/ different sectors. Some of these sectors can be described as high-risk. High-risk sectors are those in which human trafficking activities are known to occur and were identified in the Global Estimates of Modern Slavery and child labour exploitation that were separately identified in Child Labour: Global Estimates 2020 Trends and the Road Forward (ILO and UNICEF, 2021).

The below graphics show the high-risk sectors of operation, production, and sourcing for our key suppliers. The numbers in the following graphics describe how many suppliers are in the corresponding sectors.

# High-risk Sectors of Operation

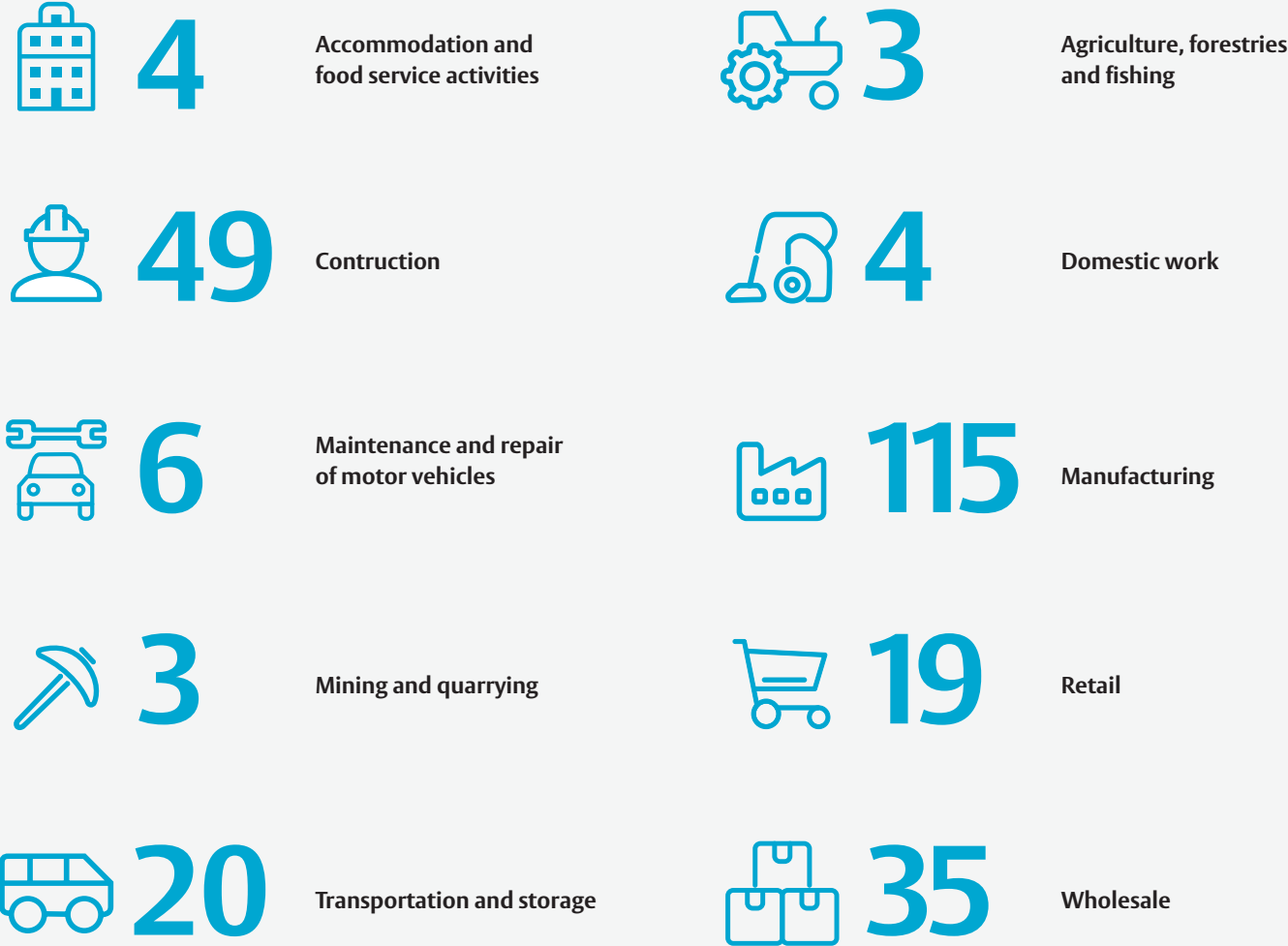




# Production of Goods in High-Risk Sectors



# Sourcing Goods in High-risk Sectors



As demonstrated above, we identify there are supply chain risk through our raw materials, components and/or finished goods manufacturing partners, and their sub-contractor/suppliers. The risks include some of our key suppliers operate in high-risk countries or sectors. Specifically, we recognise that despite our efforts to stress the importance of this topic to ASSA ABLOY, there could be gaps in their alignment to elements of our modern slavery policies and requirements.

# Actions Taken to Assess and Address Those Risks, Including Due Diligence and Remediation Processes

One of the key objectives of our supply chain management is to ensure we are working with world-class suppliers who can help us serve and address the needs of our customers in a manner consistent with ASSA ABLOY's policies and aspirations. Together we need to reduce risk, contribute to supply chain integrity and elevate performance throughout the value chain.

During the reporting period, the actions that we took to assess and address modern slavery risks included the following:

- Our supplier partners must fulfil our requirements in terms of sustainability, quality, delivery, cost and collaboration.
- Suppliers must commit to and fulfill the requirements in our Business Partner Code of Conduct, which stipulates what we believe are necessities in terms of sustainable, legally compliant, and fair business. It covers ethics, human rights and labor standards, environment, and health and safety.
- Applicable supplier documentation requires key suppliers to complete a Supplier Self Survey and Assessment prior to supplying AAAG. In circumstances where information provided by suppliers, such as in response to our Supplier Self Survey and Assessment, indicates misalignment with our Modern Slavery Policy, our commitment is to appropriately review the supplier's operations or supply opportunity and determine whether it is appropriate for AAAG to use that supplier.

# Actions Taken to Assess and Address Those Risks, Including Due Diligence and Remediation Processes

- If we become aware that a supplier is unable or unwilling to comply or align with any mandatory element of our modern slavery requirements (or any similar ethical, environmental, or other supplier policy) we decline trading with them and advise them of the reason behind our decision. Suppliers can reapply as a supplier to AAAG once they can show they have remedied all outstanding issues.
- AAAG also conducts Sustainability Audits in relation to key suppliers in developing countries. This type of audit includes a focus on Workers' Rights and Modern Slavery. If any audited suppliers do not meet our expectations in this area, we may cease trading with them or, if there is an appropriate opportunity to use our relationship to push for positive change, we may give them a remedy period to enhance their operations in a way that aligns with our requirements – failing which trade would be ceased.
- Where our audit outcomes indicate close monitoring is appropriate, we seek to repeat these audits regularly. This ensures we can identify and respond to risks in a timely manner.



# Actions Taken to Assess and Address Those Risks, Including Due Diligence and Remediation Processes

In addition to the above, we have also developed strategic plans to address the modern slavery risks associated with our operations and supply chains that we identified. Our plan for the coming year includes the following:

1. to set up an AAAG Modern Slavery Review Council, consisting of senior management from each reporting entity in order to:
  - (1) gain a better cross-business understanding of AAAG's operations and supply chain,
  - (2) roll out a consistent modern slavery risk assessment and remediation process among AAAG entities, and
  - (3) regularly review the process and effectiveness of our modern slavery risk assessment, remediation, and management steps.
2. to reach out to AAAG HR functions relating to manufacturing facilities in high-risk countries, to ensure we are appropriately assessing and addressing potential modern slavery risks;
3. to update and publish our Modern Slavery Policy, and educate employees in relation to the policy and reporting channels;
4. to select and adopt a third-party modern slavery risk assessment tool to help assess and mitigate supply chain risks; and
5. to require all key and high-risk suppliers to use the aforementioned tool.

# How we Assess the Effectiveness of AAAG's Actions in this Area

During the reporting period, we assessed the effectiveness of our actions across the following key areas:

- Due diligence and governance processes
- Awareness training (including in relation to reporting channels)
- Supply chain and procurement
- HR practices

Those KPIs relate to:

- The number of manufacturing facilities in high-risk countries in relation to which the HR practices have been reviewed, and/or training and education has been conducted;
- The extent of promotion of our modern slavery policy among employees across AAAG entities;
- The percentage of key suppliers completing the documentation we issued to gather information to inform risk assessment;
- The percentage of key suppliers signing our Business Partner Code of Conduct; and
- The volume of reported modern slavery-related issues that have required investigation

Over subsequent reporting period, we will continue to review and update our strategic plan, and the corresponding KPIs to continue to improve the effectiveness of our actions.

As mentioned further above, we will also have the benefit of new processes such as the AAAG Modern Slavery Review Council, and adoption of a third-party modern slavery risk assessment tool, that will provide us with additional opportunities to source and consider feedback and data relating to the effectiveness of our actions in this area.

# Consultation with Entities Owned or Controlled by AAAP

The directors of AAAP, as the parent Australian entity for AAAG, led the process of engaging relevant compliance and other personnel to help develop this statement.

Those personnel actively engaged and consulted with senior management from all AAAG entities. The relevant management personnel were involved in discussion on the Modern Slavery Act requirements, shared perspectives on how we should address these requirements and the necessary information to include in this statement, developed and agreed on our above-mentioned strategic action plan, and agreed the KPIs to assess the effectiveness of our actions in the reporting period and going forward. The management of each entity also approved the contents of this statement.



# Our Stance on Modern Slavery

An aerial photograph of a modern building's courtyard. The ground is paved with light-colored stone tiles in a grid pattern. Several people are visible: one person on the left, one person on the right, one person in the middle, and two people walking together in the lower right. A person is sitting on a white bench in the bottom right corner. The overall scene is bright and open.

ASSA ABLOY has been a signatory to the UN Global Compact since 2008. Our affiliation with the UN Global Compact means that we support and commit to actively promoting and respecting the 10 principles on human rights, labour standards, the environment, and anti-corruption in our operations and in dealings with external stakeholders.

AAAG, as part of ASSA ABLOY, recognises the risk that modern slavery represents in society and condemns any use of modern slavery, as defined in the Act, by any AAAG company or any company in our supply chain.

AAAG complies with all laws and standards that we are required to adhere to in Australia and expects that all AAAG suppliers also comply with the laws and standards in the countries in which they operate.

AAAG continues to reinforce its Modern Slavery Policy and improve related internal and supply chain processes to emphasise the expectations we have in relation to modern slavery for our group companies and suppliers.

AAAG remain committed to applying appropriate practices and policies to ensure it is supporting the ongoing efforts across society and corporate Australia to help abolish modern slavery. AAAG has developed detailed strategic action plan and related KPIs including updating Modern Slavery Policy, supplier self-assessment and onboarding process and audit process to improve our effectiveness to reduce the risk of modern slavery within our business and supply chain.

AAAG will continually review its suppliers for any increased risk and update all relevant supplier agreements and employee manuals as the modern slavery laws evolve.



# Approval



This statement was approved by the Board of ASSA ABLOY Australia Pacific Pty Ltd on 27<sup>th</sup> June 2024 and is signed by Simon Ellis who is a director of ASSA ABLOY Australia Pacific Pty Ltd and Executive Vice President and Head of ASSA ABLOY Opening solutions Pacific/North East Asia. This modern slavery statement has been adopted across the ASSA ABLOY Australia Group.

**Simon Ellis**

Executive Vice President and Head of ASSA ABLOY Opening solutions Pacific/North East Asia.

## Schedule 1 – Group Companies

Entity	ACN
ASSA ABLOY Australia Pacific Pty Limited	095 354 582
ASSA ABLOY Australia Pty Limited	086 451 907
ASSA ABLOY Entrance Systems Australia Pty Limited	095 443 486
ASSA ABLOY Global Solutions Australia Pty Limited	088 022 548
ActivIdentity (Australia) Pty Limited	062 955 060
Secure Edge Technologies Pty Limited	103 561 075
The Denmore Group Pty Limited	071 823 651
Placard Pty Limited	074 646 343
Austral Monsoon Building Products Pty Limited	083 857 452
Lietzke Australia Pty Limited	076 172 051
Monsoon Industries Pty Limited	001 028 691
ASSA ABLOY Entrance Systems Industrial Pty Limited	601 182 629
ASSA ABLOY Door Group Australia Pty Limited	004 519 331
Record Automatic Doors Pty Ltd	601 122 874
D&D Group Pty Ltd	003 210 179
D&D Technologies Australia Pty Ltd	059 412 430
Go Doors Pty Ltd	623 240 906

The ASSA ABLOY Group is the global leader in access solutions. Every day, we help billions of people experience a more open world.

**ASSA ABLOY**

ASSA ABLOY Opening Solutions leads the development within door openings and products for access solutions in homes, businesses and institutions. Our offering includes doors, door and window hardware, mechanical and smart locks, access control and service.

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