



HOUSEHOLD PRODUCTS
THAT ARE EFFICIENT AND
QUALITY-TESTED TO HELP
FAMILIES LIVE BETTER.

Reporting Entity: **Pental Limited** (“The Company”, “Pental”)

Modern Slavery Act Statement 2021



Introduction

This is Pental's second Statement made under the Australian Modern Slavery Act 2018 (Cth) for the financial year ending 30 June 2021 ("FY2021"). Pental (including its 100% owned subsidiary Pental Products Pty Ltd) recognises the importance of protecting the human rights of all people impacted by its operations and supply chain and is committed to eradicating the risks of supporting or engaging with companies complicit in practices constituting modern slavery.

We are committed to taking a diligent approach to addressing our supply chain risk and working in collaboration with our approved supply chain.

Modern Slavery refers to situations where one person has taken another person's freedom-inclusive of the following exploitation behaviours:

Trafficking in persons, Slavery, Servitude, Forced Marriage, Forced labour, Debt bondage, Deceptive recruitment of labour & services, Child labour.

About Pental, its operations and supply chains

Pental is a trusted manufacturer and distributor of personal, household, and commercial products across Australia, New Zealand, and Asia. The company is based in Australia and has approximately 140 employees.

The Company manages a portfolio of leading brands, which are household names in Australia and New Zealand - it is a branded market leader and the largest local manufacturer of bar soaps, liquid bleach, and firelighter cubes.

The Company also provides distributorship services to brands and products that are non-perishable and have a long shelf life.

For more than 60 years we have worked hard to stay true to our Australian heritage, investing in our manufacturing plant in Shepparton, Victoria.

The production plant at Shepparton facilities comprises of:

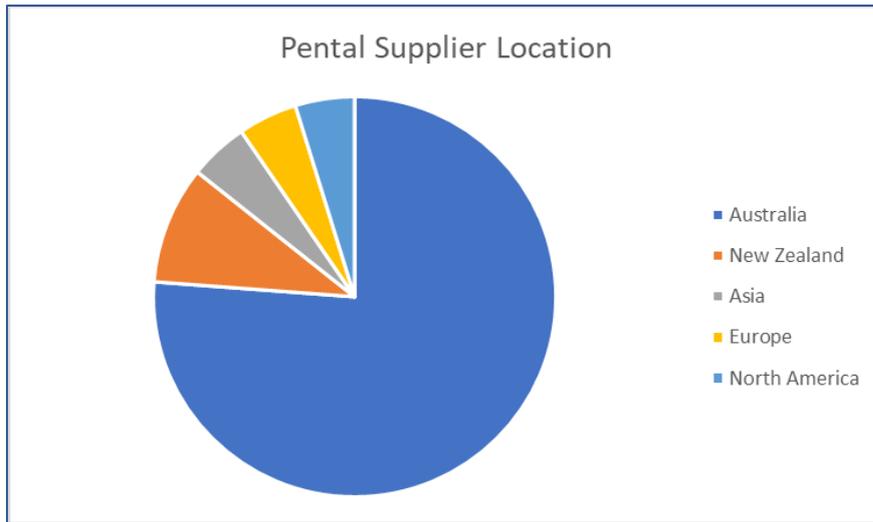
- Household Cleaning Liquids plant.
- Bar Soap plant.
- Laundry and Dishwashing Liquids plant.
- Firelighters plant.
- Warehousing & Distribution

We did not own or control any other entities during the reported period.

Across Australia and New Zealand, Pental's products are stocked in all major grocery retailers and convenience stores that sell personal care and household cleaning products.

Pental's supply chain consisted of approximately 280 suppliers in FY2021 who supplied various raw materials, services, and finished goods to the Company. These suppliers are located in following regions and supply various categories of core goods and services:

- Australia – Packaging, perfumes, hypochlorite, surfactants & services
- New Zealand – contract manufacturing of dishwash liquids & services
- Asia (China, Malaysia, Singapore, South Korea, Thailand). – Batteries, Tallow, Soap noodles, some finished goods
- Europe (UK, Germany, Italy, Netherlands). Perfumes, machinery parts etc.
- North America (USA).- Batteries
- South America (Brazil); Emollient



Risks of modern slavery practices

Pental has not been made aware of any allegations of modern slavery activities against any of its suppliers.

Risk of causing modern slavery practices

Pental considers the risk of it causing modern slavery practices (i.e., the risk of Pental’s operations directly resulting in modern slavery practices) to be extremely low. Pental’s operations are based in Australia and Pental actively complies with all applicable laws, regulations and internal policies concerning workplace health and safety, immigration , whistleblowing and employment. Pental is not aware of any actions on its part which would cause modern slavery practices.

Supply chain risks

Pental acknowledges that there is a risk of it indirectly contributing to modern slavery practices (i.e., the risk of Pental’s operations and/or actions in its supply chain facilitating or incentivising modern slavery) through its supply chain.

Actions taken to assess and address the risks

This statement outlines Pental's approach to ensuring our business has the framework and processes in place to identify potential Modern Slavery risk in our operations and Supply Chain.

Risk assessment

Due to limited travel options available through COVID-19 pandemic, Pental completed a desktop risk assessment in line with annual supplier reviews across Pental supplier base considering:

- The risk profile of individual countries based on the Global Slavery Index
- The presence of vulnerable demographic groups

These assessments assist in determining the Company's response and risk controls.

During FY20, Pental compiled and rolled out a Vendor Survey form which included Modern Slavery Declaration to its core suppliers that were identified as being in high-risk geographical regions.

The objective of this exercise was to build awareness and identify the risks of modern slavery within the supply chain and develop commitment and compliance.

Using data collected from this survey in FY2021, Pental aims to refine its policies and procedures further to mitigate the risk of modern slavery through supply chains.

Impacts of COVID-19 pandemic

Pental was aware that many businesses had been affected by the COVID-19 pandemic, and that these impacts have had flow-on effects that increased the level of vulnerability experienced by workers within these businesses. These factors have been considered in the risk analysis process.

The COVID-19 pandemic also had an impact on various aspects of Pental's business. However, the activities undertaken by Pental with respect to assessing and addressing the risks of modern slavery as set out in this statement have not been materially impacted by the pandemic.

The effects of world-wide shortage of container ships and raw materials impacted supply of products into Australia, however Pental remained resilient during this reporting period.

Policies and procedures

As a publicly listed company, Pental has sound experience in maintaining the highest standards of management surveillance and risk management. Pental has a strong and long-serving board and senior management team that is supported by an experienced compliance team.

Pental believes that a well-structured framework of policies and procedures, with sound management practices requiring high standards of compliance, creates a strong cultural foundation in which corrupt practices and the abuse of human rights will not flourish.

Pental operates the following policies for identifying and preventing slavery and human trafficking in our operations:

- **Whistleblowing Policy** - we encourage all employees, customers, and suppliers to report any suspicion of slavery or human trafficking without fear of retaliation. We provide a confidential helpline to protect the identity of whistle-blowers.
- **Code of Conduct** - our code encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing our supply chain.
- **Vendor Approval Process** - Vendor Approval Process makes explicit reference to slavery and human trafficking.

Assessing the Effectiveness of Actions Taken & Addressing Risks

During our reporting period we have implemented a Modern Slavery Framework encompassing our business processes in respect to modern slavery and human trafficking.

Supplier approval process is inclusive of Modern Slavery and sustainability.

The effectiveness of the measures put in place have been monitored and reviewed FY2021 by the Internal Modern Slavery Working Group. The Working Group Comprises the following:

- Chief Financial officer
- General manager operations & Supply Chain
- Quality Assurance & Compliance Manager

Actions to access and address modern slavery risks.

- Use of available indexes and resources:
- A criteria has been set to identify red flags associated with each supply chain provider, a risk-based approach.
- Follow up requirements to mitigate risk completed for any flagged provider.
- Pental engages with our suppliers in order to ensure that their operations are consistent with Pental's Modern Slavery Standard.
- Key members across the business participated in the consultation process providing relevant information from their respective operational and supply chain functions.

Pental and its subsidiaries are members of SEDEX and Eco Vadis.

During the reporting period we focused on reviewing our operations and supply chains to gain a greater understanding of our modern slavery risks and if they were present in either

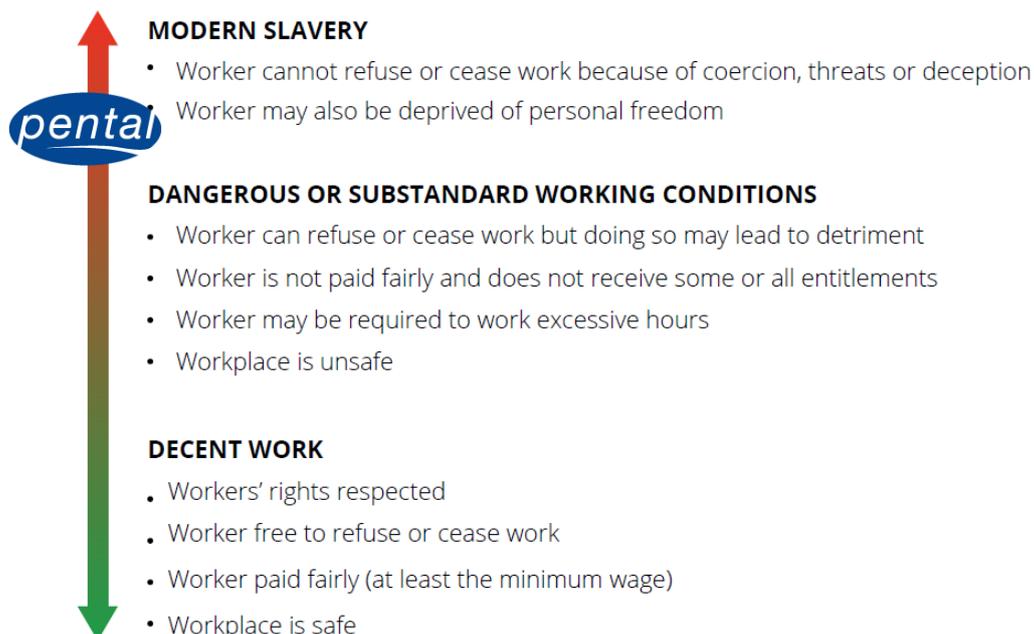
of the business streams. We will continue to monitor and assess the effectiveness of the process and report moving forward.

Specific key actions taken in connection with the Modern Slavery Risk Mitigation Program in the reporting period included-

- Implemented a compulsory e-learning course for all relevant staff to increase the awareness and understanding of the Act and modern slavery risk.
- Risk categorised suppliers expediting requirements for high-risk suppliers to provide evidence of compliance.

In FY2022 the Working Group will determine the most appropriate method, scope, and resources for assessing the effectiveness of our processes in identifying modern slavery risks. The Working Group will review and monitor actions, reporting to the Board of Directors as and when required.

Pental's Ethical Commitment - Decent Worker Rights



Pental is committed to ethically conducting our business, requesting our business partners conduct their dealings with us in a fair, honest, and ethical manner. Pental has taken a zero-tolerance approach to modern slavery.

We establish a relationship of trust and integrity with all our suppliers.

Our supplier selection, procurement and supplier vendor assurance program includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety, environmental standards, and assurance that we do not engage directly or indirectly with slavery.

We ensure that we communicate respect for human rights, seeking suppliers to uphold these principles and we conduct due diligence to ensure that they have appropriate policies and procedures in place.

Supplier Due Diligence program

Pental conducts due diligence on all new suppliers during on-boarding/approval and on existing suppliers at regular intervals.

This includes:

Assessing risks in the provision of supplies through supplier surveys.

Documentation and sign off by supplier stakeholders on modern slavery.

We require all suppliers to attest that:

- *They don't use any form of forced, compulsory or slave labour.*
- *Their employees work voluntarily and are entitled to leave work.*
- *They provide each employee with an employment contract that contains a reasonable notice period for terminating their employment.*
- *They don't require employees to post a deposit/bond and don't withhold their salaries for any reasons.*
- *They don't require employees to surrender their passports or work permits as a condition of employment.*

Performance Indicators

Pental periodically reviews suppliers to ensure they remain in line with our values and modern slavery laws; Inclusive of utilising the tools provided by Sedex.

Awareness

Pental has raised awareness of modern slavery issues by distribution of bulletins across our facilities specifically focussed on modern slavery.

Bulletin Coverage:

- Our commitment in the fight against modern slavery
- Red flags for potential cases of slavery or human trafficking
- How employees should report suspicions of modern slavery.

Increasing the level of awareness and understanding of the potential for incidences of modern slavery within our supply chain.

Pental employees know that they have a role to play in the integrity of our supply chains and they all receive and have access to relevant policies. All employees are made aware of our whistleblowing policy, and we encourage and support all of our employees to identify any suspected misconduct, including violations of labour laws or unethical labour practices.

We are committed to supporting fundamental human rights and the prevention of modern slavery.

Next Steps.

Pental Ltd is committed to the following in in FY2022 reporting period:

Integration of Acquisition – *Pental acquired a new subsidiary (Hampers with Bite Pty Ltd) as at 1st September 2021. The Company is committed to review and integrate its new business unit into its modern slavery risk mitigation framework as described in this statement.*

Risk assessments- *Ongoing detailed reviews of our operations and supply chain, reviewing and agreeing to a plan to continue monitoring and mitigating identified risks.*

Training & Awareness- *Annual Modern Slavery training program to all staff, underpinning of our program inclusive of senior management and board members.*

Policies & Standards- *Develop Supplier Code of Contact for coverage of supplier social responsibilities to rom part of the supplier onboarding program.*

Supplier Reviews- *Supplier visits and factory audits to assess modern slavery risks.*

Approval of this Statement

Pental Limited is managed by a senior management team. This statement was prepared in consultation and input from managers responsible for Pentals operations, supply chain and procurement. This statement was circulated to relevant members of the management team prior to board approval.

This statement was approved by the Board of Directors of Pental Ltd. on the 30th. of December 2021 and has been approved and signed by the Managing Director as the responsible executive of Pental.

Signature:



Signed by: Charles McLeish, Managing Director – Pental Ltd

Date: 30 December 2021