



2023 Joint Modern Slavery Statement

Dow Chemical (Australia) and
Dow Performance Materials (Australia)

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Dow Chemical (Australia) Pty Ltd and Dow Performance Materials (Australia) Pty Ltd (collectively, “**Dow Australia**”), make this joint statement pursuant to the Australian *Modern Slavery Act 2018* (Cth). It constitutes The Dow Chemical Company’s Australian subsidiaries’ slavery and human trafficking statement for the financial year ending 31 December 2023. This statement sets out the steps taken by Dow Australia during this period to identify and mitigate potential modern slavery risks in its business operations and supply chains.

INTRODUCTION

As a global leader in the chemical industry, the Dow group of companies (“**Dow**”, “**it**”, “**its**”, “**we**” or “**our**”) strives to uphold the protection of human rights. The nature of our business means our suppliers are varied and diverse, so it follows naturally that we are constantly reviewing and addressing modern slavery concerns in our supply chains as a key priority.

Dow - through its parent company - is a signatory to the United Nations Global Compact and is committed to combatting slavery and human trafficking worldwide. Respect for people is an integral part of our core values.

REPORTING ENTITIES

This Statement is a joint statement comprising the following reporting entities:

- Dow Chemical (Australia) Pty Ltd (ACN 000 264 979)
 - Dow Performance Materials (Australia) Pty Ltd (ACN 004 513 188)
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OUR ORGANISATION

STRUCTURE:

Dow’s operations in Australia are primarily covered by Dow Australia which are ultimately owned by Dow Inc. through Dow Inc.’s ownership of The Dow Chemical Company (TDCC), both being US-incorporated companies. Dow Australia does not own or have a controlling interest in any other entities.

OPERATIONS

Dow is a global leader in the chemical industry. Our market-driven, industry-leading portfolio of advanced materials, industrial intermediates and plastics businesses delivers a broad range of differentiated technology-based products and solutions for customers in high-growth markets such as packaging, infrastructure, mobility and consumer care.

Dow has more than 6,000 product families, manufactured at 98 sites in 31 countries across the globe. Our portfolio includes six global businesses organised into three operating segments:

- Performance Materials & Coatings
- Industrial Intermediates & Infrastructure
- Packaging & Specialty Packaging

Performance Materials & Coatings includes industry-leading franchises that deliver a wide array of solutions into consumer and infrastructure end-markets. This segment consists of two global businesses – Coatings & Performance Monomers and Consumer Solutions.

These businesses use Dow’s acrylics, cellulosics and silicone-based technology platforms to serve the needs of the architectural and industrial coatings, home care and personal care end-markets.

Industrial Intermediates & Infrastructure consists of two customer-centric global businesses, Industrial Solutions and Polyurethanes, that develop important intermediate chemicals that are essential to manufacturing processes, as well as downstream, customised materials and formulations that use advanced development technologies.

These businesses produce and market ethylene oxide and propylene oxide derivatives that are aligned to market segments as diverse as appliances, coatings, infrastructure and oil and gas.

Packaging & Specialty Plastics is a world leader in plastics and consists of two highly integrated global businesses, Hydrocarbons & Energy and Packaging & Specialty Plastics.

This segment employs the industry's broadest polyolefin product portfolio, supported by Dow's proprietary catalyst and manufacturing process technologies, to deliver high performing and more sustainable plastics to customers in:

- Food and specialty packaging
- Industrial and consumer packaging
- Health and hygiene
- Caps, closures and pipe applications
- Consumer durables
- Infrastructure

Dow Australia's operations encompass all of Dow's global business units, providing specialty chemicals, industrial intermediates and plastics to our Australian customers through a combination of local manufacturing and importing of our overseas produced product lines.

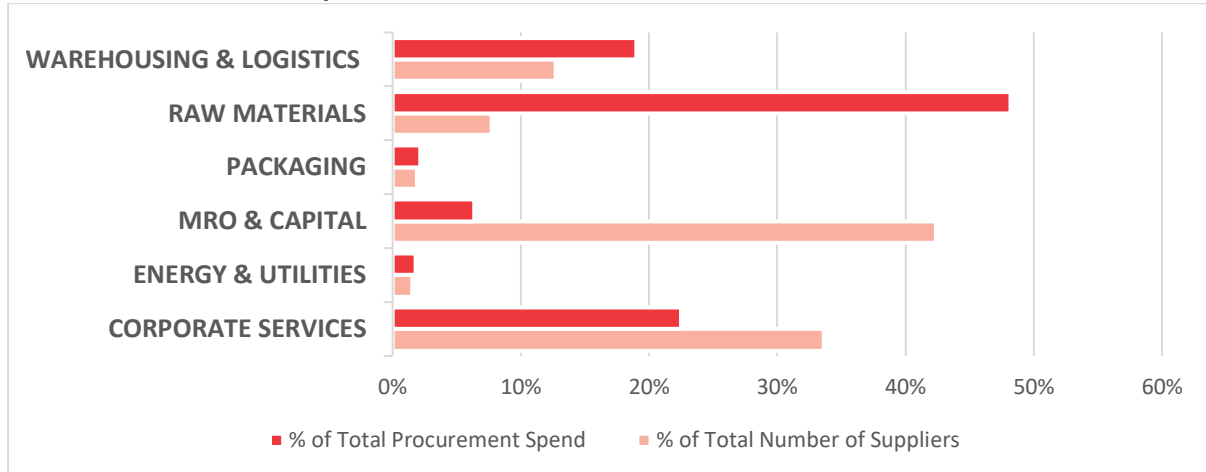
We employ approximately 100 people across our operations in Australia. Our team is located across our commercial office in Melbourne (sales, customer service, supply chain, finance and admin) and our manufacturing site in Geelong, supporting our Coatings business.

SUPPLY CHAINS

Our supply chain encompasses a range of suppliers which act to support our local manufacturing operations. They provide essential components such as Raw Materials (industrial and specialty chemicals), Energy and Utilities services, Maintenance, Repair and Operations (MRO) labour services (such as engineering, equipment hire and servicing, waste management, and labour), as well as Packaging materials (including drums, pallets, and IBCs). This is further supported by a range of Corporate Services, including financial services, corporate facilities, human resources, and fleet services.

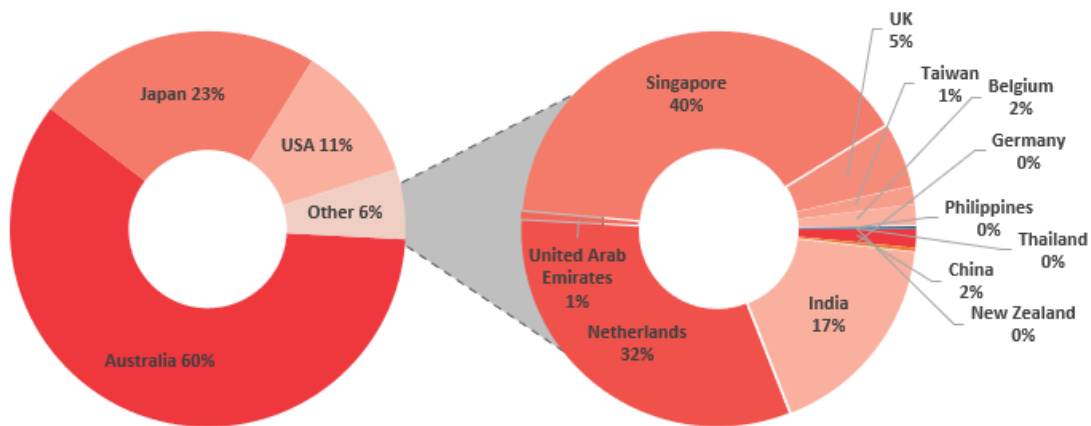
We also utilise an extensive network of Warehousing and Logistics suppliers to help facilitate the distribution of our locally manufactured products as well as those imported from our overseas plants.

External Procurement Spend in 2023



In 2023, Dow Australia purchased goods and services from 309 external suppliers. Most of these suppliers were located in Australia and represented 60 per cent of external supplier spend. Procurement from overseas suppliers was spread over 14 different countries, but largely focused on Japan and the US.

External Procurement by Country in 2023



In addition to external procurement, Dow Australia also has a significant internal procurement spend. This consists of raw materials and finished goods that have been manufactured in our overseas operations and imported into Australia for use in our local manufacturing operations or direct resale to our local customers.

RELEVANT POLICIES

Dow has a commitment to ensuring there is no modern slavery or human trafficking in our supply chains or in any part of our business. We operate in full accordance with the United Nations Guiding Principles on Businesses and Human Rights. These guiding principles provide a framework for governments and companies that are committed to protecting human rights around the world.

Through policies such as Dow's [Code of Conduct](#), [Human Rights Policy](#), [Responsible Sourcing: Conflict Minerals](#), [Dow's Code of Business Conduct for Suppliers](#) and [Expectations of Suppliers Statement](#), stringent mechanisms are in place to provide the framework of the expectations of Dow employees and suppliers and the enforcement of such expectations.

SUPPLIER DUE DILIGENCE PROCESSES FOR MODERN SLAVERY

Dow's [Code of Business Conduct for Suppliers \(SCC\)](#) and [Expectations of Suppliers Statement](#) specifically address Dow's due diligence processes for slavery and human trafficking within our supply chains. The SCC is communicated to all current and new direct suppliers and the majority of our purchase orders and contract templates include compliance as a contractual requirement.

Dow expects suppliers to implement systems and controls to promote compliance with applicable laws and the principles set forth in the SCC, including policies, training, monitoring and auditing mechanisms.

Dow expects that suppliers also apply these or similar principles to subcontractors and suppliers they work with when providing goods and services to Dow. Dow reserves the right to assess and monitor suppliers' compliance with the SCC, and those who are not compliant are expected to implement corrective actions or risk termination of their business relationship with Dow and/or not being considered for future business.

A helpline (phone and web-based available in multiple languages) is available to employees and third parties to seek guidance on specific situations or anonymously report violations of the Code, including our Human Rights Policy and the SCC or other unethical business practices.

The outcomes of our programs are generally communicated via our annual [Environmental, Social and Governance \(ESG\) Report](#).

EMPLOYEE DUE DILIGENCE PROCESSES FOR MODERN SLAVERY

The principles of human rights are woven throughout Dow's Code of Conduct. All employees of Dow and its subsidiaries, including those with direct responsibility for supply chain management, are expected to know their obligations pursuant to – and abide by – this Code.

Rigorous training on the content and application of the Code is mandatory for every employee, and each employee must periodically acknowledge they have read and agree to comply with the Code. Dow takes all potential legal or Code violations seriously, fully investigates violations in a respectful, confidential and fair manner, and Dow takes action that is consistent with the severity of the violation.

RISK OF MODERN SLAVERY

OPERATIONAL RISKS

Since commencing operations in Australia in 1959, Dow Australia has built a strong reputation for operating with the highest ethical standards, honesty and fairness. The Dow values of Integrity, Respect for People and Protecting Our Planet are at the core of everything we do and form the foundation of the Dow Code of Conduct ("**Code**") – a framework of policies and principles that all Dow employees abide by.

The Code governs various aspects that mitigate the risks of modern slavery in our operations, including:

- Inclusion and diversity, equal opportunity, and respect in the workplace
- Labour practices and human rights

- Health and safety in the workplace

In addition to the Code, Dow Australia ensures its compliance with all local labour, employment, immigration and whistle-blower laws of Australia.

These controls combine to help us to effectively manage the risk of modern slavery in our operations. We consider the potential for us to cause or contribute to incidents of modern slavery to be low. However, we do recognise areas of potential vulnerability in our operations from outsourced services, such as cleaning, catering, security and facilities management, and the use of labour hire contractors. Recognition of these potential vulnerabilities allows us to effectively monitor and apply appropriate due diligence to minimise the risk.

SUPPLY CHAIN RISKS

Dow maintains a diverse and extensive supply chain. To identify areas exposed to higher risk of modern slavery practices, a detailed mapping and risk assessment of Dow Australia's supply chain was conducted as detailed in our 2020 Modern Slavery Report. Any new suppliers engaged since the original mapping have been assessed against this risk matrix and included in the updated supplier risk database. This database encompasses Tier One suppliers (i.e., those with whom Dow Australia has a direct supply agreement) at all levels of procurement spend.

Analysis of this risk database has shown that while the majority of our supply chain is considered as a low risk for modern slavery, a small number of suppliers were identified as operating in potentially high-risk industry sectors, including:

- Cleaning
- Electrical equipment suppliers
- Construction and demolition Services
- Catering and food suppliers
- IT and telecommunications

Noting the risk mapping outlined above has only been conducted on Tier One external suppliers, it is recognised that a significant proportion of our supply chain spend is attributed to internal procurement from other overseas Dow manufacturing sites.

While the risk of modern slavery in our operations, both locally and globally, is considered low, we acknowledge that the supply chains servicing several of our overseas operations may have additional areas of higher risk, either due to location or raw material types/sources.

One such risk is the raw materials used in some of our overseas manufacturing processes which have the potential of being derived from the mining of Conflict Minerals. To minimise this risk, Dow conducts an annual reasonable country of origin inquiry, and due diligence as appropriate, as per our Responsible Sourcing: Conflict Minerals policy.

ACTIONS TAKEN TO ASSESS AND ADDRESS RISK

In addition to applying our due diligence procedures outlined in the *Relevant Policies* section of this report, the following actions were undertaken in 2023 to further progress our efforts on identifying and mitigating the risks of modern slavery in our supply chains.

UPDATED SUPPLIER RISK DATABASE

In 2023, Dow Australia added 49 new vendors to its supplier database. Each of these new suppliers was assessed for modern slavery risks across four indicator categories: Sector & Industry, Product & Service, Supply Chain Model, and Geographic risk.

Combining these individual risk factors, a weighted assessment was used to determine an overall risk rating. As a result, 18 out of the 49 new suppliers were identified as medium risk, while the remaining suppliers were categorised as low risk.

SUPPLIER ESG PROGRAM

In 2021 Dow launched the Supplier ESG Program – an initiative for sustainable procurement which integrates the Company’s environmental, social and governance (“ESG”) priorities in the supply chain. The issue of how Dow assesses and addresses human rights and modern slavery concerns in our procurement processes forms a key part of this sustainable procurement strategy.

The program involves a framework with three pillars – commitment, transparency, and performance – with clear ambitions for suppliers under each. Supporting these pillars are program enablers such as our Business Code of Conduct for Suppliers, EcoVadis, and Together for Sustainability.

In 2023, this program was actively rolled out across our supplier network. ESG criteria are now being integrated into all aspects of our sourcing decisions, including requests for proposals, tenders, contracts, and supplier relationship management strategies. A key foundation of this is to enable Dow’s Purchasing team to access robust ESG data, placing modern slavery and other key ESG factors as a substantial and impactful component of our decision-making matrix.

DOW’S CODE OF BUSINESS CONDUCT FOR SUPPLIERS

Dow’s Code of Business Conduct for Suppliers was updated in 2022 to reflect all ESG priorities. This document clearly defines Dow’s expectations for suppliers as well as best practices that align with our ESG priorities. Dow’s suppliers are expected to follow the mandatory requirements of the Code. During 2023 a review was started to ensure our commitment align with Dow’s ambitions and our Code of Business Conduct for Suppliers incorporates latest regulatory requirements around Supply Chain Due Diligence regulations an updated code will be published in 2024.

SUPPLIER ENGAGEMENT

Engaging suppliers that prioritize social issues is recognised as a critical enabler in achieving Dow’s ESG goals. One such way we are doing this is through our partnership with Together for Sustainability (TfS), a joint initiative and global network of 50 chemical companies, which delivers the de facto global standard for environmental, social and governance performance of chemical supply chains. Through TfS, we can engage with suppliers in a streamlined and strategic way, leveraging the work of our industry peers and contributing our own outlook on environmental and socially sustainable supply chains.

Dow is also collaborating with groups like the World Business Council for Sustainable Development and World Economic Forum to develop robust methodologies for data sharing along supply chains, allowing Dow to access high-quality data from our suppliers and provide the same level of quality to our customers.

EFFECTIVENESS ASSESSMENT

As part of Dow's ESG reporting commitments, Dow will conduct regular reviews of our modern slavery risk management action plan and due diligence processes.

In addition to internal reviews, Dow measures its sustainability performance through third-party assessment programs such as EcoVadis. These reviews form the basis of how Dow assesses and monitors the effectiveness of Dow's actions towards combating modern slavery in its operations and supply chain.

EcoVADIS

Dow is a Supplier Member on the third-party supply chain sustainability platform EcoVadis since 2014. This platform specialises in improving sustainability practices within supply chains across industries.

Through assessing suppliers on their full management system via a document audit, EcoVadis carries out assessments on policies, actions and results related to the environment, labour practices and human rights, fair business practices and sustainable procurement issues.

As a supplier, Dow has completed a questionnaire-based assessment, the contents of which have been analysed by EcoVadis and a scorecard produced which can be shared with our customers via the EcoVadis platform.

In 2023 Dow was among the top 11% of all companies assessed by Ecovadis. In the category of labour & human rights, Dow is in the top 16% of companies assessed. In the category of sustainable procurement, Dow is in the top 5% and 8% respectively of all companies assessed by Ecovadis and those assessed by Ecovadis in the "Manufacture of other chemical products n.e.c. industry."

PATH FORWARD

Dow Australia's action plan for 2024 will prioritize the following key areas:

- Transitioning supplier risk database to a monitor and maintain phase: Focus will be on reviewing new suppliers added to our system and proactively following up with those identified as high-risk for modern slavery. This phase ensures ongoing vigilance and risk mitigation within our supplier network.
- Supporting Dow's Supplier ESG program: We will leverage this global-led initiative to effectively engage with suppliers and drive sustainable practices throughout our supply chain. This includes the utilization of third-party reporting platforms, EcoVadis and Together for Sustainability, with our suppliers to enhance data transparency and promote compliance with Dow's policies and expectations around modern slavery.
- Utilizing annual EcoVadis audit reports for assessing Dow's ESG performance: We will rely on the insights provided by the EcoVadis audit report to evaluate Dow's performance in relation to modern slavery and human rights. Where areas of improvement are identified, we will proactively implement necessary changes to enhance our practices and ensure alignment with our ESG commitments.

By focusing on these initiatives, Dow Australia aims to strengthen supplier risk management, foster sustainable supplier relationships, and continuously improve our modern slavery performance in line with our ESG goals.

PROCESS OF CONSULTATION WITH OWNED OR CONTROLLED ENTITIES

Dow's operations in Australia are covered by the two proprietary limited companies covered in this report – Dow Chemical (Australia) Pty Ltd, and Dow Performance Materials (Australia) Pty Ltd. Neither of these companies owns or has a controlling interest in any other entities.

While Dow Australia represent two separate legal entities, in essence they operate as a single entity servicing the same markets with different product chemistries. Both companies have the same governing policies and systems and share the same executive management. The nature of the relationship between the two reporting entities has meant that the compilation of this statement - and the initiatives described herein combating Modern Slavery - have been made in joint consultation.

This statement has been approved by the Boards of Directors of Dow Chemical (Australia) Pty Ltd and Dow Performance Materials (Australia) Pty Ltd, and is hereby signed by a member of each Board.



Karen Dobson
Managing Director
Dow Chemical (Australia) Pty Ltd
25th June 2024



Justin Jones
Managing Director
Dow Performance Materials (Australia) Pty Ltd
25th June 2024