

Blum Australia Pty Ltd

# Modern Slavery Statement

2023/2024

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## 1. About this statement

This statement is made under the Modern Slavery Act 2018 (Cth) ("Act") which requires Australian entities with a minimum consolidated revenue of \$100 million to report on the risk of modern slavery in its operations and supply chain and the steps it is taking to respond to the risks identified.

This statement sets out the actions taken by **Blum Australia Pty Ltd, ACN 076 459 713** ("**Blum Australia**", "**us**", "**our**" or "**we**"), an entity incorporated in Australia, to address modern slavery risks in our operations and supply chain during our financial year ending 30 June 2024 ("**Reporting Period**"). Blum Australia does not own or control any entities and therefore the requirement under the Act to consult with any such entities about the development of this statement is not applicable.

This report is approved and endorsed by our management at Julius Blum GmbH ("**Blum**"), and its significance is known by those involved in the management of our supply chain. This statement explains in detail how we are actively working to protect the dignity and wellbeing of all workers in our operations and supply chain to ensure they align with our core values.

As one of Australia's largest suppliers of hinge systems and cabinet solutions, Blum Australia appreciates its responsibility to operate within the spirit and letter of the law and to maintain high ethical standards wherever it conducts business. Blum Australia does not condone or tolerate efforts or activities to achieve results through illegal or unethical dealings anywhere in the world.

Our suppliers know that Blum Australia is concerned not only with results, but also with how those results are achieved. We expect all our suppliers to conduct their businesses with the same high standards. We will actively seek business relationships with suppliers who share our values and promote the application of these high standards among those with whom they do business.

## 2. Overview

Blum is one of the world's leading manufacturers of fittings for high-quality kitchens and furniture, for enhanced convenience and a better quality of living. Creating furniture fittings for a better quality of living is very important to us.

Our focus is not on assessing feasibility, but on creating benefits for you. Because it is not about our ideas. It is about enabling yours. We work together with you. We rack our brains to develop and pioneer the future. And deliver solutions that best meet your needs. Let's talk together – about new ideas and solutions for a better quality of living.



### Quality of living

Perfect furniture should look good, be practical and last a long time. Blum helps you translate our ideas into top-quality solutions from day one, so that your customers get the quality of living they need. **Let's work together to create a better quality of living.**



### Product range

Creative design ideas need functional fitting solutions. Blum supports you in finding these solutions with a wide range of products, comprehensive advice and a well-thought out approach, so that you can create furniture designs that give you an edge over others. **Let's work together to develop innovative ideas.**



### Inspiration

Blum monitors worldwide trends, carries out its own research and is happy to share its findings with you. Because two heads are better than one. Because new knowledge means new insights, and these are the driving force of the future. **Let's work together to shape the living space of tomorrow.**



### Innovation

Each trend means a new opportunity: to be one of the first. Blum is keen to support its partners every step of the way, with innovative products that are state of the art and new services that make your life easier. **Let's shape the future together.**



### Services

Blum would like to help you improve quality and increase efficiency by providing expert services every step of the way. Blum gets to know your processes in close consultation with you, in order to find out what support you need. **Let's work together to simplify work processes.**



### Quality

What you and your customers need matters to us. We listen closely and understand quickly. We observe your applications and identify your needs. This results in our high quality standard, which actually exceeds many requirements. Products and services are developed that are tailored to your requirements. **Let us redefine quality for you.**



### Trust

Based on trust – we do everything we can to gain your confidence. We fulfil our corporate responsibility towards you, society and the environment and our employees, **so that we can inspire you over the long-term.**

Julius Blum started our journey in 1952 with horseshoe studs. Today we supply innovative fittings to customers in over 120 countries.

### 3. Our Structure, Operations and Supply Chain

#### 3.1. Organisational Structure and Operations

Blum is one of the world's leading manufacturers of fittings for high-quality kitchens and furniture, for enhanced convenience and a better quality of living. Blum manufactures lift, hinge, pull-out and pocket systems for furniture and provide appropriate services and assembly devices for them.

Solutions are needed to meet the ever increasing requirements related to high quality furniture. We also offer more than just well-thought-out fittings, we offer comprehensive services that go beyond individual products by providing all inclusive support.

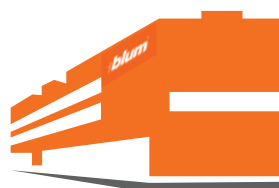
With global headquarters based in Vorarlberg, Austria, and 33 subsidiaries and representative offices throughout the world delivering to more than 120 markets, Blum produces products in 5 countries throughout the world; Austria, Poland, USA, Brazil and China.



Plants in Vorarlberg, Austria

**8**

including the Headquarter



Further production sites

**4**

Poland, the USA, Brazil and China



Subsidiaries & representative offices

**33**

Throughout the world



Number of countries that regularly import

Blum products

**over 120**

worldwide

Blum Australia is a wholly owned subsidiary of Blum and has had operations in Australia since 1997, with Blum Australia's current focus being on supporting the local Blum market through our distribution partners, resellers and direct market.

With the head office based in New South Wales, Blum Australia is supported by its 5 showrooms in New South Wales, Queensland, South Australia, Victoria, and Western Australia.

At the end of the Reporting Period, Blum Australia had a workforce of 94 employees nationally around Australia.

The staff details of our offices are:

Locations	Employees
New South Wales	61
Queensland	10
Victoria	9
South Australia	7
Western Australia	7
<b>Total</b>	<b>94</b>

Our workforce is comprised of the following types of employment:

Employment Type	% of workforce
Full time	93%
Part time	7%
<b>Total</b>	<b>100%</b>

Blum Australia undertakes the following key activities in its day-to-day operations:

- Sales and Marketing
- Customer Service
- Supply Chain and Logistics
- Finance
- Human Resources
- Business administration activities, including IT systems and networks

### 3.2. Our Supply Chain

All of our products are directly imported and supplied to us as finished products for resale to customers directly and solely from our parent company, Blum. We have a single tier supply structure. Our products are distributed by us nationally in Australia through well-established distribution partners and resellers who have been engaged by us on a long term basis. Our supply chain also comprises a number of local suppliers who we have formed long-term relationships with to provide daily services for our day-to-day operations.

Blum Australia's supply chain includes:

- Freight services
- Equipment servicing and maintenance providers, such as forklift maintenance
- Cleaning contractors
- Property maintenance providers, including gardening services, fire system maintenance, electrical and plumbing works
- Providers of general office equipment and supplies, such as printing and stationary supplies
- Supplies of professional services including lawyers, advisors, and consultants – many of whom have been engaged long term
- Distribution through distribution partners, resellers, and industry customers.

#### 4. Risk of Modern Slavery Practices in our Operations and Supply Chain

We are committed to maintaining the highest standards, and to maintaining and improving policies and processes to avoid any potential complicity in high rights violations related to our operations or supply chain network which spans across Australia. Blum Australia's values and focal points are comprehensively detailed in our Orientation which is introduced to all our employees, and we make every effort to incorporate these values into all our daily actions which are undertaken for the sake of the company.

As part of our compliance with the Act, Blum Australia has identified areas within our operations and supply chains which could be at risk of modern slavery practices:

Sector	Modern slavery risks
Employees	<p>We consider the risk of modern slavery in our workforce is low. This is largely due to contractual rights of our employees and the policies and procedures that we have adopted to ensure their rights are protected. We want our employees to embody our values and culture and to inspire our partners and customers alike.</p> <p>Our recruitment process adhere to the relevant employment laws and regulations, and we expect all businesses with whom we interact to abide by all applicable laws when recruiting and employing their own staff.</p>
Products	<p>The products that we supply to customers are our greatest modern slavery risk.</p> <p>Our products are supplied solely by Blum and manufactured in Austria, and Poland. Whilst most of Blum's production activities are conducted inhouse in Austria, they rely on a global supply chain for sourcing materials. Whilst there is inherent risk with this area of supply chain, given that our products are supplied by our parent company Blum which conducts its own modern slavery compliance, we have been comforted by Blum's understanding of, and commitment to, addressing modern slavery risks in its businesses and supply chains through their annual supplier audits. The audits are supported by Blum's Supplier Code of Conduct.</p>
Freight Services and Delivery Agents	<p>All our products are imported from overseas and are primarily delivered to us by ship (40ft container) and by air freight services (LCL). The delivery method is determined by Blum Australia to ensure we are able to support the local Blum market. In turn, we distribute our products nationally through road freight services. We understand that there is a significant risk of modern slavery in shipping and local transportation services.</p> <p>Blum engages with road freight service providers to transfer products nationally from our distribution centre in Sydney to our distributor partners, resellers and industry customers. The road freight service providers have provided a comprehensive modern slavery statement, and/or completed our supplier questionnaire that has been completed to our satisfaction.</p>
Supply Chain - Services	<p>Blum Australia engages with reputable service providers and have established numerous long-term relationships. These relationships have formed cooperation between parties for each other's values and understanding to maintain high ethical standards wherever business is conducted.</p>

## 5. Assessing and Addressing the Risks

Blum Australia has a protocol to evaluate our suppliers and identify high-risk suppliers based on a number of parameters, including known risks and country location.

Blum Australia will take the following actions to assess our modern slavery risks within our supply chain:

- Monitoring existing and new suppliers in respect of adverse media to identify issues relating to social responsibility, including human rights, discrimination, workforce disputes, and health and safety issues;
- Issuing annual supplier questionnaires to select suppliers, tracking completion and following up for additional information if necessary;
- Monitoring our manufacturing supplier to identify events that may indicate risks of modern slavery; and
- Raising awareness on the risks of modern slavery in our supply chain and operations.

### Key Progress:

- Continuous implementation of our due-diligence process for suppliers.
- Ongoing review of employees salaries to ensure they remain above minimum wage.
- Established documented policies and procedures regarding recruitment, leave and working hours.

### Pipeline:

- Roll-out of revised Workplace Behaviour Policy addressing bullying, harassment and discrimination. The policy includes a clear complaints process for complaints against unacceptable behaviours.
- Launch of workplace behaviour training outlining clear expectations for acceptable and unacceptable behaviour, along with the complaints process.
- Launch of Blum Code of Conduct training outlining company expectations for all employees and partners to act ethically, lawfully and with integrity.

Blum Australia is committed to addressing risks of modern slavery from occurring in our supply chain. Some of the actions taken to address the risk of modern slavery occurring include:

#### 5.1. The Blum Code of Conduct and Supplier Code of Conduct

The Blum Code of Conduct (“**Code**”) is aimed at all employees of the Blum Group worldwide and all contractual partners acting in the name of Blum. Blum Australia ensures that its employees comply with the Code. The Code outlines the expectations of Blum Australia; at the same time, it serves as a guide for our conduct and governs our own actions and those of our partners and suppliers, drawing upon international standards and best practices in human rights and sustainability.

At Blum Australia, we value education and transparency and each of our employees are made aware of the expectation that they must be familiar and comply with, including the Code.

In addition to our Code, Blum implemented a Supplier Code of Conduct (“Supplier Code”), addressed to Blum’s suppliers and partners in the supply chain, which focuses on matters relating to the supply chain for products and services. The Supplier Code defines human rights and environmental requirements which aligns also with our own set of values.

The Code, as well as our Supplier Code, will continue to be monitored and updated from time to time to ensure that we approach our social, ethical and environmental responsibilities in an appropriate, contemporaneous and agile manner.

## 5.2. Employee education and compliance

Blum Australia expects all employees to comply with all applicable laws and regulations in the conduct of our business activities. This extends to laws regarding slavery or human trafficking in the countries in which we do business.

Our company values and behaviours include key principles, such as the fundamental human right of respect, valuing people and working safely. As part of the employee onboarding process, every employee receives training on our company values and behaviours, and this is updated with regular refreshers throughout their employment term.

Our Workplace Behaviour Policy is one of many policies that underpin our company values and Code of Conduct. It defines what is acceptable behaviour within our operations and by law, and embodies freedom from discrimination, bullying, intimidation and harassment. This policy includes a complaint mechanism for the management of complaints about

## 5.3. Due Diligence

Blum Australia is currently evaluating audits performed of its suppliers to ensure compliance with Blum Australia's standards for trafficking and slavery in supply chains. Blum Australia conducts due diligence of all of its suppliers before they are introduced to the supply team and become part of Blum Australia's supply network.

Blum Australia will seek to address concerns relating to its direct suppliers and its indirect suppliers, with an initial focus on its direct suppliers.

Blum Australia will continue to review its policies and procedures to ensure that we have sound governance processes in place to meet our modern slavery compliance requirements.

## 5.4. Reporting concerns

Following confirmation of an incident or risk of modern slavery, systematic and immediate action is taken. If our investigative processes determine an issue of non-compliance with our policies by one of our suppliers, we will endeavour to have our business supplier identify and correct those issues. If it is apparent that an individual has suffered harm as a result of such issue, we will seek to ensure that they are "made good" by leveraging our position with our supplier. We have also implemented a framework to identify root causes of those issues to help prevent that issue recurring in the future with that supplier specifically and with our other suppliers generally.

In the event of a breach of the Code, we may subject the supplier to review and potentially terminate our relationship with the supplier. Where any Blum Australia personnel breaches the Code, they will be subject to disciplinary action.

In the event that Blum Australia caused or contributed to the risk, we will re-assess our internal measures to better mitigate any potential risks in future and remedy any actual impact as appropriate.

## 6. Monitoring Effectiveness

Blum Australia will make conscious and considered steps to improve our modern slavery systems and processes over the course of the reporting period and recognize that this is an ongoing journey to which we are committed.

The effectiveness of the measures Blum Australia takes to address the risks of modern slavery is assessed by way of internal audits to ensure periodic assessment and review of the compliance. The outcome of the audit will ensure appropriate governance over the modern slavery risks which will be reviewed at least annually to ensure we address inherent or actual modern risks in our business.



During the course of the next reporting period, we will continue to seek responses to the modern slavery questionnaires that have already been issued and seek to further understand modern slavery risks with additional suppliers.

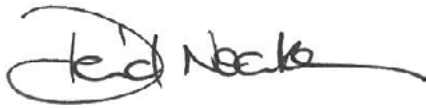
We will work to continue to review and develop further processes to assess the effectiveness of our actions, to align with our commitment to continuous improvement.

## 7. Approval

Blum Australia acknowledges how important it is to address modern slavery risks in its operations and supply chains and take all reasonable steps to eradicate it. The steps that we have taken continue our efforts in this area. Blum Australia is committed to the ongoing delivery of these initiatives and working with its suppliers and other relevant parties to achieve these goals.

This statement was approved by the Board of Blum Australia Pty Ltd for the purposes of section 16(2)(a) of the Act.

Signed,



David Noakes  
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### Contact

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