

MODERN SLAVERY STATEMENT 2022

IMCD AUSTRALIA PTY LTD

Modern Slavery describes situations where offenders use coercion, threats, or deception to exploit victims and undermine their freedom. It is the severe exploitation of other people for personal or commercial gain. By working together and being responsible for the risks in our operations and supply chains, we can prevent all forms of Modern Slavery.

This Modern Slavery statement which meets the Australian *Modern Slavery Act 2018* sets out the steps that the reporting entity IMCD Australia Pty Ltd (“IMCD Australia”) has taken to address the risks of Modern Slavery and human trafficking in its business.

For this statement, IMCD Australia’s reporting period is 1 January 2022 to 31 December 2022.

As a leading speciality and chemicals distribution partner, IMCD Australia wants to contribute to improving society’s health, welfare and prosperity.

IMCD AUSTRALIA’S APPROACH

IMCD Australia is committed to achieving a high standard of ethical behaviour across its business operations and supply chains. IMCD Australia is proud of its people and considers them to be its most valuable asset by far.

IMCD Australia ensures that all its employees work in safe and stimulating conditions.

IMCD Australia respects and supports the protection of human rights and recognises that Modern Slavery in all its forms, including slavery, servitude, forced or compulsory labour and human trafficking is unacceptable. Where possible, IMCD Australia seeks to collaborate with its stakeholders and partners to promote a coordinated approach to tackling these complex modern slavery issues. Consistent with its corporate principles of conducting its business safely and with integrity, IMCD Australia is dedicated to identifying and mitigating Modern Slavery across its organisation and supply chains.

IMCD Australia has certain core values and guiding principles that are essential to our business operations. By giving its employees the freedom to act and empowering them to drive business forward, IMCD Australia has established a dynamic and entrepreneurial

culture. Integrity, transparency and compliance are our core business values that promote a climate of trust. We are all guided by strict financial discipline, no matter where we operate. In our people, we recognise a certain humility and genuine desire to support our business partners. We strive to be reliable and strategic partner to our suppliers and customers, focused on supporting the sustainable growth of their brands.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

IMCD Australia is part of the IMCD Group (“IMCD”).

IMCD is a global leader in the distribution and formulation of speciality chemicals and ingredients, providing solutions to its partners. IMCD continuously engage with its partners to build sustainable, transparent, and resilient supply chains.

IMCD strives to be the global sales channel partner of choice to which suppliers of speciality chemicals and ingredients turn for first-class technical expertise, optimum logistics and solutions that help them innovate, simplify and sustainably grow their business.

IMCD Australia operates throughout Australia with operated and third-party warehouses. IMCD Australia’s head office is in Melbourne.

IMCD Australia offers a comprehensive and complementary product portfolio by partnering with globally reputable suppliers. We cover various industries including Advanced Materials, Beauty and Personal Care, Coatings & Construction, Food & Nutrition, Homecare and I&I, Industrial Solutions, Lubricants & Energy and Pharmaceuticals.

RISK ASSESSMENT

Operations

At IMCD, we have several global policies and procedures promoting the safety of our working environment and the health, safety and security of our employees. In turn, our business partners must adhere to the same guiding principles.

In addition to the existing policies and procedures, to minimise the risk of Modern Slavery, IMCD Australia complies with all local labour, employment and fair work laws of Australia.

Our internal auditing programs ensure the effectiveness of our risk control framework and compliance with our policies.

All these controls help IMCD Australia to manage the risk of Modern Slavery in its operations effectively. However, we recognise there may be residual areas of vulnerability in our operations due to the nature of our service providers. For example, these could

include outsourced services such as office and site cleaning, facilities management and the use of labour-hire contractors.

Supply Chain

The nature of our business means our supply chains are diverse and complex, so we must review, address and mitigate Modern Slavery in any form.

IMCD Australia has identified potential Modern Slavery risks based on the geographic locations of suppliers in our supply chain located in countries listed as higher risk by the Global Slavery Index 2023. The geographic areas posing higher risks in IMCD Australia's supply chain are China and India.¹

In addition, an industry that IMCD Australia services that is known to carry a higher risk of Modern Slavery practices is the Construction industry.

The speciality chemicals distributed by IMCD Australia are sold into many market segments. Rubber products are known to have higher Modern Slavery risks because of the way they are produced, provided, and used.²

Continuous improvement and corrective actions

IMCD Australia will focus on assessing the effectiveness of our actions in identifying and managing modern slavery risks by tracking our activities and outcomes, partnering with suppliers and other external partners, and undertaking regular internal governance.

KEY ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

IMCD Australia's due diligence Processes for Modern Slavery

Suppliers

IMCD's Code of Conduct and ESG standards for IMCD Business partners outline IMCD's zero tolerance for unethical business practices including bribery, slavery, human trafficking and any other improper conduct. The IMCD Code of Conduct and ESG standards for IMCD Business partners are communicated to all current and new direct suppliers.

IMCD expects its business partners to promote compliance with applicable laws and principles outlined in the IMCD Code of Conduct and believes that responsible management of our supply chains can only be achieved together.

Since the last Modern Slavery report, IMCD has updated its Manufacturer/Principal Assessment and Supplier Selection Review process to include Modern Slavery risk identification and mitigation points. A risk assessment was conducted for the existing suppliers and vendors during the reporting period based on the risk categories.

¹ <https://www.walkfree.org/global-slavery-index/>

² <https://modernslaveryregister.gov.au/resources>

Employees

IMCD Australia's employees must review and agree to comply with the Company policies, IMCD Business principles, IMCD values and IMCD's Code of Conduct.

IMCD takes any compliance issues seriously with a thorough investigation which is conducted in a fair and confidential manner. An Internal Alert Procedure and IMCD Ethics and Compliance Hotline are available for employees to seek guidance on any potential violation of our Code of Conduct or other standards or policies or any concern about unethical, illegal or irresponsible activity.

EFFECTIVENESS ASSESSMENT

Sustainability reports published by IMCD Group annually are based on an analysis of social, environmental, and economic performance.

The IMCD Group assessment for EcoVadis is representative of all IMCD companies. IMCD Australia is required to submit data for the IMCD Group assessment for EcoVadis.

Sedex is one of the world's leading ethical trade membership organisations, working with businesses to improve working conditions in global supply chains. IMCD Australia is a member of Sedex. Using Sedex tools and services, IMCD Australia works with its suppliers to ensure they uphold safe, ethical and sustainable business practices, helping protect the working conditions for people within its supply chain.

Our audit processes primarily rely on the effective implementation of supplier questionnaires, risk assessments and supplier review processes.

THE PROCESS OF CONSULTATION ACROSS THE IMCD AUSTRALIA TEAM

IMCD Australia's consultation process for this Modern Slavery Statement for the financial year ending 31st December 2022 included engagement with personnel across the board to confirm the alignment of policies, systems and processes across its business.

This Modern Slavery Statement has been approved by the Board of Directors of IMCD on 30th of June 2023.



Martin Stoemmer

Director- IMCD Australia Pty Ltd