



This Statement is made by Ontex Manufacturing Pty Ltd (**Ontex Manufacturing**) and its wholly owned subsidiary Ontex Australia Pty Ltd (**Ontex Australia**) pursuant to Australian Modern Slavery Act 2018. Ontex Manufacturing and Ontex Australia are committed to upholding human rights. In this Statement we set out these actions taken by Ontex Manufacturing and Ontex Australia during the financial year 2020 to drive out acts of modern day slavery and human trafficking from within our operations and in our supply chain.

About Ontex

In 1979 Ontex was launched in Belgium and has since built an international business through organic growth and key acquisitions (together, **Ontex Group**). In 2010 Ontex established Ontex Manufacturing in Australia and its subsidiary Ontex Australia in 2012. Ontex Group is a leading international producer of personal hygiene solutions in baby, feminine and adult care. Globally, we are an international business employing approximate 10,000 employees with offices and manufacturing plants in Europe, North Africa, China, Australia, the Middle East and the Americas.

Our Own Operations and Supply Chain

Ontex Manufacturing is producing disposable baby diapers and the plant is located at Eastern Creek, NSW. Ontex Australia is distributing personal hygiene goods to retailers, distributors, age care facilities, hospitals and communities. In Australia we have approximately 107 employees from direct employment and contract.

Our global supply chain currently includes raw materials, construction logistics and service sectors. We work with over 200 raw material suppliers. Approximately 48% of them are located in Europe, 36% in North and South America, 15% in Asia and Africa and 1% Oceania. 15% of them are located in a high-risk country. We apply a systematic approach to all risk disciplines, including in our procurement processes, practices and dealing with suppliers.

Ontex Group has a robust corporate governance framework in place with parent company Ontex Board of Directors overseeing our broader human rights program. Underpinning this framework are the Ontex Group's suite of policies, several of which are relevant to modern slavery. In Australia, this suite of policies is complemented by policies that have been developed to ensure compliance with local laws and business practices.

Risk Assessment and Mitigation

To understand potential Modern Slavery risk in our operations as well as in our supply chain, we use the 'Countries risk classification' of Amfori BSCI platform to decide whether we install social audits. This is mapped annually and enables us to identify those areas deemed to give rise to the greatest risk of modern slavery so we can tailor processes to better protect and support workers.

In 2020, 15% of our supplier base was located in high-risk countries, 43% of them are covered by third-party social audit reports. We aim to further increase the number of third-party social audits at suppliers in these countries and to set up mitigation actions with them to address any non-conformities.

Policies and Compliance

All Ontex employees are issued with contracts of employment and they are expected to comply with our Global Code of Ethics which was a broadening of our former Code of Conduct. Our Global Code of Ethics is available in 14 languages and is available on the corporate website (www.ontexglobal.com). In addition to our Global Code of Ethics, Ontex Group has also rolled out a Speak Up Policy and Human Rights Policy. Together these policies assist Ontex Group employees to identify situations where there may be a risk of modern slavery and to speak up about it. The Speak Up access details are available on ontex.com and are open for third parties, like our vendors, suppliers and customers to Speak Up.

In Australia, we also introduced local policies to comply with local legislations including Recruitment & Selection policy, Anti-Discrimination & Employee Equal Opportunity, Workplace Bullying Policy and Grievance & Dispute Resolution Policy. Ontex Manufacturing and Ontex Australia and their employees are obliged to adhere and operate under these policies to provide further clarification of our position on preventing and addressing modern slavery.

Training

Our existing employees were trained on our Global Code of Ethics on its introduction; employees new to the Ontex Group since its introduction are asked to read the Code and agree to it at onboarding. In addition, we organise employee specific training programmes and send regular communications to employees on various topics covered in our Code of Ethics. These are designed to underpin our Global Code of Ethics ensuring adherence to our values. Additionally, a communications plan on Business Social Compliance Initiative (BSCI) expectations has been implemented as part of the social accountability system which operates in the majority of our plants.

Assessing the effectiveness of our risk mitigation actions

Through our employee induction process we raise awareness of the different channels for raising concerns about suspected unethical behaviour or other breaches of our Global Code of Ethics. These channels include reporting misconduct to the line manager, local person of trust, local compliance coordinator, Group compliance, Global Internal Audit Manager or calling an externally and independently operated, confidential Speak Up line.

Any non-compliance to Ontex Group's policies or Global Code of Ethics is actioned immediately and documented into Incident reports, which are reported quarterly to the Executive Management Committee. Incident reports are also sent to our Group Compliance team at headquarters in Belgium to review and assess our actions taken to ensure the effectiveness on our local process and procedures for human rights. We also have the Audit and Risk Committee in Belgium to assess and review any risks and improvement in current operations to prevent any violation in human rights. Key Performance Indicators (KPIs) has been established to measure number of the reports and risks on the incidents.

Audits

Social audits have been carried out in the majority of Ontex Group's plants. These audits entail staff interviews which are conducted by independent external auditors and focus on a number of labour & human rights matters, including forced or compulsory labour.



12 of our plants are in scope of a third-party social audit scheme. Despite of Covid-19, we managed to audit seven of our sites in 2020 and all achieved score of A or B against the Business Social Compliance initiative (BSCI) 1 in line with our requirements. Audit Australian plant has been postponed due to Covid-19. The last audit for Australian plant was in 2018 and obtained a maximum score of A on the BSCI audit that means no issues were found on Modern Slavery topics.

Next to the third-party audits, Ontex conducts internal audit program called Radar Chart program for all Ontex's sites including Australia. The audit is carried out by our own sustainability and quality team over a period of three days. Two internal auditors are assigned to check the site's compliance with applicable regulations and company policies. It also uses this audit as an opportunity to share best practices between sites including a chapter on social accountability.

Consultation with suppliers

Our conditions of trading require each supplier to annually self-audit and self-certify compliance with BSCI or SA8000 and the human trafficking and slavery laws of the country in which it operates. Continued failure to provide this confirmation will lead to the suspension and ultimately, termination of the contract.

Sustainability is part of the procurement process. In order to ensure that our suppliers share our values and meet our mandatory ethical, labor and environmental standards, we are integrating sustainability into every step of the procurement process:

- **Supplier selection**
Potential suppliers must complete a self-assessment questionnaire including sustainability-related questions (covering environment, social and occupational safety).
- **Sustainability criteria in tenders**
New and/or additional sustainability criteria were added to tenders conducted in 2020.
- **Purchase contracts**
To become a supplier, companies must sign the Ontex Supplier Code of Conduct. The document is added to our Purchasing contracts and includes a reference to our Ethical Sourcing Policy.
- **Supplier performance monitoring**
Sustainability performance is a distinct part of our supplier performance review. Suppliers are scored annually on their social and environmental performance so that together we understand and can mitigate risks. In 2020, we implemented a new tool to follow up on the environmental performance of our suppliers.
- **Supplier awards**
Every other year, we celebrate the outstanding suppliers through our supplier awards, including a sustainability supplier award.

In addition, suppliers are contractually obliged to adhere to our Supplier Code of Conduct which includes details about their Human Rights obligations. It includes guidance on bribery and corruption, and a strict prohibition on forced or compulsory labour on International Labour Organisation (ILO) conventions. Our Supplier Code of Conduct also sets out specific requirements designed to protect against child labour, sub-standard workplace environments and unlawful working conditions. We recognise the ongoing challenges and, in addition to our engagement with the Stronger Together initiatives which is aimed at tackling modern slavery industry wide, we continually strive to introduce new measures to further protect against modern slavery in our supply chains.



Looking to the Future

Our continued efforts to drive out further modern slavery, enforced labour and unethical working practices within both our operations and those of our supply chain within the next year include:

- Training – we are expanding our induction and employee training programmes so they provide further guidance and support to staff on modern slavery issues.
- Auditing – we will further roll out the third-party social audit scheme for suppliers in risk areas as identified by our annual mapping exercise.
- Review – policies will be kept under review and updated where necessary to reflect developments in our processes designed to tackle modern slavery and forced labour.

This statement was approved and endorsed by the board of Ontex Manufacturing on 10th of June 2021.



Rod Evans
Director and VP Australia