

**DULUXGROUP
LIMITED -
MODERN SLAVERY
STATEMENT**

2020

imagine
a better place

Contents



OVERVIEW

Our vision of “A Future Without Harm” expresses our continuing commitment to improve the safety and sustainability of our business by identifying and understanding the impacts that our products, operations and supply chain have on people and the planet.

Our commitment extends to identifying, assessing and addressing the risks associated with modern slavery in our operations and throughout our supply chain.

Modern slavery is a serious violation of a person’s basic human rights. It involves using coercion, threats or deception to exploit a worker for commercial gain - undermining their freedom. Modern slavery includes the following types of serious exploitation: trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting, child labour.

We oppose modern slavery in all its forms and respect and support the human rights and freedoms of workers within our operations and throughout our supply chain.

As our first modern slavery statement prepared in accordance with the Modern Slavery Act 2018 (Cth) (Act), we have endeavoured to specify the actions taken to identify and address the modern slavery risks in our operations and throughout our supply chain in the reporting period from 1 January 2020 to 31 December 2020, and our assessment of the effectiveness of those actions.

This statement is made by DuluxGroup Limited (ABN 42 133 404 065) which is a reporting entity for the purpose of the Act and is made on behalf of the following subsidiaries which are also reporting entities for the purpose of the Act:

- Dulux Group (Australia) Pty Ltd (ABN 67 000 049 427)
- DuluxGroup (New Zealand) Pty Ltd (ABN 55 133 404 118)
- Lincoln Sentry Group Pty Ltd (ABN 59 010 624 389)
- B&D Australia Pty Ltd (ABN 25 010 473 971)

In this statement, the collective expressions “we”, “us”, “our”, “ourselves”, “the group”, “Dulux” and “DuluxGroup” are used when we refer to DuluxGroup Limited and any entities which it owns or over which it has control. This is because we operate using group-wide policies and procedures to assess and manage modern slavery risks. It is not intended to convey how we are structured, managed or controlled.

This statement has been reviewed and approved by the board of directors of DuluxGroup Limited, and signed by the chairman of DuluxGroup Limited who is a responsible member of that entity. DuluxGroup Limited is a higher entity for the purpose of the Act and has approved this statement on behalf of the other reporting entities specified above.



Patrick Houlihan
Chairman and CEO - DuluxGroup Limited
29 June 2021



WHO WE ARE

Our Structure

We are a diversified business that researches & develops, manufactures & sources, markets & promotes and sells & distributes commercial, industrial and consumer products to trade and do-it-yourself (DIY) customers through our subsidiaries and business divisions in Australia and globally.

Below is a summary of each key subsidiary or business division, the key products they supply and the key brands associated with those products which we own or are licensed to re-sell.



| KEY SUBSIDIARY OR BUSINESS DIVISION | KEY PRODUCTS | KEY BRANDS WE OWN OR ARE LICENSED TO RE-SELL |
|-------------------------------------|---|---|
| Dulux | Decorative paints, woodcare coatings, texture coatings, powder coatings, protective coatings, tools and accessories for paints and coatings | Dulux, British Paints, Berger, Walpamur, Porter's Paints Dulux Acratex, Dulux Powder Coatings, Dulux Protective Coatings, Dulux EnviroSolutions Cabot's, Feast Watson, Intergrain, RotaCota |
| Selleys | Adhesives, sealants, fillers, paint preparation products and accessories | Selleys, Parfix, Poly, Polyfila, Polyglaze, TurtleWax, Hillmark |
| Parchem | Construction chemicals, decorative concrete products and related equipment | Dulux Avista, Emer, Fosroc, Flextool, Edencrete |
| B&D | Garage doors, automatic openers | B&D, Automatic Technology, Garador, Dominator |
| Lincoln Sentry | Cabinet and architectural hardware and related products | Lincoln Sentry, Blum, Finista, Lockwood Assa Abloy, Breezeway |

CONTINUED...

| KEY SUBSIDIARY OR BUSINESS DIVISION | KEY PRODUCTS | KEY BRANDS WE OWN OR ARE LICENSED TO RE-SELL |
|-------------------------------------|---|--|
| Yates | Fertilisers, potting mix, pest & disease control, lawn care, seeds, pots, organic gardening products. Home garden products, including fertilisers, potting mix, pest & disease control, lawn care, seeds, accessories, organic gardening, organic crop protection and nutritional products | Yates, Hortico, Eco, Watkins, Dynamic Lifter, Thrive, Zero, Munns, Ratsak, OCP |
| DGL International | Acquisitions of products, outlets and distribution channels globally | Craig & Rose (UK), Maison Deco (France) |



WHO WE ARE

Our Operations

At the end of the reporting period, we had a workforce of 3,912 employees based in the following locations:

| LOCATION | EMPLOYEES |
|------------------|-----------|
| Australia | 3,044 |
| New Zealand | 523 |
| Papua New Guinea | 112 |
| Mainland China | 107 |
| United Kingdom | 71 |
| France | 45 |
| Singapore | 4 |
| Hong Kong | 3 |
| United States | 3 |
| TOTAL | 3,912 |

Our workforce is comprised of the following types of employees:

| EMPLOYMENT TYPE | % OF TOTAL WORKFORCE |
|-----------------|----------------------|
| Full time | 85% |
| Part time | 9% |
| Casual | 6% |
| Total | 100% |



WHO WE ARE

Our Supply Chain

Our supply chain comprises suppliers supplying direct goods and indirect goods and services. Direct goods are:

- Goods supplied to us for use in the goods we manufacture and ultimately sell to customers, such as raw materials and packaging
- Goods supplied to us as finished product for resale to customers

Indirect goods and services are goods and services we acquire to conduct our business, but which are not included in the products we ultimately sell to customers.

We have approximately 3,300 suppliers supplying the following types of goods and services:

| SUPPLIER TYPE | SUPPLIERS (APPROXIMATE) | EXAMPLES |
|--|-------------------------|---|
| Direct goods - raw materials and packaging | 500 | Latex, minerals, pigments, tinters and other chemicals |
| Direct goods - finished products | 800 | Hardware, aerosols, painting accessories, concreting equipment and garage door components |
| Indirect goods and services | 2,000 | Marketing and media, consulting services, IT and telco, fleet vehicles, contract labour, waste management, utilities, recruitment services, warehouse consumables and facilities management |

Approximately 72% of our spend on direct goods is with suppliers located in Australia. The remaining approximately 28% of our spend on direct goods is with suppliers in the following locations:

- Mainland China (approximately 9%)
- New Zealand (approximately 7%)
- Singapore, United States, Germany (approximately 2% each)
- Japan, Italy, Netherlands, Taiwan (approximately 1% each)
- Malaysia, Canada, Mexico, Switzerland, South Korea, India, Thailand, Indonesia, United Kingdom (less than 1% each)

Approximately 90% of our spend on indirect goods and services is with suppliers located in Australia, with the remaining approximately 10% of our spend with suppliers located in New Zealand.



WHO WE ARE

Our Activities

- Research & Develop**
 We carry out research and development activities and source associated goods and services through our R&D teams in all our locations.
- Manufacture & Source**
 We source direct goods (raw materials, packaging and finished products) and associated goods and services globally. We manufacture products from our facilities in the following locations:
 - Australia
 - New Zealand
 - Papua New Guinea
 - Mainland China
 - United Kingdom
- Market & Promote**
 We carry out marketing and promotional activities and source associated goods and services through our marketing teams in all our locations for the following markets:
 - Australia
 - New Zealand
 - Papua New Guinea
 - United Kingdom
 - Europe
 - Asia
 - United States
- Sell & Distribute**
 We sell products to trade customers and DIY customers online or through our outlets and distribution channels in the following markets:
 - Australia
 - New Zealand
 - Papua New Guinea
 - United Kingdom
 - Europe
 - Asia
 - United States



WHO WE ARE

Acquisitions

If we acquire a business during the reporting period, we use that reporting period to transition the business to our group-wide policies and procedures, with the full assessment of the effectiveness of our actions in addressing modern slavery risks within that business then included in the next reporting period.





In order to assess the inherent (uncontrolled) risk level for each aspect of our operations and supply chain, we considered the geographical risk of operating in and sourcing goods and services from each of the locations and the sector risk of the activities or supply in those locations. We have undertaken this analysis by reference to:

RISKS

- **Geography**

We categorised the geographies in which each activity occurs or supplier operates against the **Global Slavery Index 2018** prepared by the Walk Free Institute. We allocated a risk rating for each location on the basis of estimated prevalence of population in modern slavery (victims per 1,000 population), with low risk less than 3 victims per 1,000 people, moderate risk between 3 and 7 victims per 1,000 people and high risk over 7 victims per 1,000 people.

- **Sector**

We considered the sectors and goods and services covered by our operations and supply chain against accepted indicia of modern slavery risk. Relevant sectors we considered to have high inherent (uncontrolled) risk are raw materials production and manufacturing.

Conventional risk assessment methodology indicates that the highest level of modern slavery risk is likely to exist at the intersection of two or more high-risk factors. In contrast, where no high risk factors are identified, such operations are determined to be low-risk. Moderate modern slavery risk arises where a single risk factor is present.

Assessment of modern slavery risks within our operations

Below is our assessment of the inherent (uncontrolled) modern slavery risks in the locations in which we operate:

| LOCATION | GEOGRAPHICAL RISK |
|------------------|---|
| Australia | Low risk – estimate of 0.65 people per 1,000 affected by modern slavery |
| New Zealand | Low risk – estimate of 0.64 people per 1,000 affected by modern slavery |
| Papua New Guinea | High risk – estimate of 10 people per 1,000 affected by modern slavery |

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RISKS

| LOCATION | GEOGRAPHICAL RISK |
|----------------|--|
| Mainland China | Low risk – estimate of 2.77 people per 1,000 affected by modern slavery |
| United Kingdom | Low risk – estimate of 2.08 people per 1,000 affected by modern slavery |
| France | Low risk - estimate of 2.01 people per 1,000 affected by modern slavery |
| Singapore | Moderate risk - estimate of 3.43 people per 1,000 affected by modern slavery |
| Hong Kong | Low risk - estimate that 1.4 people per 1,000 affected by modern slavery |
| United States | Low risk -estimate of 1.26 people per 1,000 affected by modern slavery |

While marketing & promotion, research & development and sales & distribution are low risk activities, we are aware that manufacturing - especially raw materials production and manufacturing involving chemical processing and products for the building and construction sector may have a higher risk of modern slavery.

CONTINUED...



RISKS

Assessment of modern slavery risks throughout our supply chain

Below is our assessment of the inherent (uncontrolled) modern slavery risks in the top 10 locations from which we source goods and services:

| LOCATION | GEOGRAPHICAL RISK |
|----------------|--|
| Australia | Low risk - estimate of 0.65 people per 1,000 affected by modern slavery |
| Mainland China | Low risk - estimate of 2.77 people per 1,000 affected by modern slavery |
| New Zealand | Low risk - estimate of 0.64 people per 1,000 affected by modern slavery |
| Singapore | Moderate risk - estimate of 3.43 people per 1,000 affected by modern slavery |
| United States | Low risk - estimate of 1.26 people per 1,000 affected by modern slavery |
| Germany | Low risk - estimate of 2.04 people per 1,000 affected by modern slavery |
| Japan | Low risk - estimate of 0.29 people per 1,000 affected by modern slavery |
| Italy | Low risk - estimate of 1.26 people per 1,000 affected by modern slavery |
| Netherlands | Low risk - estimate of 2.43 people per 1,000 affected by modern slavery |
| Taiwan | Low risk - estimate of 0.49 people per 1,000 affected by modern slavery |



RISKS

While management of sourcing is a low risk activity, we are aware that manufacturing - especially raw materials production and manufacturing and manufacturing involving chemical processing and products for the building and construction sector may have a higher risk of modern slavery.

The top 10 locations account for approximately 98% of our supply chain spend.

Many of our key suppliers are large, multi-national organisations located in Australia and New Zealand who are themselves assessing and addressing modern slavery risks.

As most products are highly refined and have their own complex supply chain, it is difficult to have full visibility of each supply chain tier. While in this reporting period, we have focussed on the first tier of suppliers, in subsequent reporting periods we intend to focus on the next tier of suppliers deemed to be "high risk" under our Sustainable Procurement Program.





ACTIONS

Actions taken to assess and address modern slavery risks within our operations

(i) Governance structure and key accountabilities

Our People, Culture & Change (PCC) team focusses on managing people, culture and change across our business, at both a group level and within each key subsidiary and business division, to ensure a consistency of understanding and approach.

The PCC team is responsible for developing the tools, processes and systems to enable our business to manage and address modern slavery risks within our operations. The PCC team also monitors and reports on human rights and other potential breaches associated with modern slavery that may arise within our operations.

(ii) Key policies

To embed a framework and culture of treating workers with dignity and respect, the PCC team have formulated, and now manages and monitors the following policies:

- **Values & Behaviours**
Our Values & Behaviours are the primary principles that guide our workers in how we deliver on our core purpose and achieve our strategic goals. Our Values & Behaviours include key principles, such as the fundamental human right of respect, valuing people and working safely.
- **Code of Conduct**
Our Code of Conduct helps to ensure that the way our workers behave and the decisions they make are true to our Values & Behaviours and consistent with our legal and ethical obligations. Among other things, our Code of Conduct provides more detail around a worker's human right to freedom from discrimination, intimidation, harassment and violence in the workplace. The code applies to both workers employed within our operations and those engaged as contractors, consultants and individuals from labour hire providers. The code is available in English, Chinese and French.
- **Appropriate Workplace Behaviour Policy**
Our Appropriate Workplace Behaviour Policy is one of many policies that underpin our Values & Behaviours and Code of Conduct. It defines in more detail what is acceptable and unacceptable behaviour within our operations and by law, including freedom from discrimination, intimidation and harassment and includes a complaint mechanism for the management of unacceptable behaviour complaints. This policy is available in English, Chinese and French.

(iii) Key programs and initiatives

To effectively identify and manage modern slavery risks within our operations, the PCC team have formulated and implemented the following programs and initiatives:

- **Speak Up Program (Whistleblowing)**

Our Speak Up Program is underpinned by the Speak Up Policy and Speak Up Line. The program is overseen by the Speak Up Committee.

The Speak Up Policy provides a framework for reporting any breaches of our Values & Behaviours, Code of Conduct and other relevant policies, including modern slavery and human rights breaches, and contains whistleblowing protections. This policy is available in English, Chinese and French.

The Speak Up Line provides an avenue for workers to make confidential and anonymous complaints related to suspected policy breaches. The Speak Up Line operates 24 hours a day, 7 days a week in English, Chinese, French, Pidgin English, Hindi, Bahasa and Melayu.

The Speak Up Committee comprises members of the executive team and select senior workers from group functions such as PCC, S&S, Supply Chain, Risk and Legal. It meets on a quarterly basis to manage and monitor complaints or grievances arising from potential policy breaches.

While the Speak Up Program applies to and can be utilised by workers of suppliers throughout our supply chain, the complaint handling process to date has mainly focussed on workers within our operations. We continue to work towards improving the understanding and awareness of the program for workers of our suppliers.

- **Workplace practices internal review**

To assist us in identifying areas associated with modern slavery risks in our working arrangements, we carry out a high-level review of our workplace practices in each location in which we operate every 2 years.

The internal review comprises a desk-top information gathering exercise used to benchmark the applicable laws and regulations relating to labour and human rights in each location in which we operate to ensure we have processes and procedures to comply with those requirements and obligations. This includes assurance in the following areas:

- Ensuring minimum age limits for employment, being the higher of the age limit defined by the local law in the country of employment and the international labour organisation (ilo) convention 138
- Verifying worker eligibility in the country of employment
- Ensuring migrant workers have the same employment entitlements as local workers, and covering any recruitment fee associated with their employment
- Ensuring employment conditions are free from discrimination based on gender, ethnic origin, religion, disability, marital status, sexual orientation, pregnancy or political affiliation
- Ensuring local compliance with leave and other entitlements
- Ensuring work hours are not excessive
- Providing workers with a clear, understandable labour contract containing all legally required employment terms, entitlements and conditions
- Paying wages and benefits that meet (or exceed) the local law and industry benchmark, are paid regularly on time and are subject to accurate and transparent record keeping



ACTIONS

- **Human rights training**

All workers are required to undertake training every 2 years, with the training delivered to workers either by an e-learning module or in person. This training includes modules relating to human rights, such as discrimination, harassment and bullying. At management level, workers are also required to undertake manager-specific training on these topics, with the training delivered to managers by an e-learning module.

- **Other initiatives**

In the reporting period, we focussed on mitigating the human rights, safety, health and well-being risks of our workers as a result of the COVID-19 pandemic, and provided resources and education on infection prevention, COVID safe work environments and mental health. In certain business areas, we conducted employee pulse surveys to gain insights into the impact the COVID-19 pandemic was having on our workers, and responded accordingly.

With some workers experiencing sudden income loss due to border closures and travel restrictions, we monitored the impact and provided support, including financial support, where possible.

With increased product demand, we focused on managing excessive overtime and mitigating worker fatigue. We supplemented our workforce with individuals from our labour hire providers appointed under our Sustainable Procurement Program.

While it has been a challenge assessing these risks given the fluid situation across the reporting period, we continue to monitor the potential financial and health and well-being impacts of the pandemic on our workforce.

Actions taken to assess and address modern slavery risks throughout our supply chain

- (i) **Governance structure and key accountabilities**

Our Safety & Sustainability (**S&S**) team is focussed on managing safety and sustainability across our business, at both group level and within each key subsidiary and business division, to ensure a consistency of understanding and approach. The sustainability component encompasses sourcing practices and processes and the impacts of our business activities on people and the planet.

Our S&S team is responsible for developing the tools, processes and systems to enable our business to manage and address modern slavery risks throughout our supply chain.

The S&S team is led by the Safety & Sustainability Council, which comprises members of the executive team and is charged with maintaining oversight of our safety and sustainability goals and performance, including regular review of our objectives and performance in managing sustainable procurement and modern slavery risks throughout our supply chain.



ACTIONS

- (ii) **Key policies**

To embed a culture of “work safe, home safe”, the S&S team have formulated, and now manages and monitors the following policies:

- **Safety & Sustainability Policy**

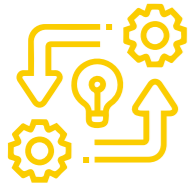
Our Safety & Sustainability Policy describes our vision of “A Future Without Harm” and expresses our commitment to continually improve the safety, health, environmental and community impacts associated with our products, operations and people. Among other things, our Safety & Sustainability Policy provides more detail around our approach to fully understanding the safety and sustainability impacts associated with our business activities, including our operations and procurement processes, and to apply a rigorous and consistent risk-based management approach to minimise impacts.

- **Sustainable Procurement Policy**

Our Sustainable Procurement Policy specifies our commitment to understanding our supply chain and ensuring that environmental, health and safety, modern slavery, labour and human rights considerations are embedded into our sourcing processes and procedures. The policy specifies our expectations and requires suppliers to cascade those requirements to their own supply chain, with the aim of impacting lower tier suppliers over time. The policy is currently available in English, Chinese, Italian and French.

Our goal is for all our suppliers to understand and comply with the policy.

As part of the supplier onboarding process, we require new suppliers to accept and agree to comply with the requirements specified in the policy. As our existing supply agreements come up for renewal, we require these suppliers to accept and agree to comply with the obligations specified in the policy.



ACTIONS

(iii) Key programs and initiatives

To effectively identify and manage modern slavery risks throughout our supply chain, the S&S team have formulated and implemented the following programs and initiatives:

- **Safety & Sustainability Management Framework**

The S&S team maintains an integrated Safety & Sustainability Management Framework to enable delivery of our Safety & Sustainability Policy. The framework is implemented across all key subsidiaries and business divisions and comprises safety and sustainability standards, tools and systems, including the Sustainable Procurement Program, as well as an audit program to assess and verify performance.

- **Sustainable Procurement Program**

We manage modern slavery risks throughout our supply chain through our Sustainable Procurement Program.

The program is designed to accord with standard global supply chain systems and guidance, including International Labour Organisation (ILO) conventions, the Ethical Trading Initiative (ETI) base code, ISO 14001 and the SEDEX code, with the aim of identifying and addressing modern slavery risks and maintaining a responsible and transparent supply chain.

The program is being progressively rolled out to our suppliers as part of a broader supplier management platform.

The program includes communicating our Sustainable Procurement Policy to suppliers, and assessing and approving suppliers based on our Sustainable Procurement Standard and undertaking on-site verification audits of suppliers (and their facilities) to verify compliance with the standard and specify improvement actions (if required).

For further information on the Sustainable Procurement Standard, please refer to the table.

- **Ethical sourcing and modern slavery awareness training**

For senior managers, the safety and sustainability management training program includes an ethical sourcing and modern slavery awareness module. For the procurement team, the S&S team arranges regular training on sustainable procurement, which includes a component on modern slavery.

- **Other initiatives**

In the reporting period, the S&S team commenced a review and assessment of third-party information systems and collaborative supply chain information platforms and the role they could play in improving the visibility of modern slavery risks within lower tiers of suppliers throughout our supply chain.

Sustainable Procurement Standard Table

The standard is an internal procedure that we use to identify the qualification requirements of a supplier based on an assessment of its environmental, health and safety, modern slavery, labour and human rights compliance, as well as the supplier's own supply chain management processes.

Based on a series of risk factors, we tailor the scope and depth of the supplier assessment accordingly.

The risk factors include:

- the supplier's location and industry
- the goods or services the supplier supplies
- the raw materials used to produce those goods and services, such as hazardous materials or environmentally damaging materials

Assessment and approval process

Our goal is to have all our suppliers assessed, approved and monitored in accordance with the standard.

Currently, the assessment and approval process is applied to:

- All suppliers of direct goods (raw materials, packaging and finished products (excluding contract manufactured finished products)) where our annual spend with them is more than \$100,000
- All suppliers of contract manufactured finished products where our annual spend with them is more than \$10,000
- All suppliers of indirect goods and services where our annual spend with them is more than \$100,000

We recognise that modern slavery risks may exist at lower spend levels. Once the initial implementation is complete, we intend to review the spend threshold.

If a supplier meets the spend threshold specified above, they are requested to complete and respond to a risk assessment questionnaire, which is a series of questions relating to legal compliance, bribery and corruption, modern slavery, employment conditions, health and safety and the environment.

Based on the supplier's response to the questionnaire, we may either reject the supplier and not engage them, or approve the supplier (fully or conditionally) and engage them.

While we will work with suppliers to address gaps identified through the process, we do not accept non-conformance with the minimum requirements of the standard relating to fraud, bribery and corruption and modern slavery, and will reject those suppliers.

We conditionally approve the supplier and engage them if the supplier's response demonstrates that, while they may not meet other requirements of the standard, they are working towards doing so. However, the approval is conditional on the supplier satisfactorily formulating and implementing an improvement plan.

We re-assess and re-verify suppliers based on the standard on a regular basis. If a supplier has been fully approved by us based on the standard, we re-assess that supplier every 5 years. If a supplier has been conditionally approved by us based on the standard, we re-assess that supplier at least every 2 years.

On-site verification audits

Under the standard, we are able to undertake on-site verification audits of suppliers (and their facilities) either as part of the on-boarding process or during our ongoing engagement with them.

Our goal is to have objective criteria specified in the standard for identifying and selecting suppliers for undertaking on-site verification audits of. Currently, we undertake on-site verification audits of suppliers (and their facilities) based on a subjective assessment of the risk factors specified above.



EFFECTIVENESS

We recognise that it is not possible to assess the effectiveness of each of the actions specified above on an “action-by-action” basis. Instead, the tables below specifies what we consider to be indicative of an effectively functioning modern slavery risk management framework and assists us in assessing whether that framework and the actions specified above, are effective in mitigating modern slavery risks within our operations and throughout our supply chain.

Effectiveness of actions taken within our operations

Our measures of the effectiveness of the actions undertaken above to assess and address modern slavery risks within our operations are outlined below:

| ACTION | MEASURE | OUTCOME |
|---|---|---|
| Employee complaints and grievances – modern slavery and human rights breaches | Ongoing monitoring and reporting | There have been no reported suspected modern slavery or human rights breaches in the reporting period. Well-being dashboard tabled to executive team quarterly used to identify group trends, implications and improvements |
| Speak Up Program (Whistleblowing) – modern slavery and human rights breaches | Ongoing monitoring and reporting | There have been no reported suspected modern slavery or human rights breaches in the reporting period. Formal report tabled to executive team 3 times a year used to identify patterns and implement group-wide improvement plans |
| Workplace practices internal review – modern slavery risks in each location in which we operate | A high-level review carried out every 2 years | The most recent review indicated that our workplace practices complied with labour and human rights requirements in each location in which we operate. |
| Human rights training (discrimination, harassment and bullying) – all workers | Workers must complete training every 2 years Bi-annual reporting to managers | We aim to keep completion rates above 80%. If the rate falls below this level, we undertake focused work with the relevant subsidiary or business division. During the reporting period, the completion rate was 83%. In considering the effectiveness of the training, we look at the completion rates, the internal human rights grievance rates and the number of litigated matters. |

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| ACTION | MEASURE | OUTCOME |
|--|---|---|
| Human rights training (discrimination, harassment and bullying) - managers | Managers must complete training every 2 years | We aim to keep completion rates above 80%. If the rate falls below this level, we undertake focused work with the relevant subsidiary or business division. During the reporting period, the completion rate was 90%. In considering the effectiveness of the training, we look at the completion rates, the internal human rights grievance rates and the number of litigated matters |
| COVID-19 pandemic (impact on workers) | Ongoing reporting and monitoring. Ad hoc employee pulse surveys undertaken | During the reporting period, we undertook a number of pulse surveys at the business unit or location level to better understand employee sentiment, issues and concerns. No modern slavery risks arose from those surveys. Where patterns emerge, a targeted response is developed to address the concern identified. |

Effectiveness of actions taken throughout our supply chain

Our measures of the effectiveness of the actions undertaken above to assess and address modern slavery risks throughout our supply chain are outlined below:

| ACTION | MEASURE | OUTCOME |
|--|--|--|
| Safety & Sustainability Management Framework | Measure and monitor the number of key priorities and performance objectives relating to modern slavery risks identified in the annual improvement plan | 84 supplier improvement actions have been identified |
| Sustainable Procurement Program | Increase percentage of suppliers being assessed, approved and monitored under the standard year-on-year | Assessments completed for 60% of raw material suppliers Assessments completed for 95% of finished product suppliers |
| Sustainable Procurement Program | Commence on-site verification audits of suppliers under the standard | On-site verification audits undertaken in respect of 2 suppliers |
| Sustainable Procurement Program | Measure and monitor the number of suppliers rejected due to failure to conform with the minimum requirements of the standard and policy relating to fraud, bribery and corruption and modern slavery | No suppliers rejected |
| Safety & Sustainability Management Training Program (ethical sourcing and modern slavery awareness module) | Increase completion rates for senior managers year-on-year | 26 senior managers completed training |



CONSULTATION AND ENGAGEMENT

Our actions to assess and address modern slavery risks are formulated, implemented, measured and monitored across our key subsidiaries and business divisions at group level under a single governance framework. With our group-wide approach to modern slavery risk management, we are assessing and reporting on the modern slavery risk management tools, processes and systems available in all reporting entities, as well as entities which those reporting entities own or control.

The PCC team is led by a member of the executive team (Executive General Manager – PCC), with business leads in each key subsidiary or business division, who are also members of the leadership teams in each of those key subsidiaries or business divisions. The PCC business leads are supported at group level by a small group of PCC specialists.

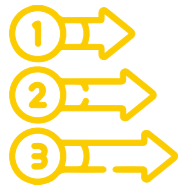
The S&S team lead reports through to a member of the executive team (Executive General Manager - Supply Chain) with business leads in each key subsidiary or business division, who are also members of the leadership teams in each of those subsidiaries or business divisions. The S&S business leads each have a team with different specialty areas and are supported at group level by S&S specialists.

Through the single governance framework of the PCC team and the S&S team, our policies, programs and initiatives relating to modern slavery are group-wide, applied and updated by a cross-functional team and monitored by our executive team, which is made up of a representative from each key subsidiary and business division. Although the PCC and S&S teams report into different executive members, the two teams (together with all other group function teams) work closely with each other in a cross-functional capacity on a variety of projects, programs and initiatives, including modern slavery.

Through these mechanisms, we ensure that consultation regarding modern slavery risks occurs between reporting entities and other parts of our business.

In the process of preparing this statement, we provided and presented draft versions of this statement and supporting documents to the senior leadership teams of each key subsidiary and business division, our executive team and the boards of each of the reporting entities. We also arranged information sessions to seek feedback on our modern slavery risk management framework and raise awareness of modern slavery risks within our operations and throughout our supply chain.





NEXT STEPS

We are committed to continually improving our governance structure and policies, programs and initiatives to effectively identify, assess and address modern slavery risks.

While we believe we already have a solid modern slavery risk management framework in place, we have used the first reporting period to identify gaps and strengthen components of our existing framework for future reporting periods.

Operations

We intend to take the following steps to further improve how we assess and address modern slavery risks within our operations:

- Undertaking a more nuanced approach to risk assessment.
- Formulating a modern slavery policy specific to how we manage our workers in accordance with our modern slavery and human rights obligations.
- Undertaking a review of the Speak Up Program to identify gaps and make recommendations to the Speak Up Committee and report to the executive team.
- Improving the rigour of our workplace practices internal review, with a focus on modern slavery risks for our workers in all of the locations in which we operate.
- Formulating and adopting a training module specifically focused on modern slavery risks and with content that is accessible, understandable and adaptable to the different locations in which our workers operate.
- Improving the understanding and awareness of our modern slavery obligations across the group, with a focus on monitoring and reporting.
- Improving the understanding and awareness of our policies for our indirect workers, including contractors, consultants and individuals provided by labour hire providers.

Supply Chain

Over the next reporting period, we are working on the following initiatives to improve our assessment of modern slavery risks throughout our supply chain:

- Increasing the number of suppliers assessed and approved under our Sustainable Procurement Standard, with a target of 80% of raw material suppliers and 100% of finished product suppliers.
- Reviewing our current spend threshold for applying the Sustainable Procurement Standard to suppliers.
- Reviewing our criteria for undertaking on-site verification audits of suppliers (and their facilities) under the Sustainable Procurement Standard.
- Completing on-site verification audits for additional suppliers.
- Implementing measures to track supplier performance, especially if improvement actions have been identified with a conditionally approved supplier.
- Commencing a review of the next tier of suppliers deemed to be “high risk” under our Sustainable Procurement Program.
- Completing our review and assessment of third-party information systems and collaborative supply chain information platforms and the role they may play in improving the visibility of modern slavery risks within lower tiers of suppliers throughout our supply chain.
- Developing a stand-alone modern slavery e-learning training module for the procurement team.
- Reviewing and updating our assessment of modern slavery risks throughout our supply chain based on information sourced from our supplier assessments and the latest modern slavery data.