









**DULUXGROUP  
LIMITED -  
MODERN SLAVERY  
STATEMENT**

**2021**

*imagine*  
a better place

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## EXECUTIVE SUMMARY

**This is our second modern slavery statement prepared in accordance with the Modern Slavery Act 2018 (Cth) (Act).**

In this statement, we've outlined the actions taken to identify, assess and address modern slavery risks within our operations and throughout our supply chain in the reporting period from 01/01/2021 to 31/12/2021, and our assessment of the effectiveness of those actions.

### Key highlights include:

- Mapping our supplier manufacturing locations based on our knowledge and understanding
- Reviewing our supplier assessment tools used as part of the Sustainable Procurement Program
- Becoming a member of the SEDEX program, a collaborative supply chain information platform
- Carrying out a modern slavery risk assessment using RADAR, a supplier risk assessment tool provided by SEDEX
- Revising and relaunching our Code of Conduct
- Reviewing and updating the Speak Up Program
- Reviewing and updating e-learning modules relating to human right
- Procuring and developing content for a modern slavery awareness e-learning module

## 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 modern slavery risks within 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.

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:

- DuluxGroup (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 manage modern slavery risks. It’s not intended to convey how we’re 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 2022



## WHO WE ARE

### Our Structure

We are a diversified business that researches and develops, manufactures and sources, markets and promotes and sells and distributes commercial, industrial and consumer products to trade customers and consumers through our subsidiaries and business divisions in Australia and globally.

Table 1 summarises 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 as at the end of the reporting period.





## WHO WE ARE

Table 1

KEY SUBSIDIARY OR BUSINESS DIVISION	KEY PRODUCTS	KEY BRANDS WE OWN OR ARE LICENSED TO RE-SELL
Dulux	Decorative paints, decorative concrete products, woodcare coatings, texture coatings, powder coatings, protective coatings, tools and accessories for paints and coatings, construction chemicals and related equipment	Dulux, British Paints, Berger, Walpamur, Porter's Paints, Dulux Avista, Spring  Dulux Acratex, Dulux Powder Coatings, Dulux Protective Coatings, Dulux EnviroSolutions, Emer, Fosroc, Flextool, Edconcrete  Cabot's, Feast Watson, Intergrain, RotaCota
Selleys	Sealants, adhesives, fillers, paint preparation products and accessories	Selleys, Parfix, Poly, Polyfila, Polyglaze, TurtleWax, Hillmark, Admil
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, Breezway, HexFix, Hera
Yates	Fertilisers, potting mix, pest and disease control, lawn care, seeds, pots, organic gardening products Home garden products, including fertilisers, potting mix, pest and disease control, lawn care, seeds, accessories, organic gardening, organic crop protection and nutritional products	Yates, Hortico, Watkins, Dynamic Lifter, Thrive, Zero, Munns, Ratsak, OCP, Slasher, Yates Weed 'n' Feed
DGL International	Products, outlets and distribution channels globally	Craig & Rose (UK), Maison Deco (France)



## WHO WE ARE

### Our operations

As at the end of the reporting period, we had 4,245 employees. Table 2 outlines the number of employees by location.

While the majority of employees are located in Australia and New Zealand, there are also employees located in China, Papua New Guinea, United Kingdom, France, United States and Singapore.

As at the end of the reporting period, we had a mixture of full time, part time and casual employees. Table 3 outlines the employment type.

While the majority of employees are full time, we also employ part time and casual employees.

Table 2  
NUMBER OF EMPLOYEES BY COUNTRY

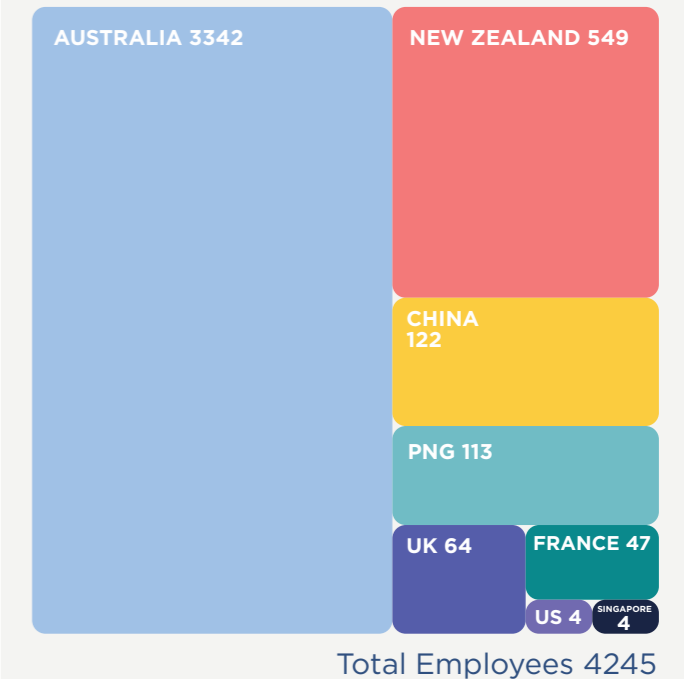


Table 3  
EMPLOYMENT TYPE

● Full time ● Part time ● Casual





## WHO WE ARE

### Our Supply Chain

Our supply chain comprises suppliers and providers of both direct goods and indirect goods and services.

Direct goods are goods supplied to us for use in the products we manufacture and ultimately sell to customers, such as raw materials and packaging, as well as goods supplied to us as finished product for resale to customers.

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

As at the end of the reporting period, we spent approximately \$1.2 billion with 3,300 suppliers and providers of both direct goods and indirect goods and services. Table 4 outlines the supplier or provider type by DuluxGroup spend, supplier or provider number and the key goods and services they supply or provide.

**Table 4**

SUPPLIER OR PROVIDER TYPE	DULUXGROUP SPEND (APPROX %)	SUPPLIER OR PROVIDER NUMBER (APPROX %)	KEY GOODS AND SERVICES SUPPLIED OR PROVIDED
Direct goods - raw materials and packaging	43%	15%	latex, minerals, pigments, tinters and other chemicals metal, plastic and fibre packaging
Direct goods - finished products	32%	24%	hardware, aerosols, painting accessories, concreting equipment and garage door and automatic opener components
Indirect goods and services	25%	61%	marketing and media, consulting services, IT and telco, fleet vehicles, contract labour, waste management, utilities, recruitment services, warehouse consumables and facilities management
<b>Total</b>	<b>100%</b>	<b>100%</b>	

Of the DuluxGroup spend on indirect good and services, approximately 95% was spent on procuring goods and services from suppliers and providers located in Australia and New Zealand, with the remaining 5% spent on procuring goods and services from suppliers and providers located outside Australia and New Zealand.

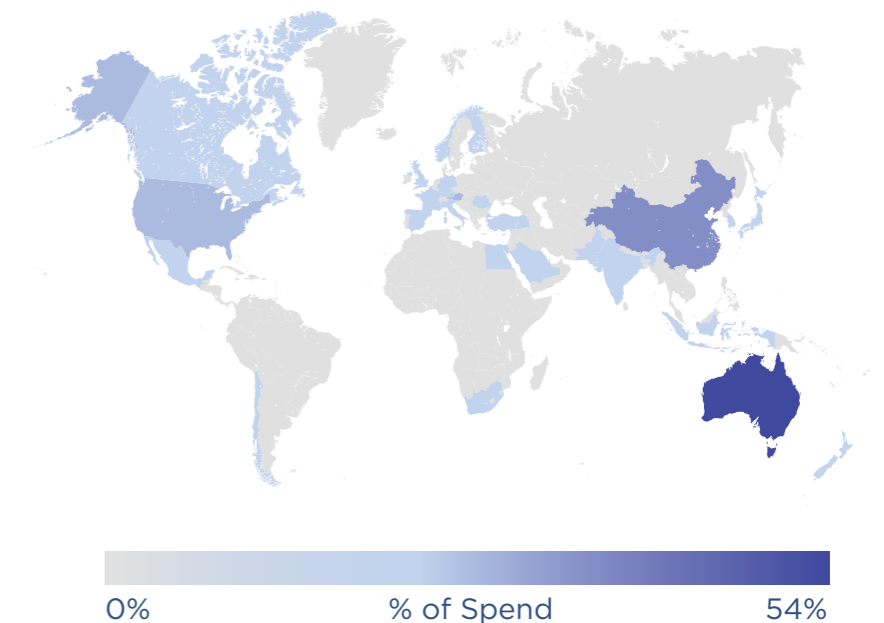
Of the DuluxGroup spend on direct goods, 54% was spent on procuring goods manufactured in Australia, with the remaining 46% spent on procuring goods manufactured outside Australia.

During the reporting period, we mapped the locations of our direct goods by manufacturing location based on our current knowledge and understanding and table 5 outlines our mapping results.

Of the DuluxGroup spend on direct goods

**Table 5**  
**DIRECT GOODS SOURCE COUNTRY**

- approximately 54% is manufactured in Australia
- approximately 14% is manufactured in China
- approximately 7% is manufactured in Austria
- approximately 6% is manufactured in New Zealand
- approximately 3% is manufactured in the United States



with the remainder being manufactured in 33 other countries across Asia Pacific, Europe and the Americas.

Our goal is to deepen our knowledge and understanding of our suppliers' supply chains, as we know that many of our direct goods suppliers located in Australia import their raw materials from locations outside Australia and in locations where modern slavery risks may be higher.

In future reporting periods, we intend to further map our supply chain and undertake more detailed risk assessment of higher risk suppliers.

### Acquisitions

If we acquire a business during a reporting period, we capture and report on our assessment of modern slavery risks within its operations and supply chain in the next full reporting period.

During the reporting period, we acquired Admil Adhesives and are working to capture and report on its modern slavery risks in the next reporting period.



## RISKS

During the Reporting Period, we carried out an assessment of modern slavery risks within our operations and throughout our supply chain using RADAR, a supplier risk assessment tool provided by SEDEX.

RADAR assesses the inherent risk rating for overall labour standards, including modern slavery risks such as forced labour and child labour, based on location and sector. RADAR contains risk data from independent and reputable sources, including the United Nations Development Program, International Labour Organisation, World Bank, US Department of State, US Department of Labour's listing of goods produced by child labour and forced labour, specialist research agencies and commercial risk data providers.

### Assessment of modern slavery risks within our operations

Table 6 outlines our assessment of inherent modern slavery risks within our operations and the controls we have in place to address those risks.

LOCATION	BUSINESS ACTIVITY	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING	CONTROLS
Australia	Research and development	Freedom of association Health, safety and hygiene	Low to medium	Workplace policies
	Manufacture			Safety and sustainability management systems
	Sourcing			Labour hire and recruitment service supplier onboarding and sustainable procurement assessment
	Marketing and promotion			
New Zealand	Distribution and sales			
	Research and development	Freedom of association Health, safety and hygiene	Low	Workplace policies
	Manufacture			Safety and sustainability management systems
	Sourcing			Labour hire and recruitment service supplier onboarding and sustainable procurement assessment
	Marketing and promotion			
Distribution and sales				

CONTINUED...



## RISKS

LOCATION	BUSINESS ACTIVITY	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING	CONTROLS
China	Manufacture Sourcing	Working hours	High	Operates under group-wide workplace policies and safety and sustainability management systems
		Freedom of association		Documented policies and procedures are in place for employee recruitment, leave allowances, salary payment and working hours
		Regular employment		Strict adherence to Chinese Labour Law, Labour Contract Law, Female Workers Protection Law, Minors Protection Law
		Discrimination		
		Wages		
		Forced labour		For the small number of rural employees, accommodation is provided at a reasonable price and facilities are closely monitored to ensure health, safety and hygiene of those employees
Papua New Guinea	Research and development Manufacture Sourcing Marketing and promotion Distribution and sales	Regular employment	Medium	Operates under group-wide workplace policies and safety and sustainability management systems
		Health, safety and hygiene		Operational-based roles are directly employed by DuluxGroup, with no use of labour-hire agencies
		Wages		Casual employees are directly appointed by DuluxGroup, with no use of labour hire agencies. Casual employment does not extend beyond 3 months
		Freedom of association		
		Children and young workers		Salaries are determined based on Hay grade analysis and are above the minimum wages set by the Department of Labour
		Forced labour		Employee loan program with employee loan policy in place
United Kingdom	Research and development Manufacture Sourcing Marketing and promotion Distribution and sales	Freedom of association	Low	Operates under group-wide workplace policies and safety and sustainability management systems
		Health, safety and hygiene		

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## RISKS

LOCATION	BUSINESS ACTIVITY	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING	CONTROLS
France	Research and development	Forced labour	Low	Operates under group-wide workplace policies and safety and sustainability management systems
	Sourcing			
	Marketing and promotion			
	Distribution and sales			
United States	Distribution and sales	Freedom of association	Low	Operates under group-wide workplace policies and safety and sustainability management systems All employees are in office-based roles and are directly employed by DuluxGroup, with no use of labour-hire agencies
	Marketing and promotion			
Singapore	Sales	Working hours	Low	Operates under group-wide workplace policies and safety and sustainability management systems All employees are in office-based roles and are directly employed by DuluxGroup, with no use of labour-hire agencies

The inherent risk rating tends to be higher in locations where we have manufacturing operations. This is because manufacturing, especially manufacturing involving chemical processing or use of labour hire workers, carries a higher risk of modern slavery. As well, labour standards and safety and hygiene risks are also higher in a manufacturing setting. Distribution and sales, marketing and promotion and research and development are activities that carry a lower risk of modern slavery.



## RISKS

### Assessment of modern slavery risks throughout our supply chain

Table 7 below outlines our assessment of inherent modern slavery risks throughout our supply chain based on manufacturing location and manufactured products, where the manufacturing locations account for approximately 99% of our spend on direct goods.

LOCATION	KEY PRODUCTS SOURCED	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING
Australia	Latex, minerals, pigments, tinters and other chemicals	Freedom of association	Low to medium
	Packaging Garage door components	Health, safety and hygiene	
China	Powder coating resins, pigments and other chemicals Painting accessories, concreting equipment and garage door and automatic opener components Cabinet and architectural hardware	Working hours	High
		Freedom of association	
		Regular employment	
		Discrimination	
Austria	Cabinet hardware	Wages	Low
		Forced labour	
New Zealand	Latex, minerals, pigments, tinters and other chemicals Packaging Garage door components	Children and young workers	Low
		Working hours	
		Freedom of association	
United States	Pigments and other chemicals	Health, safety and hygiene	Medium
		Regular employment	
Taiwan	Latex, pigments and other chemicals Cabinet and architectural hardware	Working hours	Medium
		Health, safety and hygiene	
		Freedom of association	
		Children and young workers	

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## RISKS

LOCATION	KEY PRODUCTS SOURCED	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING
Germany	Minerals, pigments, silicone resins and other chemicals Aerosol paints Cabinet and architectural hardware	Discrimination	Low to medium
Indonesia	Latex Painting accessories	Working hours Health, safety and hygiene Discrimination Regular employment Freedom of association Forced labour Children and young workers	High
Malaysia	Latex, specialty floor coating products Adhesives	Working hours Freedom of association Forced labour Discrimination Health, safety and hygiene Wages	Medium
Saudi Arabia	Pigments	Working hours Freedom of association Forced labour Discrimination Health, safety and hygiene Wages	High
Italy	Specialty chemicals Adhesives Cabinet and architectural hardware	Forced labour Health, safety and hygiene Working hours Wages	Medium

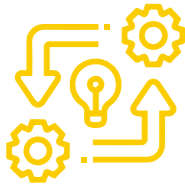
LOCATION	KEY PRODUCTS SOURCED	KEY RISKS (IN ORDER OF CONCERN)	INHERENT RISK RATING
Thailand	Bulk silicone and other chemicals	Working hours Freedom of association Forced labour Regular employment Discrimination Health, safety and hygiene	Medium
Japan	Gardening products, waterproofing products and specialty paint products Painting accessories and concreting equipment Hardware	Health, safety and hygiene Working hours	Medium
South Korea	Latex and other chemicals Adhesives	Health, safety and hygiene Working hours Freedom of association Wages Regular employment Discrimination Forced Labour Children and young workers	High
Singapore	Chemicals Cabinet hardware	Work hours Wages Children and young workers Freedom of association Health, safety and hygiene	Low
Romania	Gap fillers	Freedom of association Health, safety and hygiene	Medium

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 in their own operations and supply chains.

We have long-term and direct relationships with many of our key suppliers, which increases certainty and efficiency for those suppliers and, in turn, increases stability for workers of those suppliers.

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## ACTIONS

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

#### (i) Key policies

To embed a framework and culture of treating workers with dignity and respect, we've formulated and implemented, and continue to manage and monitor, the following key policies:

- [Values and Behaviours](#)

Our Values and Behaviours are the primary principles that guide our employees in how we deliver on our core purpose and achieve our strategic goals. Our 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 Values and Behaviour, and this is updated with regular refreshers throughout their employment term.

- [Code of Conduct](#)

Our Code of Conduct helps to ensure that the way workers behave and the decisions they make are true to our Values and Behaviours and consistent with our legal and ethical obligations. It embodies a worker's human right to freedom from discrimination, intimidation, harassment and violence in the workplace.

This code applies to workers employed within our operations and those engaged as contractors, consultants and individuals from labour hire providers, and is available in English, Chinese and French.

During the reporting period, we revised and relaunched our Code of Conduct to ensure relevancy.

- [Appropriate Workplace Behaviour Policy](#)

Our Appropriate Workplace Behaviour Policy is one of many policies that underpin our Values and Behaviours and Code of Conduct. It defines what is acceptable behaviour within our operations and by law, and embodies freedom from discrimination, intimidation and harassment. This policy includes a complaint mechanism for the management of unacceptable behaviour complaints, and is available in English, Chinese and French.

#### (ii) Key programs and initiatives

To effectively identify and manage modern slavery risks within our operations, we've 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, and overseen by the Speak Up Committee.

The [Speak Up Policy](#) provides a framework for reporting any breaches of our Values and 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 potential 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 and meets on a quarterly basis to manage and monitor complaints and grievances arising from potential policy breaches.

During the reporting period, we reviewed the program to ensure its fitness for purpose. While 91% of workers are aware of the program and feel comfortable accessing it, we will look to update the program to address the following:

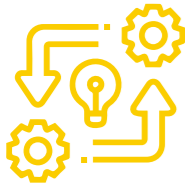
- Improve understanding of the program with workers in France, United Kingdom, China, Papua New Guinea and United States, including the whistleblower protections, by implementing improved support tools
- Improve understanding and awareness of the program with our suppliers and providers by embedding the program and our Code of Conduct into the supplier onboarding process.

- **Human rights training**

Every 2 years, every employee is required to undertake training delivered 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, employees are also required to undertake manager-specific training on these topics, with the training delivered to managers by an e-learning module.

During the reporting period, the modules were reviewed and updated to make them more understandable for our employees.

During the reporting period, we procured and developed content for a modern slavery awareness e-learning module which will be rolled out to employees in future reporting periods.



## ACTIONS

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

#### (i) Key policies

To deliver on our commitment to improve the safety and sustainability of our business, we've formulated, and now manage and monitor the following key policies:

- [Safety and Sustainability Policy](#)  
Our Safety and Sustainability Policy describes our vision of “A Future Without Harm” and expresses our continuing commitment to improve the safety and sustainability of our business by identifying, understanding and minimising the health, environmental and community impacts associated with our business activities. This policy embodies a rigorous and consistent risk-based management approach to fully understanding those impacts associated with our products, operations and supply chain.
- [Sustainable Procurement Policy](#)  
Our Sustainable Procurement Policy embodies our commitment to understanding our supply chain and ensuring that environmental, health, safety, modern slavery, labour and human rights considerations are embedded into our sourcing processes and procedures. This 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. This policy is currently available in English, Chinese, Italian and French.  
  
Our goal is for all our suppliers to understand and comply with this policy. In future reporting periods, we intend to measure our suppliers' compliance with this policy by developing a sustainable procurement scorecard to track and monitor suppliers and ensure corrective actions are managed for conditionally approved suppliers.  
  
As part of the supplier onboarding process, we require new suppliers to accept and agree to comply with the requirements specified in this 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 this policy.

#### (ii) Key programs and initiatives

To effectively identify and manage modern slavery risks throughout our supply chain, we've formulated and implemented the following programs and initiatives:

- **Safety and Sustainability Management Framework**  
We maintain an integrated Safety and Sustainability Management Framework to enable delivery of our Safety and 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, assessing suppliers based on our Sustainable Procurement Standard, and undertaking on-site audits of suppliers (and their facilities) to verify compliance with this standard and identify any required improvement actions.  
  
As part of monitoring the effectiveness of our Sustainable Procurement Program, we require each key subsidiary or business division to report at group-level on their compliance with the Sustainable Procurement Program, including their assessment and approval of suppliers based on the Sustainable Procurement Standard.  
  
During the reporting period, we reviewed the supplier assessment tools used as part of the program and found that the use of a collaborative supply chain information platform would greatly improve the information available to assess and risk-rate suppliers and increase our audit and verification capability.  
  
As a result of our review and findings, we engaged SEDEX as the preferred supplier risk assessment platform and are now a member of the SEDEX program. In future reporting periods, we intend to utilise the SEDEX platform to undertake more detailed risk assessment of higher risk suppliers and develop a broader verification program.
- **Ethical sourcing and modern slavery awareness training**  
As part of the safety and sustainability management training program, senior managers must undertake a component on ethical sourcing and modern slavery awareness.



## EFFECTIVENESS

We acknowledge that it's not possible to assess the effectiveness of each of the above actions on an "action-by-action" basis. Instead, the table below outlines 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 above actions 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 above actions to assess and address modern slavery risks within our operations are outlined below:

ACTION	MEASURE	OUTCOME
Employee complaints and grievances – modern slavery	Ongoing monitoring and reporting	<p>There have been no suspected modern slavery breaches reported in the reporting period</p> <p>Well-being dashboard tabled to executive team quarterly used to identify group trends, implications and improvement</p>
Speak Up Program (Whistleblowing) – modern slavery	Ongoing monitoring and reporting	<p>There have been no suspected modern slavery breaches reported in the reporting period</p> <p>Formal report tabled to executive team 3 times a year used to identify patterns and implement group-wide improvement plans</p>
Human rights training (discrimination, harassment and bullying) – all workers	Workers must complete training every 2 years Half yearly reporting to managers	<p>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</p> <p>During the reporting period, the completion rate was 87%</p> <p>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</p> <p>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</p>
Human rights training (discrimination, harassment and bullying) – managers	Managers must complete training every 2 years	<p>During the reporting period, the completion rate was 95%</p> <p>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</p>

### Effectiveness of actions taken throughout our supply chain

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

ACTION	MEASURE	OUTCOME
Safety and 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	<p>The outcomes of supplier assessments may result in corrective actions which are captured as part of the business' annual improvement plan to ensure modern slavery risks are managed and reported</p> <p>The following types of actions relating to modern slavery risks were identified in supplier assessments</p> <ul style="list-style-type: none"> <li>2% related to modern slavery risks</li> <li>45% related to suppliers not having adequately established their own sustainable procurement programs</li> </ul> <p>The remaining actions related to safety and environmental gaps</p>
Sustainable Procurement Program – supplier assessment and approval	Increase percentage of suppliers being assessed, approved and monitored under the Sustainable Procurement Standard year-on-year	<p>66% of suppliers and providers assessed and approved (up from 48% in the preceding reporting period), where:</p> <ul style="list-style-type: none"> <li>Suppliers (excluding contract manufacture suppliers) with Dulux spend above \$100,000 are measured</li> <li>Contract manufacture suppliers with Dulux spend above \$10,000 are measured</li> </ul>
Sustainable Procurement Program – supplier audit	Commence on-site verification audits of suppliers under the Sustainable Procurement Standard	<p>On-site verification audit undertaken for one supplier (down from 2 in the preceding reporting period)</p> <p>A more extensive program was not possible due to extended lockdowns</p>
Sustainable Procurement Program – supplier improvement actions	Measure and monitor the number of suppliers rejected due to failure to comply with the minimum requirements of the Sustainable Procurement Standard	One supplier has been identified as not meeting minimum standards and we are working with that supplier to address the non-compliance (up from zero in the preceding reporting period)
Ethical sourcing and modern slavery awareness training	Increase in the number of senior managers who complete the training year-on-year	In the reporting period, 68 senior managers completed the training (up from 26 in the preceding reporting period)



## 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're 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.

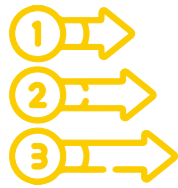
Through this single governance framework, our policies, programs and initiatives relating to modern slavery are group-wide, applied and updated by a cross-functional team and monitored by our executive team, which is made up of a representative from each key subsidiary and business division.

Our People, Culture and Change (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. The Safety and Sustainability (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. These 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 to our executive team and the senior leadership teams of each key subsidiary and business division to encourage discussion and invite feedback.





## NEXT STEPS

We're committed to continually improving our policies, programs and initiatives to effectively identify, assess and address modern slavery risks.

While we've implemented a number of initiatives in this reporting period to improve our modern slavery risk management framework, we're using the next reporting period to continue 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:

- Rolling out revised compulsory training modules relating to human rights, such as bullying, harassment and discrimination
- Rolling out a new modern slavery awareness e-learning module to employees
- Developing and rolling out awareness campaigns on modern slavery, the Code of Conduct and Speak Up Program
- Developing and rolling out support tools to improve understanding of the Speak Up Program for workers in France, United Kingdom, China, Papua New Guinea and United States
- Embedding the Speak Up Program and Code of Conduct in the supplier onboarding process to improve understanding and awareness of the program and code for our suppliers
- Carrying out a high-level review of our workplace practices in locations identified as medium to high risk, such as China and Papua New Guinea

### Supply Chain

We intend to work on the following initiatives to improve our assessment of modern slavery risks throughout our supply chain:

- Review and update our Sustainable Procurement Standard to include a risk framework that better assesses and classifies supplier risk by location, industry and products supplied
- Establish a 3-tier qualification process based on assessed supplier risk
- Utilise the SEDEX platform to undertake a more detailed risk assessment of higher risk suppliers and develop a broader verification program
- Develop a sustainable procurement scorecard to track and monitor suppliers and ensure corrective actions are managed for conditionally approved suppliers