



PZ Cussons Australia Modern Slavery Statement for the year ended 31 May 2021

This Statement is made by PZ Cussons (Holdings) Pty Ltd and PZ Cussons Australia Pty Ltd (jointly **PZC Australia**) as reporting entities pursuant to the Modern Slavery Act 2018 (Cth) and sets out the steps which we have taken during the financial year ended 31 May 2021 to mitigate the risk of modern slavery in our business and our supply chains.

Introduction

Our approach to business is encapsulated in our purpose, principles and values which seek to create sustainable value for all our stakeholders, including our shareholders, customers and consumers, business partners, local communities and our employees. We believe that sustainable, long term value is only possible in an environment which is open, honest and fair and which treats all stakeholders with respect and integrity.

The integrity of our supply chains, supported by our Supplier Code of Conduct and procurement policies, help us to ensure that we do not engage directly or indirectly with slavery or human trafficking. This is a priority for the Board of Directors.

Our organisational structure, operations and supply chains

PZC Australia's ultimate holding company is PZ Cussons plc, a UK headquartered, FTSE-listed international consumer products business. PZ Cussons plc operates in selected markets in Africa, Asia Pacific and Europe either directly or through its subsidiaries, including PZC Australia (the **Group**).

PZC Australia produces, markets, distributes and sells some well-known and loved brands in the categories of personal care and beauty, home care, food and nutrition.

PZC Australia's registered office is at Building A, Level 1, 13-15 Compark Circuit, Mulgrave, Victoria. PZC Australia employs approximately 65 staff.

A large proportion of the products PZC Australia sells in this region are sourced from the Group. The Group manufactures products in its own factories across multiple countries. In addition, a proportion of total sales is derived from finished goods which are manufactured for PZC Australia by third parties. PZC Australia imports and distributes these various products manufactured overseas by, or for, the Group, as well as distributing products which are manufactured for it in Australia, New Zealand, Italy, France and the USA by third parties.

The Group is reliant on a wide range of raw materials to produce its products, both within its own manufacturing processes and the wider supply chain. Respecting human rights and other ethical and environmental issues in the wider supply chain is a responsibility which must also be borne by the Group's suppliers. The Group's members, including PZC Australia, play an active role in supplier development and have adopted various means to clearly communicate our expectations with our suppliers.



In relation to the products manufactured for PZC Australia, we deal with a small number of packaging suppliers in Australia and one packaging supplier based in China. Other products are contract manufactured for us, either in Australia or (for some of our food products) in New Zealand, Italy, France and the USA. These are our Tier 1 suppliers, being suppliers with whom we have a direct relationship.

The risks of modern slavery practices in our operations and supply chains

The 'risks of modern slavery practices' means the potential for PZC Australia to cause, contribute to, or be directly linked to any of the defining indicia of modern slavery through our operations and supply chains.

In relation to our operations, we have a high degree of transparency and control over our human resources and labour systems and, accordingly, we do not consider that our direct operations are a significant source of risk for PZC Australia. Notably, we can identify and assess risks through the reporting mechanisms we have established, including the Whistleblower Policy which facilitates reporting of suspected misconduct or an improper state of affairs. Our Code of Ethical Conduct also requires that all employees and suppliers report any suspected non-compliance with the Group's policies and applicable laws (including modern slavery laws).

In relation to our supply chain, potential risks relate to the materials, goods and services we source through the Group and our own Tier 1 suppliers. These include possible risks of modern slavery in relation to deceptive recruiting practices, underpayment of wages, exploitation of migrant workers and (in the case of China) bonded labour/servitude. We have assessed the residual risk in relation to our own Tier 1 suppliers to be low based on geography (including an assessment of countries considered to be at higher risk of modern slavery), the commodity purchased, supplier performance, the nature of the business transaction and the supporting structures, policies, programs and processes we have in place to help manage the risk.

The actions taken to assess and address those risks, including due diligence and remediation processes

The Group maintains written policies, including our Supplier Code of Conduct, which strictly prohibits the use of slavery or human trafficking in our supply chain. Our Group's Code of Ethical Conduct expressly prohibits the use of underage, forced or bonded labour. We will not work with third parties who are involved in any such practices. The Code of Ethical Conduct was reviewed and updated in April 2021.

These principles also inform our Group Procurement Code of Business Conduct (the **Procurement Code of Business Conduct**) which contains guidance for the Group's procurement teams on the Group's values and appropriate business practices. We expect businesses throughout our supply chain to adopt and enforce equivalent policies in their own operations and to encourage their suppliers to do the same.

In this regard, the PZC Group has enacted the PZ Cussons – Code of Conduct Document (the **Supplier Code of Conduct**). The Supplier Code of Conduct was reviewed and updated in

May 2021. While the Procurement Code of Business Conduct is primarily an internal document to inform and regulate the actions of our employees, the Supplier Code of Conduct is primarily an external document applying to our suppliers. Under the Supplier Code of Conduct, our suppliers are expected to commit to all applicable laws, regulations and our Good 4 Business principles, including a 'zero tolerance' policy when it comes to unethical business behaviour such as forced and child labour, prohibitions on the practice of slavery or human trafficking in the supply chain, and freedom of workers to form associations for collective bargaining. We work with our Tier 1 suppliers to ensure they fully understand and agree to their obligations under the Supplier Code of Conduct.

We are committed to the principles enshrined in International Labour Organization Conventions and the United Nations Convention on the Rights of the Child.

Our procurement policies, including our Supplier Code of Conduct, contain guidance for the Group's procurement team on our values and appropriate business practices. We seek to ensure that our suppliers confirm their compliance with all relevant laws and regulatory standards in all countries in which we operate as part of our legal contract with them. We also encourage our suppliers to make the same conditions part of their business with other parties and contractors.

The Group has in place a whistleblowing system which encourages and enables employees as well as suppliers to raise confidentially (and anonymously if desired) any concerns or issues related to business conduct or activities, including in respect of modern slavery or human trafficking. This is in operation in all countries where the Group operates and is periodically reviewed, updated and promoted. Our whistleblowing policy explicitly protects everyone who makes a disclosure of suspected misconduct on reasonable grounds against reprisals of any kind. For the financial year ended 31 May 2021, we did not receive any complaints in Australia via our Whistleblower Policy from either our employees or suppliers relating to modern slavery or human trafficking. Refresher training sessions for employees on our whistleblower policy and processes is scheduled to take place from December 2021.

We seek to identify and do business with companies which have values and standards which are consistent with our own, including working to cascade these expectations throughout their own supply chain. In our dealings with our suppliers, PZC Australia seeks to use its purchasing agreement templates which contain specific contractual terms requiring the supplier to:

- Not engage in any modern slavery activity, practice or conduct;
- Comply with all applicable laws in force from time to time in relation to modern slavery laws;
- Take all reasonable steps to ensure that modern slavery practices are not taking place in its business or supply chain;
- Immediately notify PZC Australia if it has any reason to believe that it or any person in its supply chain is engaged in modern slavery practices or in breach or likely to be in breach of modern slavery laws;
- Maintain adequate records in relation to its supply chain and provide such records to PZC Australia upon request; and
- Warrant that it is not aware of circumstances within its supply chain that would constitute modern slavery practices if carried out in Australia.



PZC Australia is in the final stages of work to implement and embed a Dow Jones third party risk management software solution (Dow Jones RiskCenter). This integrated technology will further help PZC Australia transform its documented policies related to modern slavery into effective institutionalised processes.

Assessing the effectiveness of our actions

PZC Australia reviews the effectiveness of its modern slavery program through periodic policy reviews, oversight of its procurement processes, monitoring for issues raised under its Whistleblowing Policy, and considering enhancements to its processes in the course of drafting its annual modern slavery statement.

Refresher training sessions for employees on our whistleblower policy and processes is scheduled to take place from December 2021.

For the upcoming year, PZC Australia will focus on implementation and embedding of the Dow Jones third party risk management software solution to ensure suppliers are screened and appropriate follow up assessment and remediation is actioned with any suppliers of concern. The information gathered from this solution will help inform our further steps in the modern slavery space.

Consultation and Approval

PZC Australia is managed by a centralised senior executive team with responsibility for PZC Australia's business, including the two reporting entities comprising PZC Australia and their controlled entities. This statement was prepared by PZC Australia with consultation and input from managers responsible for PZC Australia's operations and supply chains, including the procurement team and legal team. It was then circulated to relevant members of the senior executive team, prior to board approval.

This Statement was approved by the Board of Directors of PZ Cussons (Holdings) Pty Ltd and PZ Cussons Australia Pty Ltd on 30 November 2021.

Signed

Rob Spence

Rob Spence
Director
PZ Cussons (Holdings) Pty Ltd

Date: 30 November 2021

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Director
PZ Cussons Australia Pty Ltd

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