



## Modern Slavery Statement 30 June 2023

### Introduction

GWA acts ethically and with integrity in all its business dealings and relationships including the implementation and enforcement of effective systems and controls to ensure modern slavery does not take place in its operations or supply chains. In accordance with its risk appetite, GWA has a zero-tolerance policy for modern slavery practices.

This statement is made under section 14 of the *Modern Slavery Act 2018* (Cth) for the financial year ended 30 June 2023. It includes detailed responses to each of the mandatory criteria set out in section 16 of the *Modern Slavery Act 2018* (Cth).

This statement:

- details the structure, operations and supply chains of GWA and its subsidiaries;
- outlines the potential risks of modern slavery that may exist within the operations and supply chains;
- sets out the measures GWA has implemented across its business to assess and address these risks;
- provides an update on how GWA is measuring the effectiveness of the actions taken to assess and address modern slavery risks; and
- concludes by providing an overview of key initiatives planned and in progress for FY24 as part of GWA's efforts to continually improve its response to the risks of modern slavery.

### 1. Identification of the Reporting Entity

This statement relates to GWA Group Limited (ABN 15 055 964 380) ("**GWA**") and each of its subsidiaries (together, the "**Group**"), as set out in Appendix 1. All entities in the Group are wholly owned by GWA.

GWA is a public company listed on the Australian Securities Exchange (ASX). Its registered office is located at Building 3B, 188 Holt Street, Pinkenba QLD 4008 AUSTRALIA; and its web address is <https://www.gwagroup.com.au/>.

### 2. GWA – Structure , Operations and Supply Chains

GWA is a leading innovator, designer and supplier of product solutions, services and intelligent technology focused on the delivery of sustainable water solutions for bathrooms, kitchens and laundries.

GWA owns and distributes market-leading brands and state of the art product solutions across sanitaryware, tapware, showers, basins, baths, kitchen sinks, laundry tubs, bathroom/kitchen accessories and valves. GWA has an intelligent bathroom system incorporating Internet of Things (IoT) smart water management solutions.

GWA operates sale and distribution facilities across its primary markets of Australia, New Zealand and the United Kingdom, and has a sourcing and quality team in China.

GWA is highly respected within the building industry for innovation, water efficiency and safety, product reliability and quality, technical expertise and superior service. GWA

maintains quality and cost-efficient long-term supply agreements with selected, exclusive manufacturing partners across Asia and Europe. GWA has an experienced senior management team in design, research and development, brand building, customer engagement, supply and distribution.

GWA’s market leading brands are Caroma, Methven, Clark, Dorf, Deva, Flexispray and Nefa.

GWA had 516 employees as at 30 June 2023 broken down as follows:

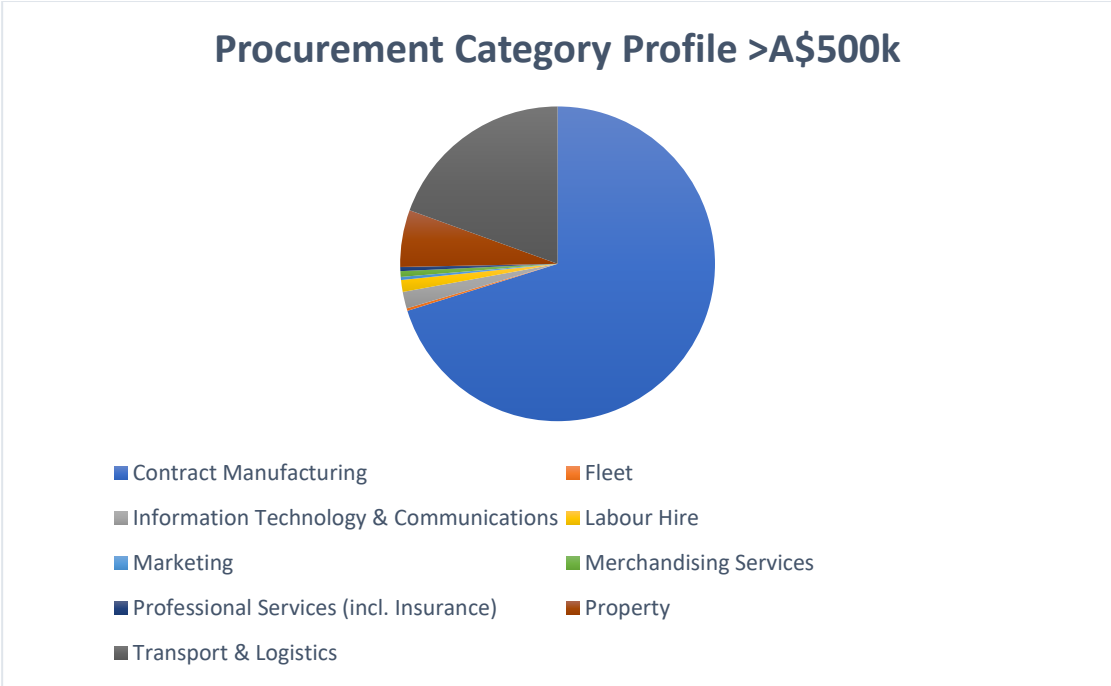
Market	Employee Count
Australia	355
New Zealand	86
United Kingdom	58
China	17
<b>Total</b>	<b>516</b>

The following table is a summary of GWA’s Australian workplace profile as at 30 June 2023:

Gender Diversity	% Female
Management	37%
Non-management	42%
<b>Total</b>	<b>41%</b>

**GWA Supply Base**

GWA has a diverse supply base predominantly made up of contract manufacturing, which accounts for approximately 70% of GWA’s total addressable spend. While contract manufacturing is largely sourced offshore, the balance of GWA’s supply base continues to be sourced locally in the respective GWA home market typically from established suppliers operating well-developed governance frameworks. Many of these suppliers align closely with GWA's commitment to human rights, and actively assess and address potential modern slavery risks within their operations.



## Contract Manufacturing

GWA's largest procurement category is contract manufacturing which involves the manufacture of a diverse range of bathroom, kitchen and laundry products across a portfolio of 33 key supply partners located in China, Malaysia, Vietnam, Thailand, Italy, Sweden and Germany. These partnerships have been established under long-term exclusive contracts and agreements, which are overseen and managed by a centralised GWA team.

## Transport, Logistics and Warehousing

GWA's second largest procurement category is transport, logistics and warehousing, which facilitates the storage and movement of GWA's products between its operational sites and customers. GWA runs its own warehousing facilities in Australia, New Zealand and the UK, but sources a portion of third party supplied warehousing capability in New Zealand. GWA relies on a select group of locally based service providers to provide freight and transport services.

GWA's controlled warehouse footprint covers approximately 60,000 sqm in the following markets:

Market	Warehouses
Australia	4
New Zealand	1
United Kingdom	1

The labour mix in GWA's warehouse operations include Enterprise Bargaining Agreement employees, unionised employees, and third party labour hire staff.

### 3. Risks to modern slavery practices in operations and supply chains

GWA has undertaken an analysis of its operations and supply chains to identify potential risks of modern slavery and believes the overall risk level to be low given the scope and location of the Group's operations, the maturity of its supply partner relationships and the diligence applied by GWA to identify and manage risks in the business.

To identify and assess potential modern slavery risks within its operations and supply chains, GWA references Principle 17 of the UN Guiding Principles on Business and Human Rights, which recommends focusing on assessing general areas of operations and supply chains where modern slavery risks are likely to be most significant. Accordingly, in identifying modern slavery risks, GWA has particular regard to geographical location, high-risk products or industries, and high-risk work practices.

An area within GWA's operations and supply chains that may give rise to potential risks of modern slavery practices is the use of contract manufacturing plants which manufacture products for GWA in a number of Asian countries. The potential risks in these locations include trafficking, servitude, debt bondage, forced labour and child labour.

GWA proactively manages these risks through ethical sourcing audit programs focused on its manufacturing partners. These measures include regular on-site visits and reviews, a rotating schedule of two third-party external audits annually (currently performed by PWC), and the utilisation of information published by the Supplier Ethical Data Exchange (SEDEX)<sup>1</sup>. GWA continually seeks to identify key areas of risk and to develop programs to resolve or mitigate such risks to the best of its ability.

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<sup>1</sup> Sedex is one of the world's leading ethical trade service providers working to improve the working conditions in global supply chains. It is a member-based organisation and provides an online platform to manage supply chain information.

#### 4. Risk mitigation actions taken to assess and address these risks, including due diligence and remediation processes

In developing its risk mitigation plans, GWA references the UN Guiding Principles on Business and Human Rights, and industry best practice. GWA has implemented the following Group-wide risk mitigation measures:

##### **Governance Framework**

GWA maintains a comprehensive range of Group-wide programs, policies and procedures that set out GWA's expectations for its employees and that underpin GWA's commitment to high standards of conduct and behaviour. GWA employees are continuously trained in the policies and procedures, including those related to human rights and GWA's company values.

With respect to modern slavery risks, key policies include:

Policy against Slavery and Trafficking in Persons	This policy details GWA's zero tolerance approach to Modern Slavery. Applies to all directors, officers and employees of GWA. The policy has been communicated to staff and key suppliers and is available at <a href="http://www.gwagroup.com.au">www.gwagroup.com.au</a> .
Whistleblowing policy	Provides the avenue for raising concerns of malpractice believed to be occurring. Concerns include (but not limited to), unlawful or unethical conduct, fraud or corruption, non-compliance with GWA's Code of Conduct and other relevant policies. A copy is available at <a href="http://www.gwagroup.com.au">www.gwagroup.com.au</a> .
Risk Appetite Statement	This statement outlines GWA's low risk appetite for exposure to risks relating to its compliance responsibilities, the environment, safety, people, cultural pillars, ethics, reputation, critical system availability, cyber-attacks, and data privacy.
GWA Code of Conduct	GWA's Code of Conduct guides the behaviour of its people and demonstrates the commitment of the Group to ethical practices. Consistent with the Code of Conduct, GWA is committed to complying with all laws and regulations of the countries where GWA operates including prohibiting forced, trafficked and child labour. A copy of the code is available at <a href="http://www.gwagroup.com.au">www.gwagroup.com.au</a> .
GWA Cultural Pillars	GWA's Cultural Pillars outline the company values and how these are applied to its business activities and the high standards of behaviour expected in the business to achieve the Group's objectives.
Work, Health & Safety policy	Details GWA's commitment to providing fair and safe working conditions for all its staff, casuals, contractors, and visitors.
Diversity and Inclusion policy	Sets out the principles and practises that underpin GWA's approach to developing and maintaining a diverse workplace. A copy is available at <a href="http://www.gwagroup.com.au">www.gwagroup.com.au</a> .
Equal Employment Opportunity, Discrimination, Harassment & Bullying policy	Seeks to treat all workers in a fair and consistent manner, regardless of race, religion, colour, sex or other protected personal characteristics. It also aims to provide all workers with a workplace free from bullying and supports the principles of equal opportunity by applying its employment policies in a non-discriminatory manner.

## ***Policy Against Slavery and Trafficking in Persons***

GWA has appointed its Company Secretary as the Ethical Standards Officer. The Company Secretary has primary day-to-day responsibility for implementing the policy, monitoring its use and effectiveness, dealing with any questions that arise, and ensuring audits and internal control systems and procedures are effective in countering modern slavery.

Under the policy GWA staff are required to be proactive and promptly report any suspected violations of the policy or any illegal or unethical behaviour of which they may become aware. Any complaints are treated in the strictest confidence and are dealt with appropriately. No staff member will experience retribution or retaliation for a complaint made in good faith. No violations were reported during FY23.

## ***Implementation of modern slavery training module***

GWA has an online training module on Modern Slavery which has been rolled out for all relevant GWA employees. The training communicates that compliance with the GWA's Policy Against Slavery and Trafficking in Persons is the duty of all employees and equips individuals with the tools and procedures for identifying, preventing, and reporting modern slavery activity or risks. All new starters are required to complete the course within 1 month of commencement as part of the On-Boarding program learning curriculum.

GWA recognises that maintaining a zero-tolerance policy for modern slavery requires ongoing awareness and education. In FY23 GWA implemented a refresher program requiring those in key roles of identifying modern slavery risks, such as Sourcing and Procurement personnel, to complete GWA's Modern Slavery training module. This training is repeated annually. In addition, all GWA employees in non-key roles undergo refresher training every two years, which was most recently undertaken in November 2023.

## ***Requirements of supply chain partners to address potential risks of modern slavery in their operations***

GWA has several long-standing key contract manufacturing partners and logistics partners. These relationships have been maintained through ensuring a satisfactory level of transparency and trust in the partners' business operations.

With respect to its contract manufacturing partners, GWA maintains a dedicated International Sourcing team, internal and third-party auditors, various policies and procedures to mitigate the risks of modern slavery including:

- GWA expects all manufacturing partners to be in strict compliance with the United Nations Ethical Trading Initiatives (ETI) and International Labour Organisation Conventions (ILO).
- GWA expects all manufacturing partners to comply with all applicable laws and regulatory requirements regarding health, safety and welfare at each facility to ensure the health, safety and welfare of all workers, customers and any visitors to the facility.
- Manufacturing partners must comply with all applicable laws, rules, regulations, standards and codes which relate to the manufacture, packaging, facilities, storage and delivery of products and the operation of the facility.
- GWA maintains a Supplier Due Diligence Policy which details the expectations which all manufacturing partners (including sub-contractors engaged by manufacturing partners), must adhere. GWA conducts thorough due diligence in line with the policy before engaging manufacturing partners.
- GWA conducts regular factory visits to manufacturing partners by local and senior

management to verify compliance with local laws and safety conditions as well as GWA's Supplier Due Diligence Policy.

- GWA works constructively with its overseas manufacturing partners to assist them in adopting workplace safety standards similar to those applied in Australia.
- Manufacturing partners must undergo a Supplier Site Visit Assessment ("**SSV**") prior to entering into supply and manufacturing arrangements with GWA. The SSV is a detailed assessment of the supplier's facilities and the manner in which they are operated, including safety, environmental and human resource related factors.
- GWA maintains a Supplier Corporate Social Responsibility Checklist to which supply partners are held accountable for compliance. This checklist incorporates key areas including labour rights, working conditions, living wages and discrimination.
- GWA continues to advocate for ethical sourcing and therefore progressively renews its Manufacturing and Supply Agreements with key manufacturing partners to incorporate the following:
  - compliance with Australian and international modern slavery laws relevant to the supplier;
  - entitlement for GWA to investigate and verify compliance with Australian and international modern slavery laws;
  - provision of information regarding itself and each of its suppliers involved in producing GWA products to confirm that neither the supplier nor any of its officers, agents or employees has been convicted or investigated for any offence in connection with any Australian or international modern slavery laws; and
  - implementation of anti-modern slavery policies and due diligence procedures.
- GWA retains the ability to terminate its Manufacturing Supply Agreements should any instances of modern slavery come to light irrespective of whether the specific modern slavery clauses are included.
- During FY23, GWA maintained its membership with the Supplier Ethical Data Exchange (Sedex) to further enhance its commitment to ethical trade and reinforce the adoption of transparent, ethical, and responsible sourcing standards. Since becoming a member of Sedex in FY22, GWA has achieved 95% coverage of its top 20 contract manufacturing suppliers.

## **5. Assessing the effectiveness of the actions GWA is taking to assess and address the risks of modern slavery practices**

GWA recognises the importance of continuous improvement in all its business operations, including the identification and mitigation of modern slavery risks. GWA's measures of effectiveness of the actions undertaken above include:

### ***Monitoring and Reporting***

GWA's Whistleblowing Policy provides an avenue for employees to raise concerns of unethical conduct including human rights issues. There were no reported modern slavery risks or human rights breaches through GWA's Whistleblowing Policy during FY23.

### ***Supplier Audits***

With a primary focus on contract manufacturing, to mitigate the risk of slavery and trafficking occurring throughout its supply chains, GWA has instituted modern slavery and ethical sourcing audit programs.

Audits are conducted through site visits, document review and interviews with workers and representatives from the supplier. Suppliers are required to remediate any issues identified

within an appropriate period, depending on the nature and severity of the non-compliance.

Since FY20, GWA has enlisted the services of a specialized independent firm, PWC, as an integral component of GWA's internal audit initiative. During FY23, PWC (on behalf of GWA) conducted independent audits on two of its contract manufacturing suppliers, supplementing the six supplier audits conducted from FY20 through FY22. These combined efforts have resulted in the audit coverage of approximately 63% of GWA's global contract manufacturing expenditures. No material issues were identified as a result of the audits in FY23.

## **6. Description of the consultation process with GWA's subsidiaries**

GWA is responsible for the risk and compliance functions of the entire Group. Consequently, GWA sets policies and makes decisions for the Group to address the risk of modern slavery in the operations and supply chains of GWA and each of its subsidiaries.

GWA actively engages and consults with all relevant stakeholders in the Group to implement the modern slavery risk identification and remediation measures adopted by the Group. As part of the consultation process with its subsidiaries, GWA has taken the following actions:

- adoption and implementation of a policy against slavery and trafficking in persons throughout the Group;
- the same modern slavery training and capacity building has been made available throughout the Group;
- the reporting of information and analysis about modern slavery risks in the operations and supply chains of subsidiaries; and
- the adoption and implementation of the same risk mitigation actions, due diligence, and remediation processes throughout the corporate group.

In addition, region leaders are members of GWA's senior leadership team and are consulted on expectations and policy matters. A broad group comprising representatives from senior leadership, procurement, company secretariat and legal, have been consulted and/or involved in preparing this statement.

## **7. Looking ahead**

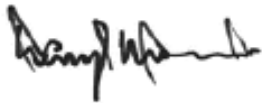
GWA recognises that preventing modern slavery requires a continuing year-on-year commitment. GWA is committed to continuously improving its modern slavery risk identification and mitigations. GWA will continue to track and publicly report on progress through publishing its annual modern slavery statement.

Key initiatives planned and in progress for FY24 include the following:

- continue to implement the refresher training program requiring personnel in key roles of identifying modern slavery risks, such as Sourcing and Procurement personnel, to undertake annual completion of GWA's Modern Slavery training module, and all other employees to undergo refresher training every two years;
- continue to build long-term relationships with key supply partners to enhance engagement, transparency and trust in their business operations, and promote dialogue on modern slavery issues and GWA's expectations;
- continue to update key supplier agreements as these present for renewal, to prohibit modern slavery formally establish GWA's expectations on modern slavery issues;
- continue to execute on-site audits of key supply partners using GWA's own staff and external providers;
- further develop and refine modern slavery assessment processes through information obtained from Sedex;
- work with GWA's contract manufacturing partners and the broader network of non-stock suppliers to become members of Sedex, to improve GWA's understanding of

- potential modern slavery risks;
- finalise and commence implementation of the GWA Supplier Code of Conduct, which will outline key attributes expected of all supply partners in dealing with GWA and complement GWA's existing policies and procedures. Due to changes in personnel, this was unable to be completed in FY23 as previously indicated; and
  - we intend to develop a sustainable procurement roadmap, which may include engaging a third-party consultant to review GWA's operations and supply chains, evaluate our modern slavery assessment program and identify opportunities for improvement.

This statement was approved by the GWA Board of Directors on 24 November 2023.



**Darryl D McDonough**  
Chairman



**Urs B Meyerhans**  
Managing Director

**7 December 2023**



## Appendix 1

<b>Parent entity</b>	<b>Country of incorporation</b>
GWA Group Limited	Australia
<b>Subsidiaries</b>	
Caroma Holdings Limited	Australia
Caroma Industries Limited	Australia
GWA Group (NZ) Limited	New Zealand
Caroma International Pty Ltd	Australia
Caroma Singapore Pte Ltd	Singapore
Deva Tap Company Ltd	United Kingdom
GWA Finance Pty Limited	Australia
GWA Group Holdings Limited	Australia
GWA Group Holdings (NZ) Ltd	New Zealand
GWA Trading (Shanghai) Co Ltd	China
Methven Australia Pty Limited	Australia
Methven UK Limited	United Kingdom
Sebel Furniture Holdings Pty Ltd	Australia
Methven ROI Limited	Republic of Ireland