



# Modern Slavery Act Statement

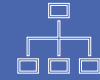
**Smeg Australia Pty Ltd**

ABN 146 901 082

Financial Year 2020



## 1. STRUCTURE AND OPERATIONS



Smeg Australia Pty Ltd. (Smeg Australia) is principally an importer and distributor of household and professional “SMEG” branded appliances in the Australian market. Smeg Australia has two offices in Australia, the headquarters in Sydney and an office and a showroom in Melbourne. In other Australian cities there are third party agents which deal mainly with Smeg-branded products.

### Smeg Group

Smeg Australia is a wholly owned subsidiary of a multinational group (Smeg Group or SMEG) headed by Smeg S.p.A., a corporation established under Italian law with headquarters in Guastalla (province of Reggio Emilia), which owns industrial units located in Italy as well as commercial enterprises in Italy and abroad.

Founded in 1948 by Cav. Vittorio Bertazzoni in Guastalla, SMEG S.p.A. originally operated for third parties as an enameling factory for local industries. SMEG, indeed, stands for Smalterie Metallurgiche Emiliane Guastalla. Over the years, SMEG has become one of the leading companies in the world for the production of built-in appliances, freestanding appliances and the restaurant industry (kitchens, washing machines, dishwashers, hobs, ovens, hoods, sinks and refrigerators). SMEG is now internationally recognized for its ability to create designer appliances that arise from the collaboration with worldwide renowned architects; refined products that combine performance and style, created for consumers looking for design and its evolution.

The Smeg Group is engaged in the manufacturing and sale of domestic appliances and their spare parts, both on the domestic and international markets.

The Smeg Group operates in Italy through four facilities (Smeg S.p.A., Bonferraro S.p.A., Apell S.p.A. and La Pavoni S.p.A.), each in charge of manufacturing a specific type of domestic appliance, and a network of subsidiaries in charge of selling the products. It is also present internationally through its 19 distribution subsidiaries in United Kingdom, France, Belgium, Ukraine, the Netherlands, Germany, Sweden, Spain, Portugal, Russia, Kazakhstan, South Africa, the USA, Australia, Poland, Mexico, Hong Kong, Singapore and China, and an extensive global sales network.

## 2. PRODUCTS, SUPPLY CHAIN AND RISK ASSESSMENT



The main manufacturing and assembly functions are carried out in the Italian facilities in San Girolamo, Bonferraro, San Giovanni Teatino and San Giuliano Milanese.

The products supplied by Smeg S.p.A. and its subsidiaries and external supplier is broadly outlined in the following categories:

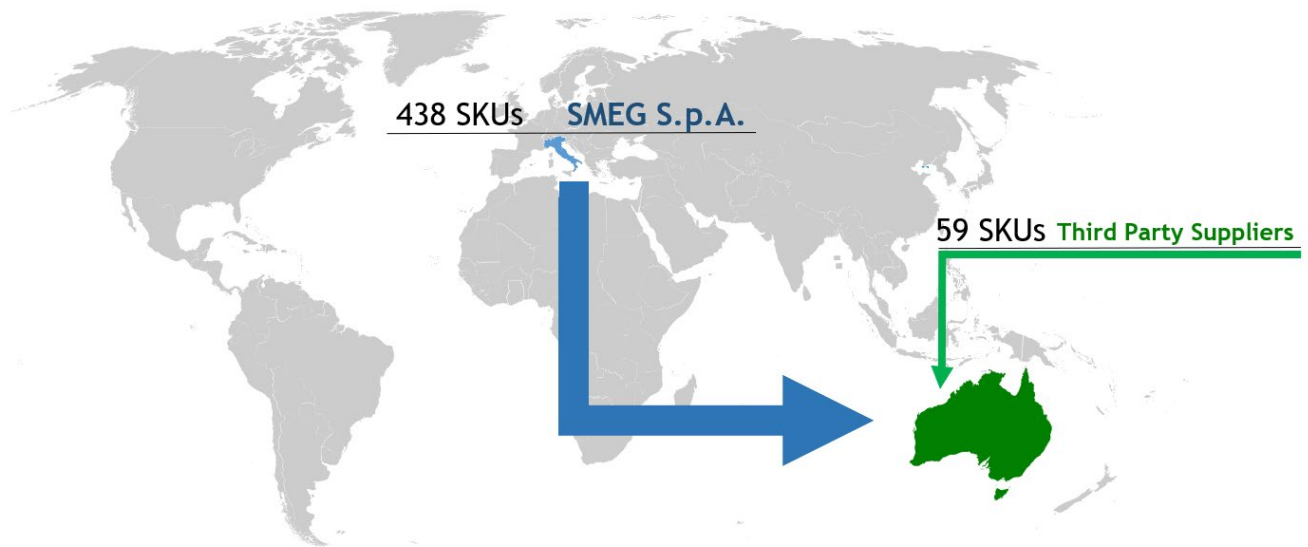
<b>Cooking</b>	The cooking product segment includes a wide range of products such as ovens, cooktops, free-standing cookers, and microwave ovens.
<b>Washing</b>	The washing product segment includes a wide range of products, such as dishwashers and laundry products (washing machines, dryers and washer/dryers).
<b>Rangehoods and sinks</b>	Decorative island hoods, wall hoods, integrated hoods, kitchen sinks.
<b>Refrigeration</b>	Refrigerators, freezers, wine coolers, blast chillers
<b>Small Domestic Appliances</b>	The SDA segment include a wide range of small appliances such as: toasters, kettles, mixers and food processors, juicers, coffee machines and cookware.
<b>“La Pavoni”</b>	Coffee machines and coffee grinders for household and professional use under the brand “La Pavoni”. manufactured under the brand “La Pavoni” at the factory in San Giuliano Milanese (province of Milano) by La Pavoni S.p.A., subsidiary of the Smeg Group.
<b>Professional catering</b>	This segment includes various types of equipment used by bars and restaurants in professional catering such as dishwashers and ovens
<b>Medical instruments</b>	This division includes professional products for medical, laboratory, and dental office.

Smeg Australia does not perform any manufacturing, processing, assembly or packaging functions. All manufacturing and processing functions are performed by Smeg S.p.A., the three other Italian manufacturing companies (Bonferraro S.p.A., Apell S.p.A. and La Pavoni S.p.A.) and their suppliers.

Besides the distribution of products purchased from the Smeg Group, Smeg Australia is engaged in the distribution of a limited number of products specific designed for the local market and purchased from third party manufacturers approved by Smeg S.p.A. (Original Equipment Manufacturer).

The total value of these products sold in Australia accounted for around 6.7% of the total purchases of finished goods in the financial year 2020.

Number of SKU invoiced in 2020 per supplier:



### 3. MITIGATION OF MODERN SLAVERY RISK AND CODE OF ETHICS



Smeg Australia continues to engage with its supply partners to deliver proactive sustainable solutions and promote responsible behaviour to protect the wellbeing of workers and the communities in which it operates.

#### Smeg Group and Code of Ethics

The Smeg Group sets out the Group's commitment towards human rights and protection of labour rights. The full text of the Code of Ethics of the Group can be found at:

<https://www.smeg.com/legal>

As reported in the **Integrated Management System for Quality, Environment and Safety** of SMEG S.p.A., certified according to the international standards ISO 9001, ISO 14001 and ISO 45001, the values at the heart of SMEG'S mission are:

- the commitment to produce appliances that combine absolute safety for the user, high-tech quality and a refined and innovative design for demanding customers who recognize the importance of elegance and quality;
- the commitment to respect the environment and to protect the health and safety of workers.

Smeg Australia follows the **Code of Ethics of the Group** that is part of the Organization, Management and Control System pursuant to Italian Legislative Decree no. 231 of June 8, 2001, adopted by the Board of Directors of SMEG S.p.A. on March 27, 2009 and subsequently amended by resolution at its meeting of May 28, 2013.

The Code of Ethics of the Group makes it clear that Smeg conducts its business in an ethical manner with moral integrity and fairness, pursuing the statutory purposes in accordance with its corporate mission.

The purposes for adopting the Code of Ethics is:

- ✓ to establish a behavioral code aimed at preventing crimes related to SMEG's activity or otherwise in the interest or to the benefit of the Group;
- ✓ to identify measures and internal auditing instruments suitable to monitor compliance with the Code;
- ✓ to create value.

**Code of Ethics: responsibility towards the community and personnel policies.**

- ✓ SMEG, in carrying out its activities, assumes its responsibility towards the community, inspired by the values of solidarity and dialogue with concerned parties.
- ✓ SMEG maintains and develops a trustworthy relationship and an ongoing dialogue with stakeholders, trying, where possible, to inform and involve them in the issues that affect them.
- ✓ SMEG seeks to promote employment and social and economic development according to the recommended standards and internationally recognized rights concerning the protection of fundamental rights, non-discrimination, protection of children, prohibition of forced labor, protection of trade union rights, health and safety in the workplace, working hours and remuneration.
- ✓ SMEG undertakes to create a peaceful work environment where everyone can work in compliance with the law, principles and ethical values in common. SMEG guarantees the confidentiality of information (also) with respect to employees and collaborators.
- ✓ SMEG ensures that its employees and collaborators act and are treated with dignity and respect, within the framework of the legal provisions provided by our system and the respective amendments.
- ✓ SMEG does not tolerate any form of isolation, exploitation or harassment for any discriminatory ground, personal or work-related reasons, by any employee or collaborator against another employee or collaborator.
- ✓ SMEG also prohibits any disciplinary action against employees or collaborators who have legitimately refused to perform activities unduly requested by any person linked to the Group, that would be contrary to the principles set out in this Code of Ethics, or in applicable laws or regulations.
- ✓ Sexual harassment of any kind will be severely punished, including by termination of the employment or collaboration.
- ✓ SMEG is against any type of discrimination based on differences of race, language, color, faith and religion, opinion and political affiliation, nationality, ethnicity, age, gender and sexual orientation, marital status, disability and physical appearance, and social-economic conditions. It is also against the granting of any privileges for the same reasons.
- ✓ SMEG is against “illegal employment”, forced labor, child labor and any other conduct that constitutes an offense against the person. Each working relationship and collaboration is established with a regular contract. All employees and collaborators are properly and fully informed of their rights, duties and obligations arising from the contract. SMEG recognizes and promotes trade union rights in compliance with applicable laws.
- ✓ SMEG also promotes culture among its employees and enhances their professionalism by supporting their training. SMEG provides its employees with training tools to develop and increase specific skills.
- ✓ SMEG also undertakes to comply with regulations on occupational safety and to promote such safety in all places that are part of the workplace, even beyond the requirements provided for by law.

## 4. MONITORING, ASSURANCE PROGRAM AND ASSESSMENT



### **SMEG S.p.A.**

Smeg S.p.A. undertakes the quality control functions associated with its products sold to Smeg Australia. This includes defining and applying procedures capable of ensuring that products which do not comply with Smeg Group's quality standards are not routed into sales channels. This process includes the execution of tests and analyses of raw materials, materials in progress and finished goods. The tests are performed using automated quality control equipment and qualified staff.

SMEG maintains relationships with customers, suppliers and employees solely based on integrity, honesty, fairness, trust, quality, competitiveness, professionalism, legality and respect for the rules of fair competition.

In all kinds of relations with customers and external work-related relations generally, each employee or collaborator is required to avoid in all circumstances, the use of circumventing or unfair practices or otherwise undermining the independent judgment of the interlocutor to obtain undue advantages for the company.

### **Other suppliers**

SMEG expects that the selection of suppliers outside the direct control of Smeg S.p.A. and their collaborators as well as the goods and services purchased, are based exclusively on objective parameters of quality, convenience, price, ability, efficiency such as to set up a trustworthy relationship with such persons, avoiding agreements with suppliers of questionable reputation in, for example, environment-related issues, working conditions and/or human rights issues.

SMEG expects these suppliers and collaborators to adopt legal and ethical behaviors in line with internationally accepted standards and principles concerning the treatment of its employees and workers, in particular: the protection of fundamental rights, non-discrimination, protection of children, prohibition of forced labor, protection of trade union rights, occupational health and safety, working hours and remuneration.

SMEG also expects from suppliers and collaborators to act in accordance with the principles contained in this document.

Any other behavior can be considered a serious breach of the obligation of fairness and good faith in performing the contract, cause of interference with the relationship of trust and just cause for termination of the contract.

Communication with the suppliers is an integral component in developing an appropriate plan to avoid a modern slavery situation.

The Product procurement department is responsible for assessing each supplier, their risk profile and, if necessary, can agree to mutual recognition of audits.

## 5. LOOKING FORWARD



As we evolve our approach over the coming year, we are committed to reviewing the effectiveness of our Modern Slavery Risk Management program by assessing our governance approach, reviewing our risk assessment, responding promptly to investigate complaints and grievances raised through and reporting regularly to the Board of Directors of the company.

### Whistleblower Policy

Smeg Australia is implementing a Whistleblower Policy, ensuring that there is an anonymous process for employees, customers and other business partners to report their concerns related to the direct activities, or the supply chains of Smeg Australia. Our whistleblowing procedure continues to be designed to make it easy for employees to make disclosures without fear of retaliation.

### Rationalization of the supply chain

In order to increase control and transparency and mitigate the modern slavery risk for those suppliers outside the direct control of Smeg S.p.A., Smeg Australia has committed to review and rationalize its product ranges and supply chain.

	2020			Forecast 2021	
	No. of Suppliers	No. of SKUs		No. of Suppliers	No. of SKUs
SMEG Group	1	438		1	430
Other suppliers	12	59		3	20

Smeg Australia approach to measuring the effectiveness of assessing and managing modern slavery-related issues continues to evolve.

### Next steps to be implemented:

- ✓ *Engage relevant stakeholders in our salient human rights assessment activity.*
- ✓ *Increase engagement to include any local and overseas suppliers.*
- ✓ *Confirm the most appropriate governance committee for oversight and escalation of modern slavery issues.*
- ✓ *Continue to work with key industry partners and explore mechanisms to measure the effectiveness of actions we undertake to address modern slavery and human trafficking risk.*



- ✓ *Continue to share detail relating to non-conformances and other findings through the risk assessment and due diligence processes.*
- ✓ *As part of our supply chain assurance program, all new suppliers, as well as renewing suppliers, are subjected to our due diligence process. Initially, suppliers are requested to answer a brief questionnaire. This process helps Smeg Australia to identify areas of non-compliance with the Code of Ethics or potential areas of risk, and where identified, the supplier will be referred for further due diligence and audits*
- ✓ *Training of all employees that have interactions with high-risk groups on Modern Slavery Act requirements and the organisation's approach.*
- ✓ *Implementation of annual reports*

## 6. APPROVAL AND SIGNATURE



This statement was approved by the Board of Directors of Smeg Australia Pty Ltd.

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Wayne Campbell  
Managing Director



- **CODE OF ETHICS OF THE GROUP:**

<https://www.smeg.com/legal>

- **INTEGRATED MANAGEMENT SYSTEM FOR QUALITY, ENVIRONMENT AND SAFETY CERTIFICATIONS:**

- ✓ ISO 9001:2015
- ✓ ISO 45001:2018
- ✓ ISO 14001:2015



THE INTERNATIONAL CERTIFICATION NETWORK

# CERTIFICATE

CISQ/IMQ has issued an IQNet recognized certificate that the organization:

**SMEG SPA**

VIA LEONARDO DA VINCI 4 - 42016 GUASTALLA (RE)

**BONFERRARO SPA** VIA OBERDAN 57 - 37060 BONFERRARO DI SORGA' (VR)

**APELL SPA** VIA PO 59 - FRAZ. SAMBUCETO ZONA INDUSTRIALE - 66020 SAN GIOVANNI TEATINO (CH)

**LA PAVONI SPA** VIA PRIVATA GORIZIA 7 - 20098 SAN GIULIANO MILANESE (MI)

has implemented and maintains a  
Quality Management System

for the following scope:

*Design, manufacture and after-sale services for: hobs, ovens, cooker-hoods, warming drawers, cookers, refrigerators, dishwashing machines, washing machines, washer dryers, sinks, barbecue, special products (small countertop appliances), coffee machines and related accessories for domestic use; ovens, dishwashing machines, coffee machines and related accessories for professional use; steam sterilization auto-claves, machines for washing and disinfecting apparatus for laboratories, dental clinics and operating theatres. Trading and after-sale services for: hobs, barbecues, cooker-hoods, freezers, washing machines, washer dryers, dishwashing machines, small countertop appliances, sinks, coffee machines and related accessories for domestic use; ovens, dishwashing machine and coffee machines and related accessories for professional use; machines for washing and disinfecting apparatus for laboratories, dental clinics and operating theatres, detergents, neutralizing agents, lubricants, brighteners and disinfectants used for cleaning and disinfection in the above mentioned equipment for washing and disinfecting*

Further clarifications regarding the applicability of ISO 9001:2015 requirements may be obtained by consulting the organization

which fulfills the requirements of the following standard:

**ISO 9001:2015**

Issued on: **2020 - 07 - 08**

Expires on: **2021 - 07 - 30**

This attestation is directly linked to the IQNet Partner's original certificate and shall not be used as a stand-alone document

Registration Number: IT - 756



Alex Stoichitoiu  
President of IQNET



Ing. Mario Romersi  
President of CISQ

**IQNet Partners\***

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NYCE-SIGE Mexico PCBQ Poland Quality Austria Austria RUK Russia SII Israel SIQ Slovenia  
SIRIM QAS International Malaysia SQS Switzerland SRAC Romania TEST St Petersburg Russia TSE Turkey YUQS Serbia

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THE INTERNATIONAL CERTIFICATION NETWORK

# CERTIFICATE

*CISQ/IMQ has issued an IQNet recognized certificate that the organization:*

**SMEG SPA**

VIA LEONARDO DA VINCI 4 - 42016 GUASTALLA (RE)  
VIA CIRCONVALLAZIONE NORD 36 - 42016 GUASTALLA (RE)

*has implemented and maintains a  
Occupational Health and Safety Management System  
for the following scope:*

***Design, manufacturing and after sale services for hobs, oven, cooking ranges,  
special products, refrigerators for household users, ovens and accessories  
for professional purposes***

*which fulfills the requirements of the following standard:*

**ISO 45001:2018**

*Issued on: 2020 - 11 - 09*

*Expires on: 2023 - 11 - 17*

*This attestation is directly linked to the IQNet Partner's original certificate  
and shall not be used as a stand-alone document*

**Registration Number: IT - 65348**



*Alex Stoichitoiu  
President of IQNET*



*Ing. Mario Romersi  
President of CISQ*

***IQNet Partners:***

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CQC China CQM China CQS Czech Republic CRO Cert Croatia DQS Holding GmbH Germany EAQLE Certification Group USA  
FCAV Brazil FONDONORMA Finisissade ICONTEC Colombia Inspecta Sertifikaati Oy Finland INTECO Costa Rica  
IRAM Argentina IQA Japan KPC Korea MIRTEC Greece MSZT Hungary Nemko AS Norway NSAI Ireland  
NYCE-SIGE Mexico PCBQ Poland Quality Austria Austria RR Russia SII Israel SIQ Slovenia  
SIRIM QAS International Malaysia SQS Switzerland SRAC Romania TEST St Petersburg Russia TSE Turkey YUQS Serbia***

\* The list of IQNet partners is valid at the time of issue of this certificate. Updated information is available under [www.iqnet-certification.com](http://www.iqnet-certification.com)



# CERTIFICATE

CISQ/IMQ has issued an IQNet recognized certificate that the organization:

**SMEG SPA**

VIA LEONARDO DA VINCI 4 - 42016 GUASTALLA (RE)

has implemented and maintains a  
Environmental Management System  
for the following scope:

**Design, manufacturing through molding, welding, enamelling and assembling processes and after sale services for: hobs, oven, cooking ranges, cooker-hoods, special products for household users, ovens and accessories for professional purposes and personalisation of refrigerators**

which fulfills the requirements of the following standard:

**ISO 14001:2015**

Issued on: **2018 - 11 - 09**

Expires on: **2021 - 12 - 18**

This attestation is directly linked to the IQNet Partner's original certificate and shall not be used as a stand-alone document

Registration Number: IT - 8837



Alex Stoichitoiu  
President of IQNET



Ing. Claudio Provetti  
President of CISQ

**IQNet Partners\*:**

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CQC China CQM China CQS Czech Republic Cro Cert Croatia DQS Holding GmbH Germany FCAV Brazil  
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IRAM Argentina JQA Japan KPC Korea MIRTBC Greece MSZT Hungary Nemko AS Norway NSAI Ireland  
NYCE-SIGE Mexico PCBC Poland Quality Austria Austria RR Russia SII Israel SIQ Slovenia  
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