



## DuluxGroup Sustainable Procurement Policy

### DuluxGroup Commitment

DuluxGroup is a manufacturer and marketer of products that protect, maintain and enhance the spaces and places in which we live and work. DuluxGroup is committed to the sustainability of the communities in which we work and to integrating responsible corporate behaviour into every aspect of our business.

We seek to understand, manage and enhance the environmental and social impacts of our products and operations, including the procurement of raw materials, packaging, finished products and services. Accordingly, our sourcing processes aim to ensure that environmental, health and safety, labour conditions and human rights considerations are embedded in procurement procedures.

DuluxGroup is committed to the safe and ethical manufacture and supply of goods and services. Our goal is to work with suppliers that are honest and transparent and committed to continuous improvement. We will work in partnership with suppliers, who share this commitment, to address deficiencies unique to their business, industry or country of origin.

DuluxGroup regards non-conformances with our requirements related to fraud, bribery and corruption, child labour, forced/bonded labour and illegal labour as unacceptable. If non-conformance in these areas is identified, DuluxGroup will not proceed with supply until improvements are made.

### Supplier Requirements

All suppliers to DuluxGroup are required to:

1. Comply with all applicable Laws and regulations, and internationally accepted standards relating to sustainability matters, including relevant International Labour Organization (ILO) Conventions and UN Global Compact Principles, covering environment, labour, human rights and anti-corruption.
2. Comply with the Dulux Group Fraud, Bribery and Corruption Control Requirements (attached).
3. Comply with the minimum employment age limit defined by local laws in the country of employment or by International Labour Organization (ILO) Convention 138, whichever is higher.
4. Not use illegal labour and must be able to verify the legal eligibility of their employees to work in the country of employment.
5. Not use forced, bonded or involuntary labour; this means any work or service performed involuntarily under threat of physical or other penalty, such as prison, indentured or bonded labour.
6. Complete a DuluxGroup supplier sustainable procurement self-assessment, when requested, and return to DuluxGroup within 60 days of the request.
7. Provide DuluxGroup, or a 3rd party engaged by DuluxGroup, with reasonable access to operating facilities, documents, records and employees to enable an audit to be completed verifying ongoing compliance (see Audit and Compliance below).
8. Put in place an improvement plan, including corrective actions and timeframes, to address any non-compliance identified through the self-assessment or through compliance audits.
9. Monitor, and provide updates to DuluxGroup, when requested, on the progress of improvement plan corrective actions.
10. Immediately notify DuluxGroup of any changes to supply chain arrangements that may impact on the supplier's ability to meet requirements (including new manufacturing facilities or engagement of new subcontractors) or may lead to a breach of the requirements, where these emerge through the course of the supply arrangement.
11. Cascade equivalent requirements to its own supplier base.



## **DuluxGroup Sustainable Procurement Policy**

### **Audit and Compliance**

1. DuluxGroup reserves the right to undertake audits of suppliers and facilities to verify ongoing compliance and to identify areas that warrant corrective action.
2. Suppliers or facilities identified by DuluxGroup as requiring an audit must, within 6 months of receiving a request from DuluxGroup, either:
  - i) Undergo a DuluxGroup supplier compliance audit for the facilities used in the production of DuluxGroup products or
  - ii) Provide DuluxGroup with evidence and all final reports of an ethical audit, conducted within the past 5 years. The scope of the audit must be acceptable to DuluxGroup and the audit must have been conducted by a qualified professional to an internationally recognised ethical audit standard (e.g. SA8000 (Social Accountability International), SMETA (Sedex), Initiative Clause Sociale (ICS)).
3. DuluxGroup may elect to engage a 3rd party audit firm to perform supplier compliance audits on its behalf. The full cooperation of the supplier is required during the audit and DuluxGroup expects that reasonable access to all areas within operating facilities will be granted, as well as access to documents, records and employees.
4. Corrective actions identified during the self-assessment or audit processes must be included in an improvement plan with timeframes acceptable to DuluxGroup.

### **De-registering Suppliers and/or Factories**

DuluxGroup may choose to cease purchasing from a supplier that fails to demonstrate a commitment to this Policy. This lack of commitment may become evident through a lack of cooperation and participation in the supplier self-assessment process, poor audit results, or a failure to address identified breaches within agreed timeframes.



## **Attachment: Fraud, Bribery and Corruption Requirements**

### **Introduction**

DuluxGroup is committed to the prevention and detection of fraud and bribery, within its organisation. DuluxGroup seeks to ensure that its business is conducted with integrity and in an environment of transparency. This means that DuluxGroup also seeks to ensure that its suppliers and business partners understand and appreciate its requirements to operate in this way, and that they also commit to doing so, in all their dealings with or on behalf of DuluxGroup.

### **Prohibition of Fraud, Bribery and Other Improper Behaviour**

DuluxGroup has zero tolerance of fraud, bribery, payment of secret commissions, facilitation payments, and money laundering, as well as any other improper behaviour. All of this behaviour is prohibited for DuluxGroup employees and directors, and will not be tolerated in companies with whom DuluxGroup does business. DuluxGroup personnel, suppliers and business partners are required to conduct themselves in a legal, ethical and transparent manner at all times.

### **Gifts and Entertainment**

Gifts and entertainment must only be offered, provided or accepted by DuluxGroup employees and directors where they are of a modest value and are for the purpose of strengthening a business relationship. Gifts and entertainment must not be offered, provided or accepted by DuluxGroup employees and directors in circumstances that could be considered to give rise to undue influence. DuluxGroup requires that all suppliers and business partners understand and respect this approach and do not offer or accept inappropriate gifts or entertainment.

### **Political and Charitable Donations**

Any political donations by DuluxGroup must be authorised by the CEO and CFO. DuluxGroup requires that suppliers do not request that such donations be made.

DuluxGroup may support charitable causes, including by making charitable donations, where this is done without expectation or acceptance of favourable action or the exercise of influence and is in accordance with local law and practices. Internal delegation of authority rules apply. DuluxGroup requires that suppliers do not request that such donations be made.

### **Reporting Obligations**

DuluxGroup personnel and all suppliers and business partners must immediately report to senior DuluxGroup management all actual or suspected fraud, bribery or corruption.