

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, modern slavery risks and human rights considerations are embedded in procurement procedures.

DuluxGroup is committed to the safe and ethical manufacture and supply of goods and services. 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. 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 DuluxGroup 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 ILO Convention 138, whichever is higher.
4. Comply with local laws related to employment conditions for young workers (those who are less than 18 years of age) and ensure that young workers are not employed during evening hours or in hazardous conditions.
5. Not use illegal labour and be able to verify the legal eligibility of their employees to work in the country of employment.
6. Provide migrant workers with the same entitlements as local workers and cover any commissions or other fees in connection to their employment.
7. 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.
8. Treat all workers with dignity and respect and ensure that conditions of employment are free from discrimination based on gender, ethnic origin, religion, disability, gender, marital status, sexual orientation, pregnancy or political affiliation.
9. Ensure that work-related accident compensation, insurance requirements, work hours and leave entitlements comply with local laws and that work hours are not excessive.
10. Respect the right of workers to join or form trade unions of their own choosing and to bargain collectively.
11. Ensure safe and hygienic work conditions and accommodation facilities (where relevant) and provide employees with equipment, supervision and training to perform their jobs safely.

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Supplier Requirements (continued)

12. Provide employee wages and benefits that meet (or exceed) applicable local laws and industry benchmarks, are paid regularly on time and are subject to accurate and transparent record keeping.
13. Complete a DuluxGroup supplier sustainable procurement self-assessment, when requested, and return to DuluxGroup within 60 days of the request.
14. Provide DuluxGroup, or a third 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).
15. 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.
16. Monitor, and provide updates to DuluxGroup, when requested, on the progress of improvement plan corrective actions.
17. 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.
18. Cascade equivalent requirements to its own supplier base.

Audit and Compliance

19. DuluxGroup reserves the right to undertake audits of suppliers and facilities to verify ongoing compliance and to identify areas that warrant corrective action.
20. 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)).
21. DuluxGroup may elect to engage a third 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.
22. 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.

Reports may be made to the Fraud Control Officer, DuluxGroup's independent Speak-Up Line, DuluxGroup General Counsel, the Chief Financial Officer, or any member of the Executive or the Audit and Risk Committee.

Reports to DuluxGroup's independent Speak up Line can be reported in one of two ways:

Telephone: 1800 065 506 (Australia)
+61 3 9431 2210 (outside of Australia)

Email: duluxgroupsspeakup@tremac.net.au

DuluxGroup's Fraud Control Officer, General Counsel, the Chief Financial Officer, members of the Executive and the Audit and Risk Committee can be contacted by telephone on +61 3 9263 5678.

DuluxGroup's Fraud, Bribery and Corruption Control Policy is available at the following link: [Fraud, Bribery and Corruption Control Policy](#).