



Modern Slavery Statement 2025

For Financial Year 2025: 1 July 2024 to 30 June 2025

Reporting Entity

This Modern Slavery Statement ("Statement") has been prepared as a joint statement in accordance with The Modern Slavery Act 2018 (Cth) ("the Act") by Henkel Finance Australia LP ABN 15 740 196 765 (the "Henkel Finance Australia") and its partially-owned subsidiary Henkel Australia Pty Ltd ACN 001 302 996 ("Henkel Australia") (collectively referred to as "Henkel" or "we" or "our") for the financial year ending 30 June 2025.

Henkel is a reporting entity for the purposes of the Act, and we have prepared this statement so that it is consistent with Henkel's values and existing business operations. The statement below is set out on the basis of section 16 of the Act.

Introduction

The purpose of this Statement is to outline Henkel's approach to ensuring that Henkel has frameworks and processes in place to minimise the risk of modern slavery in our business operations and supply chain. At Henkel, it is recognised that slavery and human trafficking can occur in many forms, as set out in the Act. This includes slavery, servitude, human trafficking, forced labour, debt bondage, child labour and deceptive recruiting for labour or services.

Henkel is committed to operating responsibly and establishing and adhering to the highest ethical standards. Henkel does not tolerate any forms of slavery or human trafficking throughout its business. Henkel also supports the United Nations Sustainable Development Goals, with one of its priority goals being Goal 8: decent work and economic growth. Henkel supports this goal with the commitment to working to eradicate the forms of modern slavery.

Our Business, Organisational Structure, Operations and Supply Chain

The Henkel Group

Henkel Australia is owned by Henkel AG & Co KGaA, a company incorporated under the laws of Germany and Henkel Finance Australia.

Henkel AG & Co KGaA is the parent company of the Henkel Group (Henkel). Henkel was founded in 1876 and can look back on more than 149 years of success. Globally, the Henkel Group has a large operation, employing approximately 47,000 people, with 85% of whom work outside of Germany. The Henkel Group operates a well-balanced and diversified portfolio, with a focus on adhesive technologies, beauty care and household products. As a recognised leader in sustainability, the Henkel Group holds top positions in many international ratings and rankings.

Operations

Henkel Australia is responsible for business activities across Australia. Henkel Australia's operations align with the global strategy of the Henkel Group, and it undertakes its own importation, manufacturing, marketing and distribution of industrial and consumer goods. Henkel Australia imports some finished products and manufactures the balance itself or using local contractors.

Henkel Australia engages with predominantly Australian third-party providers of marketing services on short-term contracts to execute Henkel's brand strategy. In addition, Henkel Australia may engage cleaning and maintenance service providers for its sites

Henkel Australia distributes products through various distribution channels, including distributions to retailers, specialised beauty stores, pharmacies, and e-commerce channels.

Henkel Australia's operations span two core business units, being Adhesive Technologies and Consumer Brands:

- Henkel Adhesive Technologies is the global leader in the market of adhesives, sealants and functional coatings.
- Henkel Consumer Brands holds leading positions in the hair category and laundry & home care in Australia and New Zealand.

Henkel Australia has offices located in the following areas:

1. Head Office: Located in Kilsyth, Victoria. The head office also serves as one of Henkel Australia's key manufacturing and technical facilities.
2. Manufacturing Site: Henkel operates a second manufacturing site in Seven Hills, New South Wales. Both this site and the head office supports manufacturing, application development, and technical services.
3. Consumer Brands Office: Henkel's Consumer Brands business is supported by a dedicated office in Chatswood, New South Wales.
4. R&D Centre: Located in Ingleburn, New South Wales. The R&D Centre is for the Consumer Brands division.
5. Home Offices: Sales teams are located across Australia. Each team operates from home offices.

Henkel Finance Australia operates under the Henkel Group and facilitates financing between companies in the group. Henkel Finance Australia shares an office with Henkel Australia in Kilsyth, Victoria. As Henkel Finance Australia is simply a finance arm of the business, it has limited operations, employing no staff directly and procuring no goods and services.

Supply chain

Henkel Australia manufactures some of products itself here in Australia.

Outside of this, Henkel Australia sources raw materials, packaging, and finished goods both locally and internationally. Its supply chain includes domestic suppliers and global partners, particularly in the chemicals and consumer goods sectors.

Henkel Australia relies on several contract manufacturers located in Melbourne & Sydney, Australia. Henkel Australia also manages local warehousing and distribution activities shared between in-house and third party providers to support national and regional delivery of its products.

Potential Risks in Henkel's Operations and Supply Chain

Henkel has considered risks that may cause, contribute and/or be linked to modern slavery practices in its operations and supply chain. Henkel recognises that the supply chains and sectors which generally involve greater risk of modern slavery include textiles, cleaning services, general agriculture and farming. Henkel does not operate in these sectors, although through its operations it does engage cleaning contractors.

The operational activities undertaken by Henkel, its employees and covered by Henkel's internal processes have been identified by Henkel as low risk areas following risk assessment. In addition to the Code of Conduct, Henkel has imparted clear rules of conduct to its employees. Henkel focuses on providing its employees with regular training courses in its 'Sustainability Ambassador Training' communication measures. Globally, all managers must regularly participate in Henkel's mandatory Compliance eLearning program. This program addresses many different compliance topics, including anti-corruption, antitrust law, data protection, safety topics and human rights topics, including modern slavery and labour practices.

Henkel Australia has identified potential risk 'hotspots' in its supply chain. These hotspots arise where Henkel Australia receives products and services from overseas suppliers located in countries with a history of modern slavery practices and which still have a higher risk rating given their geography. To mitigate this risk, Henkel Australia conducts annual audits (and more frequently as deemed necessary by Henkel Australia) at its production sites and, increasingly, with respect to its subcontractors and logistics centres to verify compliance with Henkel's codes and standards. These audits focus on confirming compliance of suppliers, subcontractors and production sites with Henkel's Responsible Sourcing Policy. The policy requires that all suppliers ensure fair working conditions, including giving employees the right to rest and recuperate, provide them with fair compensation and benefits, prohibiting discrimination, and prohibiting child labour.

All audit results are included in the Internal Audit department's annual report to the Henkel's Management Board. However, if any audit results raise areas of concern, Henkel has a risk management tool which it can utilise to form risk management strategies and if necessary, form an exit strategy.

Henkel also addresses modern slavery risks by including modern slavery clauses in all new contracts with any and all suppliers, as set out in Henkel's policy on modern slavery. All suppliers, their workers and contractors are required to report actual or suspected breaches of Henkel's policies, including the Responsible Sourcing Policy, to Henkel as soon as possible. This can be done by phone or email, making it very accessible for suppliers at all levels.

Policies and Procedures

Henkel has an overarching policy of doing business in an ethical and legal manner and has zero tolerance for any form of slavery-like practices. This is inseparably linked with our commitment to supporting the protection of internationally acknowledged human rights. Henkel's policies and procedures contribute to its commitment to prevent violations of human rights such as modern forms of slavery in its business including Henkel's comprehensive set of codes, standards and processes.

From Henkel's purpose, vision, mission and values, Henkel has formulated globally binding behavioural rules which are specified in a series of codes and corporate standards. These are explored below and apply to all of Henkel's employees worldwide, in all business areas and cultural spheres in which Henkel operates. Henkel's key policy documents include its Code of Conduct, Code of Corporate Sustainability, Social Standards, Safety, Health and Environment ("SHE") Standards, and Sustainably Sourcing Policy. They can be accessed [here](#).

These internal features provide Henkel's employees, customers, suppliers, investors and the communities Henkel operates in with a clear definition of the ethical and social values it upholds and underscore its commitment to respecting human rights along the entirety of the supply chain.

Code of Conduct

Henkel is a member to the German Association of Supply Chain Management, Procurement and Logistics ("BME"). Henkel and BME recognise their social responsibility towards their own company, customers, suppliers, towards the environment and towards society. BME has a Code of Conduct, which Henkel has adopted as a member of BME. The Code of Conduct applies to Henkel, Henkel's management and its employees, and serves as the basis for all business relationship. Significantly, the Code of Conduct is based on principles from the United Nations and entirely rejects any form of forced labour and human trafficking.

It is a condition of every employee's employment with Henkel, including senior management, that they strictly comply with the Code of Conduct. Violations of the Code of Conduct are taken seriously by Henkel and can result in disciplinary measures being taken against the employee.

The Code of Conduct also makes it very clear that Henkel should communicate the principles of the Code of Conduct to its immediate suppliers and promote their compliance. Henkel's immediate suppliers have been made aware of the Code of Conduct and their compliance requested, as well as the compliance of their suppliers. Given this, Henkel is working towards creating a supply chain of compliance with the Code of Conduct, which has a zero tolerance towards forced labour and human trafficking.

Responsible Sourcing Policy

Our suppliers and supply chain partners play an essential role in our sustainability transformation. Henkel believes that intensive dialogue and close cooperation are the basis to develop and maintain ethical and sustainable relationships with them. In this spirit, we carefully consider our suppliers' performance, commitment and continuous improvement when selecting and collaborating with them.

The Henkel Responsible Sourcing Policy is a key element of our commitment to leadership in sustainability. This commitment guides our actions every day driving our Purposeful Growth strategy, our 2030+ Sustainability Ambition Framework and our Responsible Sourcing agenda. This policy is also important in Henkel's deep commitment to driving the transformation to a sustainable economy and society. Responsible sourcing is a responsibility that we share with our suppliers and supply chain partners. Therefore, we expect our suppliers to comply with our Responsible Sourcing Policy, which is based on our globally applicable Corporate Purchasing Standard, our SHE Standards and our Social Standards.

Henkel's Responsible Sourcing Policy addresses the following key elements of modern slavery:

1. Fair working conditions: Henkel's suppliers are required to ensure fair working conditions, including providing employees with fair compensation and benefits, prohibiting discrimination, demonstrate zero tolerance for forced labour and prohibit child labour.
2. Plant and process safety: The design and operation of Henkel's suppliers' production plants and manufacturing processes must be safe for their employees, the public and surrounding communities. Risk assessments are required to be carried out for all production facilities and adequate corrective action must be taken where necessary to minimise risks.
3. Product safety: Henkel requires suppliers' products to be safe for their intended use in terms of human health and the environment. This requirement is especially onerous for hazardous materials, in which case product safety must be evaluated in a risk assessment process.
4. Supply chain transparency: Henkel strives to create supply chains with complete traceability in order to assess and monitor associated risks. We expect our suppliers to work with us on this traceability target, as this forms part of their compliance with our Responsible Sourcing Policy.

5. Conflict-free supply chains: Henkel is committed to ensure conflict-free supply chains for our materials and expect our suppliers to support this goal. Our commitment extends to zero tolerance for sourcing from regions in which military conflicts are taking place. Suppliers are required to provide documentary evidence that all of the materials they source are conflict-free and they do not obtain or process metals from critical regions. Henkel focuses on ensuring compliance for conflict minerals, being minerals and metals including tin, tungsten, tantalum and gold.
6. Reporting: Henkel offers its suppliers, their workers and contractors a platform to report actual or suspected breaches of its Responsible Sourcing Policy. Such breaches or suspected breaches should be reported directly to Henkel via phone or email as quickly as possible.

Our entire responsible sourcing policy can be found here:

<https://www.henkel.com/company/downloads-and-publications>

Actions Taken by Henkel

Supplier Assessments

Henkel's six-stage "Sustainable Sourcing Process" is another core element of our supplier assessment approach. This process ensures that all suppliers comply with our sustainability standards and aims to foster purposeful collaboration with strategic suppliers to continuously improve sustainability standards in our value chain. The steps range from risk assessment and onboarding through to assessment, analysis, and auditing. Based on this, Henkel then works intensively with our suppliers to improve sustainability performance.

In addition to Henkel's six-stage process discussed above, Henkel has employed the use of an evidence-based tool to assess suppliers. The EcoVardis assessment is a widely used sustainability and corporate social responsibility evaluation, which assesses a company's policies, practices and performance across key areas of sustainability. The EcoVardis assessment covers four main themes, being Environment, Labour & Human Rights, Ethics (Business Integrity) and Sustainable Procurement.

Specifically, the Labour & Human Rights theme in the EcoVardis assessment focuses on giving suppliers a score for their compliance with providing its workers with good working conditions, employee health and safety, child and forced labour prevention, and freedom of association and fair wages. Suppliers must submit documentation (for example policies, certifications, reports and records), which EcoVardis verifies. A supplier will then receive a scorecard showing how the supplier performs in each of the four themes, and how it compare to others in its sector.

If a supplier receives an EcoVardis result of 35+, Henkel will reassess that supplier every 3 years, as they are deemed as compliant and low risk of having modern slavery practices. However, if a supplier receives a score of less than 35, Henkel will continue to reassess that supplier annually.

Henkel has also introduced mandatory provisions in all of its supplier agreements and contracts, which prohibit conduct in connection with slavery and human trafficking. The newly introduced provisions also obligate the supplier to apply ethical sourcing practices, comply with and encourage compliance with relevant labour standards and laws and take reasonable steps to identify modern slavery risks in its operations and supply chains. Any breach of these provisions by a supplier would entitle Henkel to bring the respective supply agreement or contract to an end. These mandatory provisions, alongside Henkel's Supplier Questionnaire and risk assessment, help to mitigate the risk of modern slavery in its supply chain.

Our 2024 Sustainability Report includes more information on Henkel's approach to managing compliance and human rights as well as on our supply chain management. The report is publicly available here: <https://www.henkel.com/sustainability>. Key achievements include:

- Over 2,000 supplier assessments conducted globally.
- 100% of strategic suppliers committed to Henkel's Supplier Code of Conduct.
- Enhanced digital traceability in raw material sourcing.

Other Actions

During the reporting period, Henkel has continued to assess and mitigate modern slavery risks by relying on its internal policies and procedures, conducting supplier assessments and taking the following actions:

- Regular review of processes and reporting of key breaches at Board level
- Conducting employee training and awareness including annual code of conduct incorporating expectations on social standards and ethical behaviour
- Undertaking Supplier Self-Assessment Questionnaires in order to reassess the Modern Slavery Risks within our supply chains. Suppliers are required to complete this questionnaire more frequently when they return an EcoVadis score of less than 35.
- Ensuring modern slavery measures are continually developed in our procurement tools and processes. Henkel undertakes regular reviews of its supply procurement and processes to ensure that its modern slavery measures are as effective as possible.
- Engage with suppliers to provide periodic communication and information, as well as seeking their feedback on our progress and approach. Henkel regularly reviews its supplier specific action plans, which are tailored to each individual supplier based on their size, location and supply being offered to Henkel. Henkel employs a risk management tool to prepare the supplier specific action plan and ensure it has the most relevant information possible.
- Conduct audits of historical contractual agreements to identify and rectify any gaps that may not reflect our new modern slavery requirements. Any contracts which do not contain modern slavery provisions are flagged and those provisions introduced.

Assessment of Effectiveness of Actions

Henkel is committed to better understanding the effectiveness and impact of the actions taken to assess and address Modern Slavery risks. It is currently monitoring performance through a combination of internal and external mechanisms and tracking its actions and the outcomes of those actions. This monitoring is undertaken through regular audits by senior management, particularly for high-risk locations. The results are reported at a Board level in Henkel AG & Co KGaA. High risk locations are flagged using risk management logic and using knowledge of locations which traditionally pose a higher risk of modern slavery instances. Where any concerns arise from the findings of an audit undertaken by Henkel, or Henkel is informed of a modern slavery violation by its suppliers, the situation is carefully reviewed and an exit strategy is formed.

As part of Henkel's risk analysis for the 2023 financial year, Henkel identified two high-risk areas relating to Henkel Australia's supply chain, being (1) raw materials based on palm oil and palm kernel oil and (2) countries associated with the sourcing of so-called "conflict minerals". Given these have been identified by Henkel as higher risk, Henkel has committed to additional review measures. For example, audits to monitor compliance with the Code of Conduct, specific capacity-building trainings on the respective risk including interactive workshops and risk-appropriate individual case-specific preventative measures.

High risk suppliers, such as those supplying raw materials based on palm oil and palm kernel oil and suppliers in countries associated with 'conflict minerals' must undergo an expert CSR assessment and



perform on-site audits. Individual case-specific preventative measures are applied, which are specific to a risk situation or category (e.g., supplier-specific assessments, supplier training).

Finally, Henkel also undertakes comprehensive audits of its suppliers across different sections of the supplier's business, including management systems, incident reporting and emergency management, distribution and warehousing, occupational health and safety, process safety, environment and sustainability and social standards.

Future Actions

In the next reporting period, Henkel will focus on implementing new strategies and actions to minimise the modern slavery risk it faces in its operations.

1. Henkel will focus on raising awareness on its hotline. The hotline is already offered by Henkel for employees and suppliers to report on instances of modern slavery.
2. Henkel's focus has been on introducing mandatory modern slavery clauses into its supplier contracts, however it will next focus on conducting audits on all existing contracts to ensure a satisfactory modern slavery clause has been included in every agreement it holds with a supplier.
3. In the next financial year, Henkel intends to develop its supply chain to ensure full NDPE compliance (No Deforestation, No Peat, No Exploitation). Henkel aims to guarantee that the palm oil and palm kernel oil used in its products do not contribute to the deforestation of rainforests with significant ecological value. Furthermore, Henkel intends to continuously develop traceability and transparency capabilities and aim to improve the livelihoods of smallholder farmers.

Process of Consultation with any Entities Henkel Owns or Controls.

Henkel does not control or own other entities and therefore is not required to consult on this statement pursuant to section 16(1)(f) of the Act.

This Statement was approved by the Board of Henkel Australia Pty Ltd. and the Executive Committee of Henkel Finance Australia LP. The Executive Committee of Henkel Finance Australia LP has primary responsibility for governance of that limited partnership.

A handwritten signature in dark ink, appearing to read "Daniel Rudolph".

Daniel Rudolph
President Henkel ANZ
Henkel Australia Pty Ltd
Date: