

Modern Slavery Statement for the Financial Year ending 31 December 2023

This statement is made pursuant to section 54 (*Transparency in Supply Chains*) of the UK Modern Slavery Act 2015 and sets out the steps that Colart and its subsidiaries have taken and are continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Colart has a zero tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our Business

Colart's core activity is the development, manufacture and supply of artists' materials, in order to provide sustainable, creative tools and services to release pure expression. The largest business function (measured by the number of people employed) is manufacturing. Colart operates 4 manufacturing sites: two in the UK, one in France and one in China, distributing its products in approximately 120 countries and working with over 700 suppliers covering production and non-production spend.

Our Internal Policies

We operate internal policies to ensure that we are conducting business in an ethical and transparent manner with the wellbeing of our people at the forefront of our actions.

These policies include:

- Employee Code of Conduct:** Our over-arching Employee Code of Conduct sets out our standards for how we behave as an organisation and how we expect our employees to act. This includes provisions on modern slavery in our supply chain, as well as other ethical business practices like the prevention of bribery and corruption. Employees are trained in these matters so as to recognise such issues when engaging within and on behalf of the business.
- Whistleblowing policy:** We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. This policy is activated through a global third-party portal accessible for all our employees whether by phone or online in all languages that we operate. Any matters raised are tracked and monitored with real time feedback and action.
- Recruitment policy:** We operate a robust recruitment policy for all employees to safeguard against human trafficking or individuals being forced to work against their will.

Our External Policies – Supply Chain

In addition to internal policies, Colart operates a supplier assessment policy. Some of our raw materials are sourced from mines, in particular certain pigments used in our product ranges. We recognise that this presents a raised level of risk so our policies pay particular attention to standards for suppliers in addition to our current work on a preferred supplier list.

We conduct due diligence on suppliers before allowing them to become a preferred supplier, which includes our own information gathering, data gathering from SEDEX (described in more detail below), and online searches to exclude suppliers who have been convicted of offences relating to modern slavery.

SEDEX which is an online data base for facilitating access to information on the following pillars:

- Labour Standards
- Health and Safety
- The Environment
- Business Ethics

Each supplier is asked to complete a Supplier Assessment Questionnaire based on the above pillars. This, as well as inherent risk and any social audits, are used as part of a risk assessment tool which allows us to highlight potential risks.

Once the due diligence is complete, a risk score is assigned to each supplier based on the results. We are working to implement a system of site visits to suppliers with a higher risk score which, once implemented, will allow us to make assessments about compliance first hand. The combination of the above tools will allow us to identify and investigate risks fully and to exclude suppliers who do not comply with our policies (and to report unlawful practices to the authorities, where appropriate).

Our Business Partner Code of Conduct

Our Business Partner Code of Conduct, which applies to all third parties we engage with including (but not limited to) suppliers, customers and distributors continues to be implemented. We expect our key Business Partners to sign up to this code or demonstrate equivalent internal rules in order to work with us – and to continue to work with us. Of particular note are sections within the code on 'Workplace practices and human rights', 'respect, equal opportunities and fair treatment' and 'child labour and forced labour'.

Training

We are in the process of implementing regular training for our procurement/buying teams to enable them to identify risk factors for modern slavery in our supply chain and to make assessments about whether suppliers are compliant with our policy and the law.

Latest status

We have implemented a flowchart to assist in determining applicability of our Business Partner Code of Conduct.

Colart continues to see the benefits from its subscription to the "World-Check One" platform. This is a global risk intelligence database to assist us in our "Know Your Customer" obligations. The database provides up to date information in respect of: global sanctions; regulatory and law enforcement lists; politically exposed persons; family members and close associates of politically exposed persons; global coverage of state owned or controlled entities; negative media (pre and post convictions); and information from other secondary sources in the fight against crime and the proceeds of crime. Existing suppliers are in the process of being reviewed and any new suppliers, customers, distributors and employees are screened as part of the engagement process. This has become more important than ever following events in Ukraine.

Approval of this statement

This statement was approved by the Board of Directors on 19 June 2024.

Name: Romain Guinier, Chief Executive Officer

Signature..........

Date: 23 June 2024

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