
Dyson Modern Slavery Statement 2022

1.0 Introduction

Dyson has grown significantly since its inception in 1991, and is committed to providing work that is freely chosen and supporting livelihoods within its own operations and its wider supply chain. Modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. Modern slavery in its all its forms is not tolerated by Dyson. Modern slavery includes eight types of exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and all forms of child labour.

Dyson recognises that identifying and mitigating the risks of modern slavery in global companies with complex supply chains requires its on-going commitment. Dyson, therefore, remains dedicated to tackling this issue through strong policies, internal and external audits, training and input from independent third-party experts.

2.0 Message from our Chief Supply Chain Officer

“Dyson is committed to the safety, health and wellbeing of people who work for us and with us; upholding a culture where people are valued and respected.

Dyson does not accept any form of modern slavery in our operations and global supply chain and is dedicated to its prevention. We will continue to set and uphold robust standards on worker welfare and protection, and we will ensure that all our operations and supply chain adhere to them.”

Michelle Shi

3.0 Dyson business, operations and supply chain

Dyson Holdings Pte. Ltd. (“Dyson”) and its subsidiaries (collectively the “Group”) are a global group of research and technology companies committed to conducting business in an ethical and environmentally responsible way. This statement is made on behalf of the Group, in particular the following subsidiaries, ultimately owned by Sir James Dyson, that meet the criteria for publishing an annual statement:

Dyson Subsidiary	Country of Incorporation and Registration Number	Registered Address	Applicable Act
Dyson Appliances (Australia) Pty Ltd.	Australia 073 072 509	Tower Three – International Towers Sydney 300 Barangaroo Avenue Barangaroo NSW 2000 Australia	Australian Modern Slavery Act 2018
Dyson Technology Limited, Dyson Limited	United Kingdom 01959090 02627406	Tetbury Hill, Malmesbury, Wiltshire, SN16 0RP UK	UK Modern Slavery Act 2015
Dyson Inc.	United States of America	1330 West Fulton Street 5th Floor Chicago IL 60607 United States	California Transparency in Supply Chains Act 2012 (SB657)

Dyson remains family-owned. It has engineering, research, development, manufacturing and testing operations in Singapore, the UK, Malaysia, and the Philippines. It sells products in 85 markets.

Dyson's own manufacturing operations are based in Singapore, Malaysia and the Philippines. Its supply chain includes contract manufacturers in Malaysia, the Philippines, Mexico and China, with tier two and three manufacturing suppliers primarily based in Asia. It also includes suppliers of other goods and services to support its operations, such as cleaning, maintenance and catering.

In 2022, Dyson partnered with new contract manufacturers in Mexico and China. New suppliers are assessed by third-party auditors as part of our onboarding process. There is close collaboration amongst Dyson's Supply Chain, CSER (Corporate, Social and Environmental Responsibility), Legal and Operations teams to enable new contract manufacturers to meet and strive to exceed relevant regulatory requirements and Dyson's own standards enshrined in its contracts (see below).

4.0 Dyson's approach

4.1 Policy

Dyson communicates its standards and expectations to suppliers through the Dyson Ethical and Environmental Code of Conduct (the 'Code of Conduct') which incorporates international labour and human rights principles and national laws. The Code of Conduct sets out Dyson's requirements for its own operations and its suppliers in relation to labour practices, business ethics, health and safety, responsible sourcing and environmental standards, including prohibiting all forms of slavery and human trafficking.

The Code of Conduct forms part of Dyson's contracts with suppliers and is communicated to direct manufacturing suppliers during the on-boarding process. The Code of Conduct is supplemented by additional policies and standards, outlining Dyson's specific requirements to ensure fair and ethical employment practices between suppliers and their workers. Policies are updated at regular intervals to ensure they remain in line with legal requirements and industry best practice.

4.2 Risk assessment

Supplier risk assessments are carried out on an individual basis for each supplier using the Sedex platform. During registration, suppliers are required to complete a detailed self-assessment questionnaire which covers their labour, ethics, health and safety and management systems. Risk assessments are repeated based on results of the previous assessment, combined with audit results.

Sedex uses a tool called RADAR, which combines inherent (country and sector) risk information with the self-assessment data from suppliers, and helps identify suppliers operating in high-risk environments, or with workers who are more vulnerable to labour exploitation. The results of these risk assessments are then used to help prioritise supplier audit selection and frequency.

4.3 Audits

Dyson conducts regular audits of its contract manufacturers and Dyson owned operations using our own specialist CSER team and external audit partners. These audits are usually conducted on a semi-announced or unannounced basis. In the lower tiers of the supply chain,

we use Sedex, an industry recognised risk assessment platform, to evaluate our wider supply base. Those suppliers flagged as highest risk are included in our supply chain audit programme.

Audits assess adherence to Dyson's Ethical and Environmental Code of Conduct, and associated policies and standards. Auditors also interview a cross-section of the workforce without management presence (with translators if required). If suppliers do not meet Dyson's requirements, Dyson prioritises working in collaboration with the supplier to resolve the identified issues. A Corrective Action Plan (CAP) is then agreed, detailing the next steps expected from the supplier. Dyson then arranges a re-audit of the supplier within an appropriate timeframe. In an effort to prioritise improvement for workers, suppliers who fail two consecutive audits have sanctions imposed and may resume business only after passing a new audit and addressing all corrective actions.

Support is often sought from appropriate third parties, for example Responsible Business Alliance (RBA), an organisation of which Dyson is a member.

4.4 Due diligence

Prior to on-boarding, suppliers are risk assessed through our independent third-party platform, Sedex, using the RADAR tool, which helps determine if we can proceed with a supplier or if any remediation work is required to meet Dyson standards. The results of these risk assessments are then used to help prioritise supplier training, audit selection and frequency.

Our internal CSER team, runs a comprehensive audit programme, which includes a Workplace Conditions Assessment conducted in partnership with a third-party, Intertek. Audit corrective action and improvement plans are tracked and re-audits are carried out to verify that corrective actions are resolved. Supplier performance and audit findings, including CAP completion, are monitored at the Sustainability Supply Chain Council on a monthly basis.

4.5 Grievance mechanisms

Workers in Dyson operations and contract manufacturer facilities have access to an independent confidential helpline provided by our third-party vendor, Safecall, where they are free to raise concerns, with the option to do so anonymously. The helpline is available in all local languages, and all reports are investigated by Dyson and resolved with remedial actions mandated where required. Dyson also has a non-retaliation policy in relation to those who report such matters.

4.6 Governance

It is everyone's responsibility across the supply chain to be aware of modern slavery risks, and the appropriate options to mitigate and address those risks. Dyson's specialist CSER team, based in Singapore, Malaysia, the Philippines, China and the UK, is responsible for setting and monitoring Dyson's modern slavery prevention requirements in the supply base, alongside the wider Operations and Manufacturing teams. Dyson works with suppliers to support them to understand and meet our standards, through a combination of training, audits and assessments.

Dyson's Sustainable Supply Chain programme is overseen by a Sustainability Supply Chain Council which reviews progress and oversees policy, critical remediation actions and cessation of relationships with suppliers who do not meet our standards. Dyson's supply chain governance model allows us to take immediate action if we discover that our standards are not being met. Our preference is to continue to work with a supplier to achieve long term continuous improvement, however, where this becomes infeasible, Dyson is prepared to end its engagement with a supplier.

5.0 Risks of modern slavery practices and actions to address risks

Risks of modern slavery are identified through a combination of risk assessments, audits and grievance mechanisms and using external references such as the US Trafficking in Persons Report.

Within the calendar year of 2022, the areas of on-going risk identified include:

Manufacturing



Migrant workers



Raw materials



5.1 Manufacturing

The risk of forced labour practices is higher in manufacturing industries, especially the electronics sector and in Asian manufacturing hubs. Migrant workers are particularly vulnerable to forced labour.

5.2 Migrant workers

Manufacturing in Asia, particularly Malaysia, involves a high proportion of migrant workers. This presents a risk of non-compliant recruitment practices by recruitment agencies, such as charging workers recruitment fees or agents withholding personal identification documents.

In the year 2022, Dyson did not operate its own manufacturing facilities in Malaysia but does work with several contract manufacturers. Dyson has a zero recruitment fees policy for migrant workers in its contract manufacturers. The policy requires employers, rather than the worker, to bear the cost of recruiting a migrant worker (e.g. recruitment agent fee, flights and visas). Dyson continues to engage directly with migrant workers, contract manufacturers, suppliers and NGOs to monitor and evaluate our approach regarding recruitment fees and ensure it is relevant.

5.3 Raw materials

Supply chains are typically multi-tiered in nature, with numerous processing steps taking place through various lower tier suppliers. The sourcing of raw materials and minerals at the lower tiers of the supply chain for use in electronic components presents modern slavery risks.

Whilst Dyson does not directly procure raw minerals, it is working with suppliers and industry bodies to understand best practice and how it can influence the wider supply chain to address forced labour risks. Dyson continues to be a member of the Responsible Minerals Initiative enabling Dyson to keep abreast of industry practice on responsible minerals sourcing.

6.0 Taking effective action to address modern slavery risks: 2022

Dyson understands that addressing the risks of modern slavery in our operations and supply chain requires on-going commitment and continuous improvement. This drive to continually improve includes regular review of our supply chain policies and standards, with input from industry experts and ensuring our governance model is effective and fit for purpose.

In 2022, Dyson focused on the following:

6.1 Increased capacity and capability

We invested in Dyson capacity and capability to drive responsible supply chain practices by expanding the headcount of our specialist CSER team in 2022 by 80% to facilitate greater communication, training and assessment of suppliers.

6.2 Increased assessment of suppliers through audit by over 25%

In 2022 we significantly extended our audit oversight by over 25%, against 2021, completing 200 unique supplier audits along with 25 re-audits, covering suppliers in 16 countries. In order to extend our geographical reach, we partnered with Intertek to conduct the majority of audits.

6.3 Greater focus on forced labour assessment

We expanded the scope of audits beyond traditional workplace audits to include a dedicated forced labour assessment, to enable us to better understand issues and tailor our training and policies.

6.4 External partnerships

Continued partnership with responsible supply chain external organisations such as the Responsible Business Alliance, Responsible Labor Initiative, Responsible Minerals Initiative and Sedex.

7.0 Training

In 2022 we continued training on our standards across the supply chain. This involved:

7.1 Training Dyson suppliers

Ongoing efforts to actively communicate and train suppliers on the Dyson Code of Conduct in 2022, working with external experts including labour rights organisation Verité Southeast Asia.

In 2022 we trained suppliers in Malaysia, China, Philippines, the UK, Europe, the USA and Mexico, on topics such as:

- Dyson Code of Conduct
- Zero recruitment fees for migrant workers (a priority for Dyson). We worked with Verité Southeast Asia to conduct a two-day training on responsible recruitment and implementation of the “Employer Pays Principle” attended by 30 representatives from our suppliers.
- In order to equip and encourage suppliers to actively monitor their own supply chain, 20 suppliers completed SA8000 Auditor Training through Social Accountability International (SAI)

7.2 Communicating with workers

In 2022, we introduced a short animated film, translated into core worker languages, to further inform people working for Dyson's contract manufacturing partners, of Dyson Ethical and Environmental Code of Conduct.

As with previous years, confidential worker interviews remain a central part of our supplier audit process. In 2022, we interviewed over 3,000 workers to gain their views and insights on their working conditions.

7.3 Training Dyson people

We recognise that our people also need to be aware of modern slavery risks, how to identify them and how to respond. Our online learning platform, available to all Dyson people, includes the Dyson Code of Conduct and modern slavery awareness training. For those teams who work most closely with suppliers, we run deep-dive Code of Conduct sessions.

8.0 Looking ahead

Dyson will continue to prioritise the prevention of modern slavery across our operations and supply chains, in particular focussing on:

- **Increasing our reach:** Further expanding the geographic coverage scope of our standard audits with additional focus on forced labour indicators.
- **Continued collaboration with industry experts:** Particularly where we do not have direct relationships with lower tier suppliers, we intend to further engage with coalitions to strengthen our knowledge and support wider industry efforts.
- **Enhance policy and extend training to contract manufacturers, suppliers and workers:** Focusing on understanding and addressing modern slavery risks.

Dyson remains dedicated to continuing efforts to assess and address modern slavery risks in its operations and supply chain.

This Statement for Dyson Appliances (Australia) Pty Ltd, Dyson Technology Limited, Dyson Limited and Dyson Inc. was approved by the Board of Dyson Holdings Pte. Ltd. as the parent entity on the 24th of May 2023.

Signed by:

R Krueger

Roland Krueger, Chief Executive Officer

9.0 Appendix

This Statement is made pursuant to the requirements of section 54 (1) of the UK Modern Slavery Act 2015, sections 13 to 16 of the Australian Modern Slavery Act 2018, and the California Transparency in Supply Chains Act 2012 (SB657). This Statement constitutes Dyson Group's Modern Slavery Statement for the financial year ending 31st December 2022, and is made on behalf of the entire Dyson Holdings Pte. Ltd. Group, in particular the following subsidiaries that meet the criteria for publishing an annual statement:

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This Statement was approved by the Dyson board on behalf of the above listed entities.

Dyson's global sustainability governance model covers all entities within the Group. This Statement was developed by Dyson's Sustainability Team, through a process of consultation and collaboration with stakeholders across Dyson's reporting and non-reporting entities, including the Legal Compliance and Ethics Team, regional legal teams, and Dyson's Global Policy Steering Committee. Advisory consultation with external stakeholders was also sought where appropriate.

With regards to the Australian Modern Slavery Act, the table below outlines where information related to each reporting criteria can be found:

Mandatory criteria	Page number
a) Identify the reporting entity.	2,8
b) Describe the reporting entity's structure, operations and supply chains.	2–3
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	5
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	3,4
e) Describe how the reporting entity assesses the effectiveness of these actions.	6
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	Dyson Appliances (Australia) Pty Ltd. does not own or control any other entities.
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	N/A