

Australian Modern Slavery Statement

Our Company

DSI Underground is a leading specialist ground support supplier to the underground mining and tunnelling industries worldwide.

DSI Underground operates in over 70 countries and employs around 2,000 persons. As a global company, DSI Underground enjoys a reputation for conducting business with

responsibility, integrity, and respect for all of those who are affected by our activities. DYWIDAG-Systems International Pty Limited (trading as DSI Underground) is part of the DSI Underground group of companies. Recognising the importance of human rights is key to our organization and is one of our four Company values

“We are Responsible”. DSI Underground are committed to protecting these rights for all individuals including our workers, the communities in which we operate, and those who may be impacted by our activities, our customers, and those within our supply chains.

Our Statement

Our statement outlines the action we have taken to implement policies and processes to ensure workers, and individuals associated with our supply chain, receive fair market conditions for their services in line with the Country of origin in which they are engaged.

At DSI Underground, we take pride in operating a responsible business; we seek to do business in a way that respects all our stakeholders and aims to protect all internationally recognized Human Rights.

With the assistance of our team, our customers and our suppliers, we aim to mitigate the risk of slavery and human trafficking throughout our operations. We acknowledge that a genuine commitment to address modern slavery requires action rather than just words. Therefore, in line with the DSI Underground Spirit, Global Business Partner Policy and Global Supply Chain Policy we have established clear zero tolerance expectations across our global operations for our people and those we do business with.



Our Commitment

With the support of our Board and in line with international standards we are focused on ensuring work relationships between employees and their employer are freely chosen and free from threats; intimidation and coercion.

This statement applies to our Australian operations, subsidiaries and suppliers

we believe to be covered by the *Modern Slavery Act 2018*.

In our statement we have used the definition “modern slavery” in line with the UK Government. This definition includes slavery, forced labour and human trafficking. Our “suppliers” are defined to include suppliers of goods

and services and our “people” include our employees, directors and our contractors.

This statement was approved by RCEO DSI Underground and reviewed and endorsed by the APAC Executive Team.

Our Requirements

DSI Underground’s Global Supply Chain Policy sets forth our approach to working with suppliers. It identifies certain key environmental, social, and governance practices that derive from DSI Underground’s values, policies,

and principles. For example, the Global Supply Chain Policy prohibits our suppliers from engaging in modern slavery, human trafficking, child labour,

and any form of forced labour in their business. It also requires them to ensure that their work relationship with their employees is freely chosen and free from threats, intimidation, and coercion.

The Global Supply Chain Policy applies to all supply chain activities of DSI Underground, and key suppliers are required to provide positive assurance.

DSI Underground employees receive targeted and regular online compliance training also covering supply chain compliance and best practices.

Any suspected violations can be reported by any DSI Underground employee as well as any third party, including employees of suppliers, through one of our publicly available whistleblowing channels.

Our Structure and Organisation

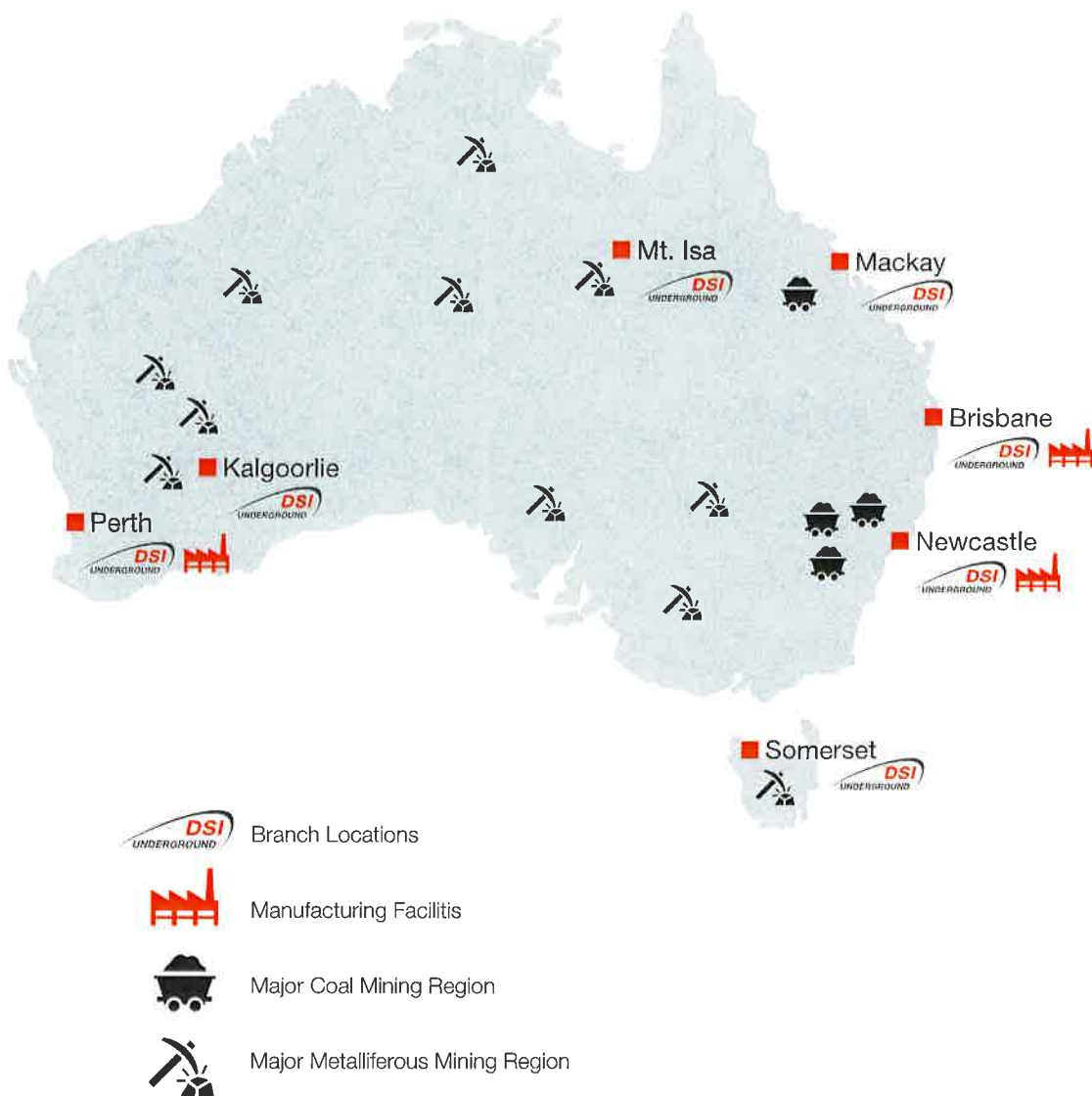
Across our operations, we aim to positively impact the communities and people within the local area, keeping in line with our strategy. Wherever possible, we buy from and engage with local suppliers and manufacturers, where local services are not available, we work to support the community through our operations.

Our global operations take place in more than 70 countries and regional manufacturing sites.

Our team of more than 2,000 specialist and experienced employees develop, produce and supply high quality anchor systems, injection resins, injection chemicals and ground support products for Mining and Tunnelling.

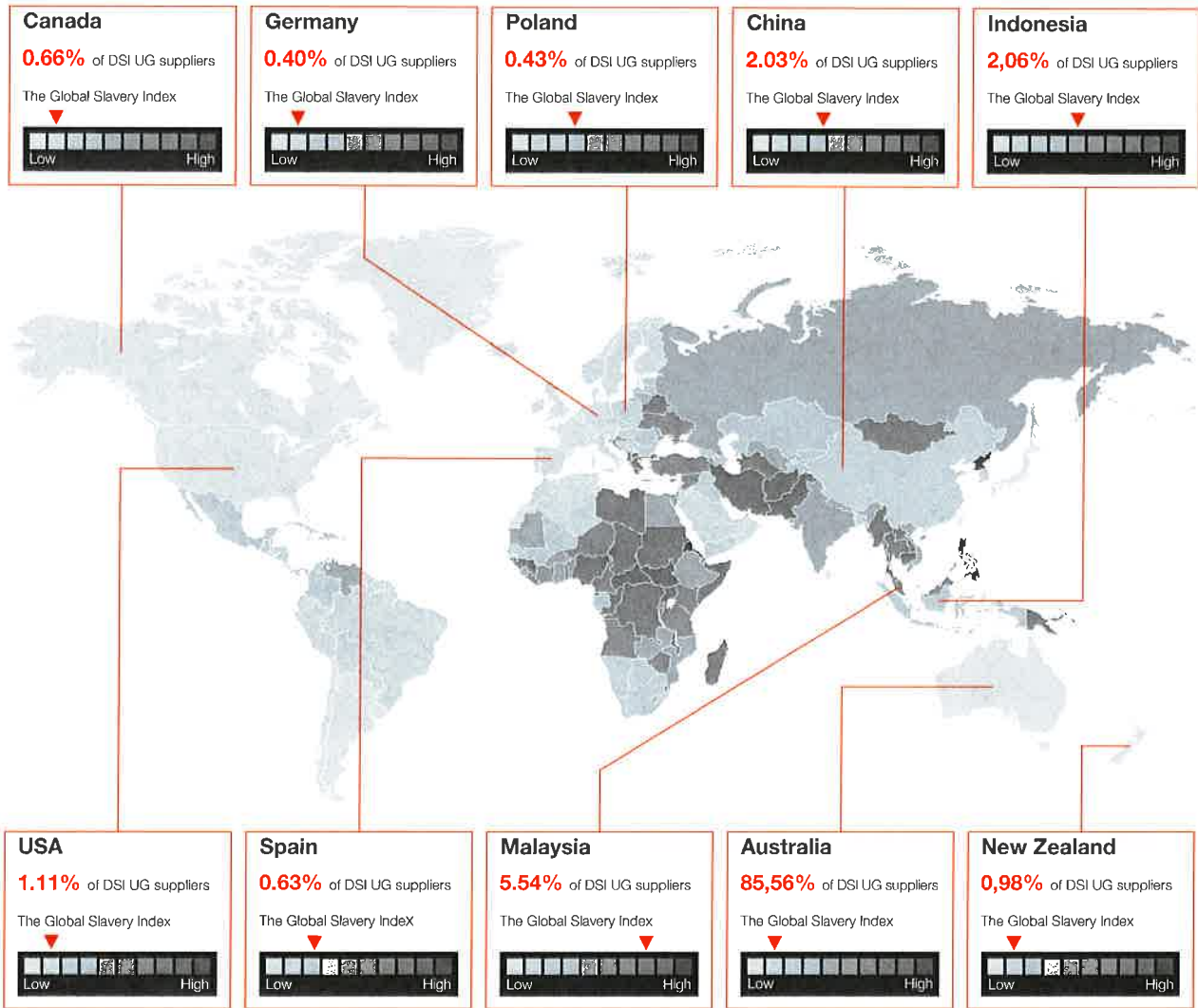
Our team ensures that our technologies and know how are globally accessible and of the highest quality, quality which is characterised by our creativity, reliability and profitability.

Across APAC our workforce at 30 June 2020 is approximately 680 employees (including part time and casual workers).



APAC Organisational Structure, Business and Supply Chain

Top 10 DSI Underground countries of origin (by annual spend in each country)



Our Supply Chains

DSI Underground APAC has a complex global supply network across 20 countries. Everyday, our operations are supported by raw materials and skilled labour and services. In 2019, we made payments to over 1,000 suppliers.

99% of our spend is concentrated in 10 countries: Australia, Indonesia, China, Germany, the United States, Malaysia, the United Kingdom, New Zealand, Canada and Poland.

92% of our suppliers are located in just two countries: Australia and Indonesia.

According to The Walk Free Foundation's Modern Slavery Index, of these top 10 supplier countries of origin, over 80% of our suppliers are based in low-risk countries, with less than 1% based in high risk countries.

- 1,000 suppliers
- 20 countries
- 98% of suppliers in 10 countries

Working to Combat Modern Slavery

Working closely with our suppliers is integral in our approach to combat modern slavery throughout our supply chain. This relationship with our suppliers is reciprocal as we learn from each other to increase our awareness of potential risks.

Through our DSI Underground Spirit (Code of Conduct), Global Business Partner and Global Supply Chain Policies we outline our expectations on modern slavery and human trafficking to both our current and prospective suppliers. Through our continued work with our stakeholders we work to identify and

understand the impacts of our activities, optimise benefits and limit negative impacts. Our due diligence process is enacted to prevent and mitigate adverse impacts, provide access to remedy through effective grievance mechanisms and promote more responsible business conduct.

Our Policies and Governance

Abuses of Human Rights, including modern slavery, are quite often associated with other failures in governance. These failures can include a lack of legal and regulatory enforcement and corruption. We recognise the connection between these groups and work, through our Human Rights training program, to ensure that our approach to modern slavery is not disconnected from daily business operations.

Our DSI Underground Spirit, Human Rights Statement and Employment Policy set our expectations for the standards and conduct our people and suppliers. These documents include components that aim to prevent modern slavery. Developed in line with international standards including the Universal Declaration of Human Rights and the UN Guiding Principles on Business

and Human Rights (UNGPs), we have zero tolerance for the use of forced labour state any form of slavery.

Our Global Business Partner and Global Supply Chain Policies are provided to our current and prospective suppliers and are referenced in our Supply Chain Agreements. These policies outline our expectations of suppliers, and their stakeholders, with respect to Human Rights and the expectation that work must be chosen and completed at the will of the individual and in the absence of forced or compulsory labour.

A decision to cease professional relationships, including terminating pre-existing relationships, may be pursued by DSI Underground should a supplier, or their stakeholder, not meet our

expectations in regard to modern slavery and human trafficking.

Our Supply Chain Team undertake due diligence checks on all new, and nominated existing, suppliers to establish their ethics and integrity relating to Human Rights. If deemed necessary, we may engage a third party to undertake due diligence checks on new or existing suppliers relating to their approach to Human Rights.

The APAC Executive Team is accountable overall in coordinating our approach to modern slavery component of Supply Chain, Human Rights and Corporate Relations focus. These focus areas are overseen, in conjunction with our normal operational functions by Procurement, Human Resources and Commercial teams.

Our Supply Chain Contract

Our suppliers, both new and existing are required to acknowledge and adhere to our modern slavery expectations when signing or renewing an agreement with us. Standard across our agreements, our modern slavery clause acts to establish as a baseline expectation for suppliers to manage their modern slavery risks.

Whilst modern slavery clauses are a fairly new addition to our agreements and are not a compulsory requirement in some areas in which DSI operate, we welcome supplier consultation regarding these clauses providing they can demonstrate they are implementing processes to mitigate their modern slavery risks.



Toward Zero – Working on Eradicating the Involvement of Child Labour

The definition of “modern slavery” in accordance with the International Labour Organisation (ILO) conventions includes child labour, in its worst form, as defined by the International Labour Organization. This definition by the International Labour Organization includes all forms of slavery and hazardous work.

Through our policies, our people are working to ensure our operations and activities are not fostering any form of child labour. At DSI Underground we have a zero tolerance of any form of child labour. Through our due diligence procedures our team works to identify concerns related to child labour.

We recognise that this is an area where there is more work to be done and, as such, we are continuing to work on working toward eradicating child labour – working toward zero.

Grievance Mechanisms

Through our external Grievance Procedure, we aim to manage all grievances in a systematic, fair, timely and transparent manner. We encourage concerns regarding unethical, illegal or improper behaviour related to operations across our business, or our suppliers.

There are a number of mechanisms that allow internal and external parties to anonymously report suspected or actual illegal activity or breaches of Company Policy, including our DSI Underground Spirit.

Details for our Whistleblower platform are publicly available through an online portal via our website, by phone or email. Each Whistleblower disclosure received is investigated and reported to the APAC Executive Team.

Reporting and Performance Indicators

We use a range of metrics to monitor our Human Rights performance which expands from our supply chain through to our operations and onto our customers and the community.

An extensive set of measures relating to wellbeing, diversity and inclusion of our people allows us to actively manage these

aspects of our business throughout the year, and we report on our performance publicly each year in our Annual Report.

Training

Delivery of our governance, risk management and compliance frameworks are dependent on our workforce understanding the issues, legislative requirements, and of our approach to risk identification and management. We have implemented company-wide induction programmes and training for existing employees for key personnel

working in areas with exposure to greater modern slavery risk.

Our people are our first line of defence in identifying and helping us to address any instances of modern slavery, therefore, it is imperative we understand the key signs. This is particularly relevant for our people most likely to be exposed to it.

We want to ensure there is a well-established understanding of how our modern slavery risk management fits into our broader Human Rights programme and wider sustainability strategy. Ultimately, this helps us to ensure we are coordinated and avoid working in silos.



Assessment and Effectiveness

We understand that assessing the effectiveness of our training program is just as important as the delivery.

As such we have implemented mechanisms that allow us to track our processes to improve our performance.

Through ongoing assessment, we are also able to continuously improve our programs and practices.

Future Commitment (Message from CEO)

In focusing on our futures, we have established the following priorities for next year:

- Review the current policy framework to ensure it meets best practice

- Supply chain optimisation
- Engage with Suppliers to ensure they understand their requirements and assist them through the process to build capabilities

- Supplier audits
- Managed services for supplier engagement and risk assessment

We are confident through our continued growth and approach to modern slavery and human trafficking that we will be closer to eliminating these practices throughout our

operations and across our supply chain. Whilst we understand this is a global issue, we believe that through building effective relationships with our suppliers and business partners

we will continue to evolve and develop our people and processes to eliminate modern slavery and human trafficking throughout our operations and supply chain.

The Statement for DSI Underground was approved by the board of DSI Holdings 2 Australia Pty Ltd as the parent entity on 15 March 2021.



Michael Reich

Director, DYWIDAG-Systems International Pty Limited
(trading as DSI Underground)
March 2021



Derek Hird

Director, DYWIDAG-Systems International Pty Limited
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March 2021

