



# MAGOTTEAUX

**Magotteaux Australia (Pty) Ltd**

ACN 005 713 301 – ABN 40 055 713 301

## **Modern Slavery Statement**

Financial Year Ending  
31 December 2023



Magotteaux Australia would like to acknowledge the Traditional Custodians of the land on which we gather and conduct our business. We pay our respects to the Elders past, present, and emerging, and recognize their enduring connection to this land.

We acknowledge that this land holds deep cultural and spiritual significance for the Indigenous peoples who have cared for it for thousands of years. We recognize the strength, resilience, and wisdom of Aboriginal and Torres Strait Islander communities, and the valuable contributions they make to our society.

We also acknowledge the ongoing injustices faced by Indigenous peoples and the need for reconciliation and healing. We are committed to working towards a future that embraces equality, respect, and understanding for all.

As we conduct our activities on this land, we commit ourselves to learning from and working in partnership with Aboriginal and Torres Strait Islander peoples, respecting their knowledge, traditions, and aspirations. We strive to ensure that our actions demonstrate our genuine commitment to reconciliation and contribute to building a more inclusive and equitable society.

Acknowledging the Traditional Custodians is not only a gesture of respect, but a step towards acknowledging the true history of this land and fostering meaningful relationships based on mutual understanding and collaboration.

We as Magotteaux, are proud to present our third Modern Slavery Statement, reaffirming our commitment to combating modern slavery and human trafficking within our operations and supply chains. This statement builds upon the progress and initiatives outlined in our previous statements, reflecting our continuous efforts to understand, assess, and address the risks of modern slavery in accordance with the Modern Slavery Act 2018 (Cth). As a global company with over a hundred years of experience and a presence in more than 150 countries, we recognize our responsibility to uphold human rights and promote ethical practices across all aspects of our business.

Modern slavery remains a complex and global issue with lasting impacts. At Magotteaux, we are dedicated to eliminating any potential for such practices in our operations and supply chain, recognizing the significance of this undertaking. In 2023, we focused on finding better ways to integrate our modern slavery commitments across the business, helping us identify modern slavery risks, improve transparency, and take the right steps to mitigate issues or prevent harm from occurring in the first place.

As we continue to progress in our sustainability strategy, this is increasingly relevant across our emerging renewable energy interests. We developed a set of core human rights controls to support improved identification and mitigation of human rights risks, including modern slavery. In 2024, we will train our leaders in integrating human rights requirements into business decision-making and supporting their teams to identify, prevent, and mitigate human rights risks, including modern slavery. We will increase the quality and quantity of human rights risk assessments completed at our assets, delivering on our Ethical Sourcing Plan and meeting our targets.

It's also our priority to continue to strengthen our workplace culture by improving physical and psychological safety in our business so our employees feel safe, supported, and confident to raise concerns if something doesn't feel right. This is fundamental to identifying, investigating, and responding to potential modern slavery concerns across our value chain. We know we can affect human rights everywhere we work and beyond our operations. We also know what we do in one location may affect people's trust in how we will respect human rights elsewhere.

We are confident the improvements and changes we are making in these critical areas will help ensure our people, suppliers, and everyone impacted by our operations feel respected, safe, and valued. That is why, in FY23, we released our sustainable procurement strategy and introduced new responsible supply terms with respect to our suppliers. We are committed to learning, changing, and leading. This is our promise to our people, our partners, our customers, and our communities. Whether this is in the way we conduct ourselves, the impact we have on rights-holders, or the way we screen our clients and suppliers, we should always strive to do better.



---

Philippe De Bosscher  
Board of Director  
Australia



Acknowledgement of Country	Page 1
Foreword	Page 2
Executive Summary	Page 4
About Magotteaux	Page 5
Magotteaux Australia Structure	Page 6
Our Commitment	Page 7
Our Culture & Values	Page 7
Magotteaux Governance Practice	Page 8
Magotteaux UN Sustainable Focus	Page 10
Magotteaux Policies	Page 11
Understanding our Supply Chain Structure	Page 12
Due Diligence	Page 13
Risk Identification & Assessment	Page 14
Risk Assessment Analysis	Page 15
Conclusion of Risk Assessment	Page 16
2024 Priorities & KPI's	Page 17
Recommendations	Page 18
Conclusion	Page 19
Signature	Page 19
Mandatory Criteria	Page 20



This Modern Slavery Statement has been prepared in accordance with the requirements set out in the Modern Slavery Act 2018 (Cth). It outlines the actions taken by Magotteaux Australia Pty Ltd during the financial year ending 31 December 2023 to identify, assess, and address the risks of modern slavery and human trafficking within our operations and supply chains.

Our statement reflects a comprehensive approach to understanding the complexities of modern slavery and our commitment to mitigating these risks. It provides an overview of our organizational structure, business operations, and supply chains, highlighting our key initiatives and strategies implemented over the past year.

We have focused on re-evaluating our risk assessment processes, improving our engagement with suppliers, and integrating modern slavery considerations into our broader sustainability and ethical business practices. This statement also details the training and awareness programs provided to our employees and partners to ensure a robust understanding of human rights and modern slavery issues.

The statement has been developed through close consultation with our Australian Leadership Team, members of our global Sustainability, Sales, Marketing, Finance, and Legal departments, as well as the Board of Directors. It has been approved by the Board of Directors of Magotteaux Australia Pty Ltd and is intended to be a transparent account of our ongoing efforts to combat modern slavery.

Our commitment to continuous improvement is evident in the actions and future plans outlined in this statement. We recognize the importance of ongoing vigilance and proactive measures to safeguard human rights and maintain ethical standards in all our operations. This document serves as a testament to our dedication to creating a business environment that upholds the highest principles of respect, equality, and sustainability.

Magotteaux is the world leader in process optimization solutions for abrasive and impact applications in mining, cement, aggregates, quarrying, and power stations. We leverage a comprehensive understanding of our customers' value chains, providing expert advice, services, products, equipment, and systems. Our goal is to help customers optimize their operations, recover more valuable minerals, and deliver their final products or services with the best total cost of ownership while minimizing environmental impact.

Employing over 3,000 talented individuals, Magotteaux has a market footprint exceeding 700k tons of grinding media and castings. Our global presence includes specialized production units, sales offices, and technical centers. Our team of over 200 technical and sales experts, located close to our customers' operations, is dedicated to providing tailored solutions for their specific applications.

Magotteaux is part of Sigdo Koppers, a company listed in Santiago, Chile. Magotteaux International S.A., headquartered in Liège, Belgium, oversees multiple business and manufacturing operations across the globe. Our production units are strategically located in various regions:

**22 Production units**

- \ 4 in EU: Belgium (2), France, Spain
- \ 4 in SAM: Chili (2), Brazil (2)
- \ 4 in NAM: Canada, USA (2), Mexico
- \ 6 in APAC: India, Thailand (4), China
- \ 2 South Africa
- \ 2 JVs in China

Each region operates with a degree of autonomy, supported by shared resources and a unified senior leadership structure to ensure consistency and coordination. We uphold the same working conditions worldwide, adhering to a unique standard aimed at being the leader in ethical business practices.

**+100**

**Years of innovation experience**

**+150**

**Countries covered through our sales network**



**+3,000**

**Employees around the world\***  
\* As of December 2020



**+700k**

**Tons of products capacity**



Figure 1: Magotteaux Global Footprint



# Magotteaux Australia Structure

Magotteaux Australia Pty Ltd (ACN: 005 713 301) is an Australian registered company and is a wholly owned subsidiary of Magotteaux International S.A. and forms part of the Magotteaux global group.



Figure 2: Magotteaux Australia Structure

Magotteaux Australia’s core business function in the global group is sales and distribution of Magotteaux products, manufactured in one of our production plants globally.

Magotteaux Australia operates in the Wholesalers Industry and provides optimisation solutions for abrasive and impact applications in a wide variety of industries.

## Magotteaux Australia has five main business streams namely:

- \\ Mining – grinding products made from various alloys and materials as well as technical services for milling efficiency.
- \\ Cement – grinding products, technical services for milling efficiency.
- \\ Aggregates – crushing wear parts and process expertise for the high wear, high impact industry.
- \\ Recycling – designs and manufacturing of equipment parts and services for the recycling industry.
- \\ Power Stations - grinding products made from various alloys and materials as well as technical services for milling efficiency.

**MINING**

**CEMENT**

**UTILITIES**

**AGGREGATES**

**RECYCLING**



Figure 3: Magotteaux Business Streams



## Our Commitment

- Ensure that the risks of modern slavery practices within Magotteaux's business operations are thoroughly understood and addressed in accordance with internationally recognized principles and the Modern Slavery Act 2018 (Cth).
- Actively work towards eliminating the potential for modern slavery practices within our operations and supply chain.
- Continue the implementation and global roll-out of the Supplier Ethical Data Exchange (Sedex) platform to enhance transparency and accountability.
- Regularly reevaluate the effectiveness of our action plan and ensure alignment with Magotteaux's global standards and objectives to address the risks of modern slavery.
- Maintain transparency with our employees, clients, suppliers, and stakeholders regarding our progress to date, along with our commitment and intent to combat modern slavery.
- Continuously measure the effectiveness of our current approach to addressing the risks associated with modern slavery, ensuring that our strategies are impactful and relevant.
- Provide the necessary training to ensure the development of competencies required for Magotteaux Group's sustainable growth and performance.
- Encourage the generation of innovative ideas and value the contributions of employees as a pillar of future growth.
- Enable teams and empower individuals to reach their full potential and succeed, fostering an environment of continuous improvement and ethical practices.

## Our Culture and Values

Magotteaux's culture is built on a foundation of key principles that guide our operations, behaviors, and relationships:

**Customer Focus:** At Magotteaux, understanding and meeting our customers' needs is paramount. We are dedicated to building long-term partnerships by delivering innovative solutions, exceptional service, and unwavering support.

## Culture & Values Continued

- Excellence and Innovation:** We are committed to providing high-quality products and services that exceed industry standards. Our culture of innovation encourages employees to think creatively, explore new ideas, and develop cutting-edge technologies.
- Teamwork and Collaboration:** Collaboration is central to our success. We foster a collaborative work environment where employees are encouraged to share knowledge, expertise, and support each other to achieve common goals.
- Accountability and Responsibility:** We promote a culture of accountability where employees take ownership of their work, actions, and decisions. Integrity, ethical conduct, and responsible business practices are valued at every level of our organization.
- Continuous Learning and Development:** Recognizing the importance of ongoing learning, we invest in our employees' growth through training opportunities, mentoring, and career advancement. This commitment fosters personal and professional development.
- Safety and Well-being:** The safety and well-being of our employees, contractors, and stakeholders are top priorities. We maintain a safe work environment by adhering to strict safety protocols and promoting a culture of health and well-being.
- Environmental Responsibility:** We acknowledge our responsibility towards the environment and strive to minimize our ecological footprint. Sustainable practices, resource efficiency, and environmentally friendly solutions are integrated into our operations.
- Diversity and Inclusion:** Valuing diversity and inclusion, we respect and appreciate the unique contributions of individuals from diverse backgrounds. We foster an inclusive culture that promotes equality, respect, and fairness.

These principles underpin our commitment to creating a positive and dynamic work environment, driving our mission to lead with integrity and excellence in all that we do.





At Magotteaux, we recognize the critical importance of effective corporate governance in ensuring transparency, accountability and sustainable growth.

As a leading provider of innovative solutions in the aggregates, cement, mining and power station industries, Magotteaux is committed to upholding the highest standards of corporate governance practices.

Through transparent communication and a culture of ethical conduct, Magotteaux strives to establish high corporate governance standards.

## Managing our Risks

In the dynamic and often unpredictable global landscape where we operate, effective risk management is paramount to achieve business success. To this end, we have set up a Risk Management Framework rooted in internationally recognized standards such as COSO Enterprise Risk Management and ISO 31000, enabling us to navigate the spectrum of potential risks and opportunities arising from uncertainty.

## Risk Management Process

Our Risk Management Process is an iterative process performed on a quarterly basis and consisting of:

- \ Risk Identification
- \ Risk Assessment
- \ Risk Response
- \ Risk Communication
- \ Monitoring and Reporting

We undertake risk Identification through a blend of top-down and bottom-up approaches to capture both strategic and emergent risks. This involves engaging top management for strategic risks and middle management for operational risks.

Subsequently, identified risks undergo thorough assessment, analyzing key risk drivers and evaluating existing controls to mitigate potential impacts on our exposure or vulnerabilities.

Our response to risks is guided by our risk appetite, with action plans formulated for risks exceeding predefined thresholds.

We employ a tailored communication and monitoring strategy, integrating Key Risk Indicators and escalation processes to facilitate well-informed decision-making.

## Governance

Magotteaux follows an integrated risk management governance model structured into three layers, enhancing decision-making communication flow, and reinforcing alignment among strategy, performance and risk management.

The first layer is responsible for promptly addressing the risks our organization faces and is overseen by designated risk owners vested with heightened responsibility.

The second layer comprises risk oversight leads tasked with ensuring that risk exposure remains within acceptable tolerance levels and aligns with our risk appetite.

The third layer, Internal Audit, conducts independent evaluations of internal controls and risk management practices within the Group.

These layers are overseen by the Risk Committee, consisting of the Group Controller, as permanent representative of the Executive Committee, General Managers and the Group Internal Auditor.

Our governance model promotes a culture of employee and managerial responsibility and accountability, fostering operational efficiency and enhancing resilience to changes in our risk exposure. While all members of our organization play a role in our Risk Management Framework, the Board of Directors ultimately bears accountability for overseeing the risk management strategy.



## Ethical Behavior And Organization

The Magotteaux Code of Ethics offers a comprehensive framework for ethical conduct across all levels of the organization, from top executives to frontline workers. It emphasizes the responsibility of every member to grasp and abide by its principles.

Moreover, the Magotteaux Corporate Ethics Committee assumes a crucial role in maintaining ethical standards. This committee is committed to promptly addressing any issues or conflicts of interest, thus ensuring the organization's commitment to the ethical guidelines outlined in the code.

## Supplier Code of Conduct

At Magotteaux, we strive to set an example of sustainable supply chains and enable development of communities that create value for future generations. It is crucial for us to build relationships with our suppliers that are reciprocal to all parties based on shared values, ethics and social responsibilities.

This Supplier Code of Conduct is an extension of Magotteaux's Code of Ethics and also the Supplier Code of Ethics and Conduct of our holding company, Sigdo Koppers SA. It provides general guidance over health and safety, ethical business practices, labor standards, environment, sustainable products and services development and community involvement,

All of our suppliers (including contractors, distributors, subcontractors, consultants and agents) are required to adhere to this Code of Conduct.

Our expectations resonate with the UN SDGs, emphasizing on SDG 3 (Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work), SDG 12 (Responsible Consumption) and SDG 13 (Climate Action).

Our Supplier Code of Conduct is available on our website

Magotteaux has established a reporting channel to address any potential irregularities or illegal activities that includes modern slavery concerns. Employees of the company, shareholders, suppliers, customers and third parties have access to this complaint filing procedure.

Complaints can be lodged on the company's website: [www.magotteaux.com](http://www.magotteaux.com).

Moreover, the ethics committee plays a role in this process, taking responsibility for ethical matters, analyzing complaints and determining suitable solutions.

## Magotteaux's Commitment to Fair Competition

At Magotteaux, we believe in fair competition, which drives innovation and efficiency for everyone involved. Last year, we had no legal issues related to unfair competition, demonstrating our dedication to honest business practices and fair play in the industry.

## Magotteaux Board Of Directors

The Magotteaux Group's Board of Directors consists of five non-executive members and the CEO, convening monthly. Similarly, the Board of Directors of Magotteaux International, comprising five executive members representing the group management, meets weekly.

Furthermore, there are 28 subsidiary companies worldwide, each holding Board of Directors and General Meetings annually or as mandated by legal requirements.

Each Board member brings significant expertise in pertinent industries, enabling them to proficiently supervise the company's operations.



At Magotteaux, our approach to combating modern slavery is grounded in a comprehensive framework of principles that work synergistically towards the ultimate goal of eradication. By addressing the root causes, vulnerabilities, and consequences associated with modern slavery, we aim to reinforce our culture of respect, equality, and sustainability. This commitment aligns with our focus on the UN Sustainable Development Goals (SDGs), particularly those related to health and well-being (SDG 3), quality education (SDG 4), gender equality (SDG 5), decent work and economic growth (SDG 8), and climate action (SDG 13).

### #3 Good Health and Wellbeing

We prioritize the health and well-being of all individuals within our operations and supply chains. We recognize that modern slavery can have severe physical and mental health consequences for victims. Our commitment to combating modern slavery includes providing a safe and healthy work environment, access to healthcare and support services, and promoting overall well-being for our workers and suppliers' workers

### #4 Quality Education

By aligning our modern slavery initiatives with Goal #4, we create a foundation of informed, empowered individuals who can actively participate in eradicating modern slavery. This focus on quality education reinforces our commitment to ethical conduct and human rights, driving continuous improvement in our practices and fostering a culture of integrity and respect across our operations and supply chains.

### #5 Gender Equality

We are dedicated to upholding and promoting gender equality within our operations and supply chains. We recognize that modern slavery disproportionately affects women and girls. Our initiatives aim to address gender-based exploitation, promote women's empowerment, and ensure equal opportunities and treatment for all individuals involved in our business activities.

### #8 Decent Work & Economic Growth

We prioritize the promotion of decent work and economic growth within our operations and supply chains. Our commitment to combating modern slavery includes providing fair and safe working conditions, fair wages, and opportunities for professional growth and development. By ensuring decent work, we contribute to the overall well-being and livelihoods of workers involved in our business activities

### #12 Responsible Consumption & Production

As part of our efforts to combat modern slavery, we actively engage in responsible sourcing and procurement, ensuring that our suppliers adhere to ethical standards and do not engage in exploitative practices. We promote transparency, traceability, and sustainable practices to minimize the risk of modern slavery in our supply chains.

### #13 Climate Action

We recognize the importance of addressing climate change and its impacts. Integrating climate action measures into our operations helps create a sustainable ecosystem. By adopting environmental responsible practices, we aim to foster transparency and accountability. Climate action initiatives often involve collaboration and information sharing, creating networks that could uncover instances of modern slavery. By promoting these practices, reducing greenhouse gas emissions, and adopting environmentally responsible policies, we contribute to mitigating climate change and creating a more sustainable future.



As a responsible corporation, Magotteaux is committed to operating in accordance with the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and other internationally accepted standards.

We understand that policies supporting human rights, freedom, and the health and well-being of our employees promote ethical business practices. These commitments are embedded in our policies and statements, which are instrumental in managing our approach to modern slavery risks.

Our people policies are designed to provide equal opportunities and create an inclusive culture, in line with our values and in support of our long-term success. We are committed to maintaining the same working conditions worldwide under a unique, people-first standard.

All Magotteaux staff globally have signed contracts that comply with relevant legislation regarding employment standards, ensuring consistency and fairness across all regions where we operate.

Policy	Purpose
<a href="#">Magotteaux Code of Ethics</a>	Outlines the Purpose, Values and Mindset that govern our way of working across our business. We strive to maintain the highest standards of employee and business conduct through ethical behaviour.
<a href="#">Magotteaux Human Rights Policy</a>	Outlines our commitment to upholding and promoting human rights principles in our operations, interactions and decisions.
<a href="#">Magotteaux Australia Modern Slavery Policy</a>	Sets out Magotteaux Australia's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains.
<a href="#">Magotteaux Australia</a>	Ensures our commitment that our suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour.
<a href="#">Magotteaux Australia Recruitment Policy</a>	Provides clear guidelines and practices that ensure ethical recruitment, mitigate the risk of engaging in modern slavery, and promote transparency, fairness, and inclusivity.
<a href="#">Magotteaux Australia Sustainability Policy</a>	Outlines our commitment and approach to addressing environmental, social and economic sustainability issues to drive positive change.

## Raising concerns

Magotteaux understands that one of the most effective ways to identify Modern slavery both within our operations and supply chain is having accessible reporting mechanisms where breaches of human right can be reported. The ability to do so anonymously if desired, with the protections available and the transparency of the investigation process contribute to this being a trusted channel for disclosures.

Magotteaux Whistleblowing Policy confirms our commitment to maintaining an open culture with the highest standards of honesty and accountability, where Colleagues and Third Parties can report legitimate concerns in confidence.

Whistleblowing relates to concerns which fall into the wider public interest, such as a breach of our policies and procedures, breaches of law and regulation, and behaviour that harms or is likely to harm the reputation or financial well-being of Magotteaux.

The program is communicated internally via email and is promoted in the mandatory Modern Slavery Training.

You can report your concern via the Concern Button on the Magotteaux website.

<https://www.magotteaux.com/en/report-a-concern/>

When a grievance is raised and substantiated through the investigation, we aim to remediate any impacts we may have caused or contributed to.

In 2023 there were no incidents related to modern slavery or human trafficking concerns were raised through our Report Concern channels to date.

Magotteaux is committed to increasing awareness and building the capability for all employees and suppliers to recognize Modern slavery and other breaches of human rights.

We understand that it is through increasing awareness, understanding how modern slavery might present and will be able to identify breaches of human rights and know what to do about it.

The training includes what modern slavery is, how we identify it, how it is relevant to Magotteaux and what we are doing about it. At the end of 2022, a 100% of Magotteaux Australia's full time employees had completed the training. In 2023, the training was extended to our Thailand and Chinese plants. In 2024, we aim to have all employees globally trained through our online MagAcademy.



# Understanding our Supply Chain Structure

Magotteaux Australia procures its products from multiple Magotteaux plants and joint ventures located in Thailand, China, Spain, and Belgium.

These plants act as the primary sources for the specialized equipment and components supplied to the Australian market.

Each of these plants plays a crucial role in manufacturing and producing a diverse range of high-quality products that meet the stringent requirements of our customers.

A significant aspect of our procurement process is that 83.82% of our capital expenses within Magotteaux Australia are attributed to intercompany purchases.

This close integration within the Magotteaux Group ensures consistency in quality and adherence to our global standards.

Once manufactured in Magotteaux plants, these goods are shipped via our logistics team to the relevant ports in Papua New Guinea, New Zealand, and Australia.

From there, the products are transported through our various transport partners to reach our customers.

This logistical process ensures that our products are delivered efficiently and safely, maintaining the highest standards of service.

We are committed to supporting our customers by providing products that are not only of the highest quality but also ethically sourced.

We believe that our responsibility extends beyond our immediate operations to include the entire supply chain, ensuring that our customers can trust in the integrity and sustainability of the products they receive from us.

Through these measures, Magotteaux Australia demonstrates its commitment to delivering exceptional products and services while maintaining ethical business practices across our supply chain.

Category	Definitions	Top Sourcing Countries	% Contestable Spend
Intercompany Goods	Intercompany purchases from Magotteaux Plants	<ul style="list-style-type: none"> <li>\ Thailand</li> <li>\ China</li> <li>\ Belgium</li> <li>\ Spain</li> </ul>	83.82%
Logistic Costs	Includes items such as marine- related services and transport (land transport, sea and air)	<ul style="list-style-type: none"> <li>\ Thailand</li> <li>\ China</li> <li>\ Belgium</li> <li>\ Spain</li> <li>\ Australia</li> </ul>	8.46%
Professional Services	Consultancy, laboratory testing & insurance	<ul style="list-style-type: none"> <li>\ Australia</li> <li>\ Belgium</li> </ul>	0.52%
Selling & general overheads	Business administration services, Utilities, IT equipment & support	<ul style="list-style-type: none"> <li>\ Australia</li> <li>\ Belgium</li> </ul>	2.90%
Consumables	Parts, process consumables, Industrial fittings, PPE	Australia	0.29%
Operations	Salaries & all other operational costs	Australia	3.05%
Depreciations & Amortisations	Costs of building, assets	Australia	0.48%
Finance Cost	Banking, Auditors	Australia	0.47%

Our risk assessments take various factors into account. These included external country-level human rights risk indicators using our online Ethical trade platform, Sedex as well as Ecovadis.

Magotteaux has joined EcoVadis that assesses sustainability practices to ensure maximum compliance within our global business operations. This initiative will help us to continue strengthening our human rights risk management approach and inform how we report on human rights.

## Internal Risk

Magotteaux Australia procures its products from multiple Magotteaux plants. The plants act as the primary sources for the products that are supplied within Australia.

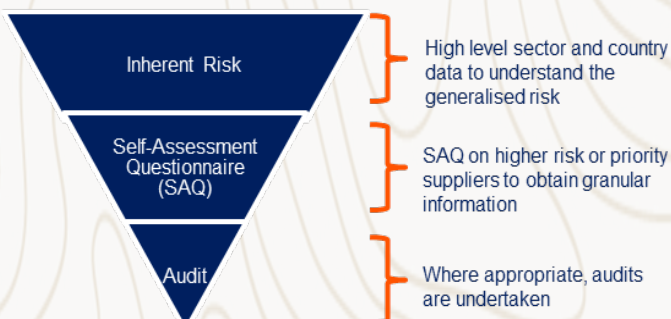
**83.82%** of our capital expense within Magotteaux Australia is intercompany purchases. Magotteaux Australia has taken the steps of assessing our own plants. However for the purpose of The Act and Statement these entities are assessed as part of the due diligence in evaluation and monitoring of our supply chain.



Figure 4: The key stage of risk assessment through Sedex Radar

## Supply Chain Risk Assessment

Our program does a comprehensive risk assessment of our suppliers by conducting a review of the countries they operate in, and assessing the nature of the goods or services they provide.



## Ecovadis and the Sustainability Scorecard

At Magotteaux, we utilize the EcoVadis Sustainability Scorecard to benchmark and improve our sustainability performance across our global operations.

The EcoVadis platform provides a comprehensive evaluation of our environmental, social, and ethical practices, assessing our performance across a range of criteria including labor and human rights, ethics, sustainable procurement, and environmental impact.

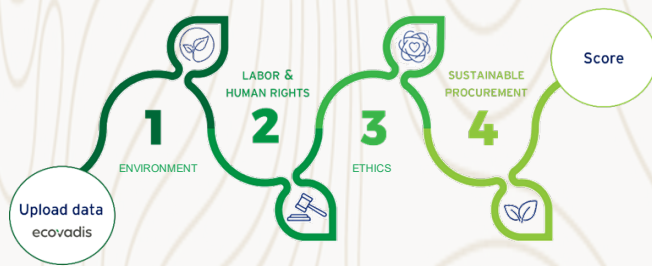


Figure 5: Ecovadis Score Process

This scorecard not only helps us identify areas for improvement but also demonstrates our commitment to transparency and continuous enhancement of our sustainability practices.

By maintaining a strong EcoVadis rating, we reaffirm our dedication to ethical business conduct and our proactive approach to addressing modern slavery and other critical sustainability challenges.

Magotteaux conducts these risk reviews on an annual basis, taking into account industry trends, commodity-specific risks, supplier profiles, geographical factors, and specific risk issues.

By utilizing a comprehensive approach to risk assessment, we ensure a thorough evaluation of potential modern slavery risks within our supply chains. This allows us to adapt and refine our risk management strategies to proactively address evolving challenges and safeguard against exploitation.

## Risk Identification

Managing modern slavery risks is a crucial aspect of our broader human rights strategy. We understand that human rights issues such as unsafe living and working conditions, discrimination, lack of freedom of association, and other forms of labor exploitation can signal the presence of modern slavery.

This section outlines our risk profile and the areas where we may have the greatest exposure to modern slavery and related labor exploitation risks within our business and supply chains. Our risk profile is dynamic, regularly reviewed, and updated to reflect new insights and developments.

## Understanding Our Risks

To identify and comprehend our modern slavery risks, whether in our operations or supply chains, we evaluate the potential for involvement in adverse human rights impacts by:

- ↳ Directly causing it through our actions or inactions
- ↳ Contributing to it through our actions, inactions, or third-party involvement
- ↳ Being directly linked to it through business relationships arising from our products, services, or operations

## Risks in Our Business

Research shows that modern slavery occurs in every country. We recognize there are higher risks of modern slavery, unrelated to our direct business activities, such as child labor, forced marriage, and debt bondage, particularly in vulnerable communities.

Through out 2023, we assessed our Tier 1 and Tier 2 suppliers to gain a deeper understanding of these risks.

## Risks in Our Value Chains

We acknowledge that the risk of modern slavery is more pronounced within our value chains compared to our direct operations. This includes direct supplier relationships (Tier 1 of the supply chain) and indirect subcontracting relationships (Tier 2 or Tier 3).

We employ a comprehensive and integrated approach when assessing risks in our supply chains, considering a mix of category, country, worker, and supplier management risk profiles. For instance, a supplier in a higher-risk country with a vulnerable workforce might have strong management practices to mitigate risks.

Conversely, a supplier in a lower-risk country with a lower-risk worker profile might have poor management practices, leading to labor and modern slavery risks. We use multiple indicators to assess risk, understanding that a single indicator is rarely sufficient to determine the overall risk alone. Below is Figure 6, indicating the multiple indicators that has been reviewed in the assessment.

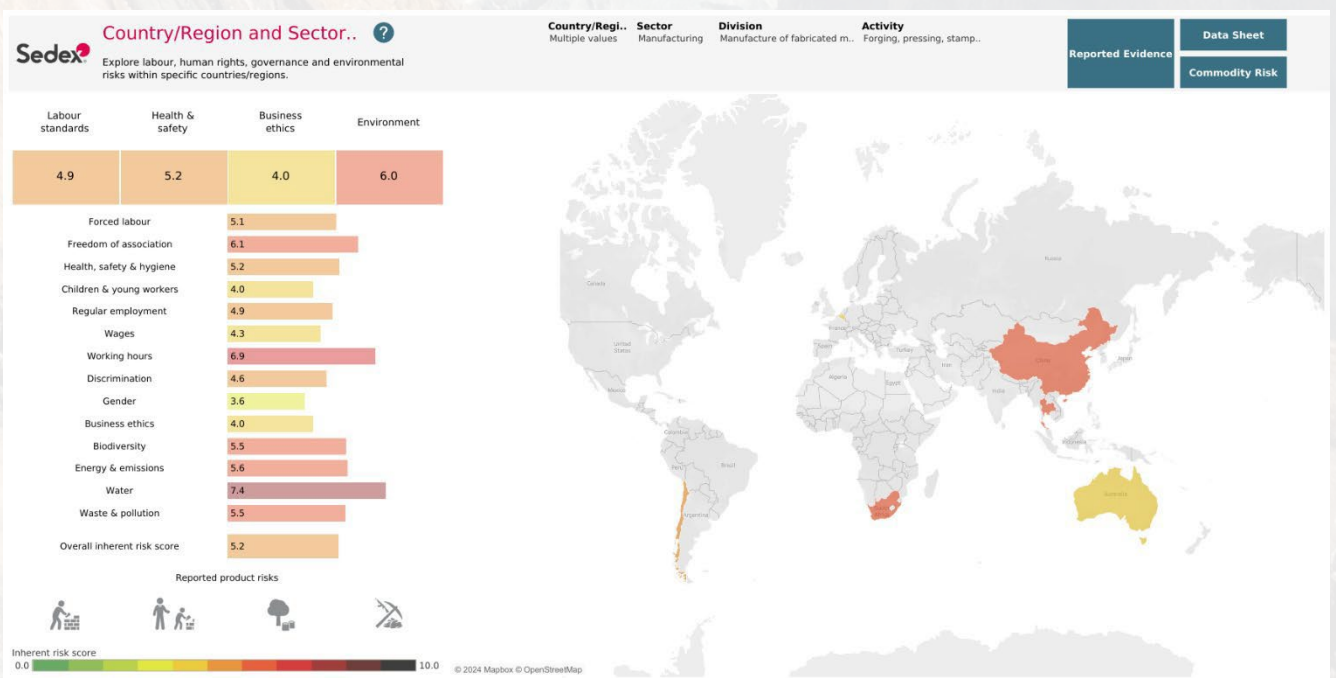


Figure 6: Country/Region & Sector Assessment

Based on the country/region and activity information, an overall risk rating of 4.32 was obtained. This takes the inherent labour, health and safety and business ethics into account.

The supply world map shows the countries that Magotteaux Australia sources products and services from.

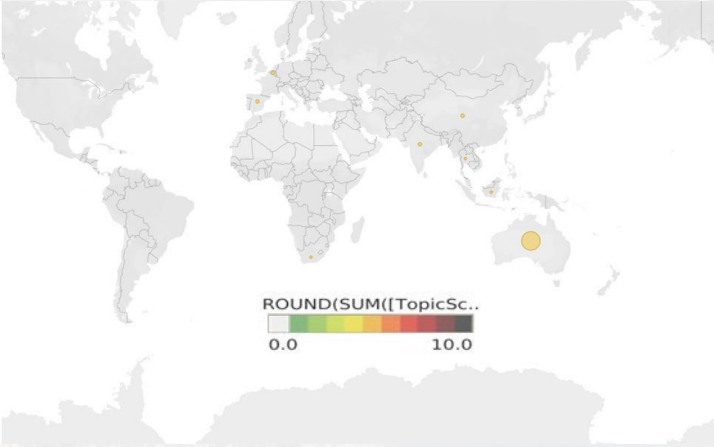


Figure 7: World map view of suppliers

## Overall Inherent Risk Score

The overall inherent risk score is 4.32, indicating a moderate level of risk across the assessed areas. This score reflects the combined risk factors from the detailed assessment and provides a general view of the supplier risk profile.

## High-Risk Areas

**Working Hours (5.5):** The highest risk score is in the category of working hours, suggesting issues with overtime, excessive working hours, or lack of proper rest periods. This is a critical area that requires immediate attention to ensure compliance with labor standards and to protect worker well-being.

**Freedom of Association (5.3):** The second-highest risk score is related to freedom of association. This indicates potential challenges in allowing workers to freely associate, join unions, or engage in collective bargaining. Addressing this risk is essential for maintaining fair labor practices and worker rights moderate-risk areas

**Health, Safety & Hygiene (4.7):** Health and safety risk is moderately high, pointing to potential gaps in workplace safety measures, hygiene practices, or overall health protocols. Enhancing health and safety standards is crucial for preventing workplace accidents and illnesses.

**Forced Labour (4.5) and Regular Employment (4.5):** Both categories indicate moderate risk levels, suggesting potential issues with forced labor practices and the consistency of employment contracts. These areas need monitoring to ensure ethical employment practices.

Labour Standards	Health Safety	Business Ethics
4.4	4.7	3.3

Forced Labour	4.5
Freedom of association	5.3
Health, safety & Hygiene	4.7
Children and young workers	3.8
Regular employment	4.5
Wages	3.9
Working hours	5.5
Discrimination	4.2
Gender	3.5
Business ethics	3.3
Overall inherent risk	4.32

Figure 8: Risk Ratings

**Discrimination (4.2):** There is a moderate risk of discrimination, highlighting the need for stronger policies and practices to ensure equal treatment and opportunities for all employees.

## Lower-Risk Areas

**Wages (3.9):** While the risk score for wages is relatively lower, it still indicates potential issues with fair compensation practices. Ensuring fair wages is fundamental to worker satisfaction and retention.

**Children and Young Workers (3.8):** The risk related to children and young workers is present but lower compared to other areas. Ensuring compliance with age-related labor laws remains important.

**Gender (3.5) and Business Ethics (3.3):** These areas have lower risk scores but still require continuous attention to maintain ethical standards and gender equality.

## Summary Category Analysis

**Labour Standards (4.4):** This score combines multiple labor-related risks, emphasizing the need for a holistic approach to improving labor conditions.

**Health Safety (4.7):** This aligns with the detailed health and safety score, reinforcing the need for stringent health and safety protocols.

**Business Ethics (3.3):** Although lower in risk, maintaining strong business ethics is essential for overall compliance and reputation.





## Direct Operations

Magotteaux Australia conducted a thorough modern slavery risk assessment and due diligence process within our own operations in 2023.

We are pleased to report that no actual instances or allegations of modern slavery were identified within Magotteaux.

The risk assessment conducted by Magotteaux Australia determined that the level of modern slavery risk in our direct operations is low.

This conclusion is based on several key factors:

- \ Robust Employment Standards:  
Magotteaux as a group's minimum employment standards provide strong safeguards against modern slavery practices, ensuring comprehensive protection for workers.
- \ Stringent Hiring Practices:  
Most of our employees are directly hired for skilled positions that require prior experience. We conduct extensive background checks during the hiring process to ensure the integrity of our workforce.
- \ Ethical Code of Conduct:  
Our Code of Ethics outlines expected workplace behaviours and serves as a guide for our employees. Additionally, our company values are an integral part of our MagAcademy training module, reinforcing our commitment to ethical conduct.
- \ Compliance with Eligibility Criteria:  
Our recruitment process includes thorough checks to verify both age and eligibility to work, ensuring compliance with all necessary requirements for employment

Moving forward, Magotteaux Australia remains dedicated to ensuring the safety and well-being of our personnel, fostering social accountability among our stakeholders, minimizing our environmental impact, and delivering high-quality products, solutions, and services to our customers.

## Supply Chain

Through the Self-assessment questionnaire it has been determined that 23% of suppliers does not have sufficient modern slavery policies in place.

Formal engagement with these suppliers through discussion and collaboration was undertaken, as well as the implementation of a corrective action plan.

The corrective plan will be reviewed with each supplier in 2024.

The key conclusion of the analysis of our Tier 1 & Tier 2 supply chain was that the majority of key suppliers remains a moderate risk because of the inherent risk factors. This is however mitigated but due to the fact that they possess one or a combination of the following features:

- \ Majority of products are intercompany purchases and operate under the global company ethics and regulation.
- \ All Magotteaux plants as well as joint ventures are audited through various ISO standards.
- \ They are located and operate within Australia with no or minimal foreign connection.
- \ In the case of the procurement of other products and services not through intercompany purchases, all of our suppliers are either Australian based or, most of whom have been required to comply with modern slavery laws in other jurisdictions for a number of years.

Notwithstanding the above, Magotteaux acknowledges that all products and services carry some risk of modern slavery in their supply chains and that Magotteaux should remain vigilant in our risk assessments and supplier engagement.



To further strengthen Magotteaux Australia's commitment to eradicating modern slavery, the following recommendations are proposed, building upon the 2023 Modern Slavery Statement:

## 2024 Priorities

### Targeted Support:

Provide enhanced responsible sourcing support to assets identified as higher risk during assessments. This could involve additional training, resources, or closer collaboration to address specific vulnerabilities.

### Quarterly Forums:

Host regular Sustainable Procurement Forum sessions with Global procurement, ESG, and Legal departments to ensure alignment, share best practices, and address emerging challenges collaboratively.

### Enhanced Due Diligence:

Complete enhanced due diligence on renewable energy supply chains, given the sector's unique risks and the company's growing involvement in this area.

### Strengthened Governance:

Review and revise procurement processes, policies, and procedures. This includes evaluation criteria, contract clauses, and tender processes, ensuring consistent expectations for all stakeholders and supporting informed decision-making.

### Robust Reporting:

Develop a comprehensive reporting framework that includes specific KPIs to measure the effectiveness of modern slavery initiatives. These KPIs could track supplier compliance, employee training completion rates, and other relevant metrics. See Figure 9 for KPI's. These KPI's are completed quarterly and measured against previous quarters as well as the target KPI's.

### Customer Engagement (Sell Approach)

#### Collaboration:

Continue engaging and collaborating with customers to advance respect for human rights and eliminate modern slavery throughout the value chain.

#### Transparency:

Continue responding proactively to customer inquiries regarding the company's modern slavery risk management and human rights performance, fostering transparency and trust.

KPI	Overview
Risk Assessments Conducted	Measure the number of risk assessments conducted across your supply chain or business operations. This KPI helps determine the level of awareness and identification of potential modern slavery risks
Suppliers Adhering to Anti-Modern Slavery Policies	Monitor the percentage of suppliers who have signed and adhere to your company's anti-modern slavery policies or code of conduct. This KPI provides insight into the level of engagement and commitment of your suppliers
Suppliers Audits Conducted	Track the number of audits conducted on suppliers to assess their compliance with anti-modern slavery requirements. This KPI measures the thoroughness of your auditing process and the identification of any modern slavery risks
Employees Trained on Modern Slavery	Measure the number of employees who have received training on identifying and reporting modern slavery. This KPI reflects the effectiveness of your educational programs in creating awareness and empowering your workforce
Modern Slavery Grievances Reported	Monitor the number of reported grievances related to modern slavery concerns within your business or supply chain. This KPI helps assess the accessibility and effectiveness of your reporting mechanisms
Modern Slavery Cases Investigated and Resolved	Track the number of reported cases investigated and resolved regarding modern slavery. This KPI demonstrates the responsiveness and effectiveness of your incident management and remediation processes
Partnerships Established for Modern Slavery Initiatives	Measure the number of partnerships or collaborations established with external organizations focused on combatting modern slavery. This KPI reflects your efforts to engage with stakeholders and leverage external expertise.
Percentage of High-Risk Suppliers in Supply Chain	Monitor the percentage of high-risk suppliers identified in your supply chain and track progress in reducing their presence over time. This KPI demonstrates your success in mitigating modern slavery risks within your supply network
Quality of Public Reporting on Modern Slavery	Evaluate the quality and comprehensiveness of your public reporting on modern slavery initiatives. This KPI assesses your commitment to transparency and accountability.
Compliance with Modern Slavery Regulations	Ensure compliance with modern slavery legislation and regulations specific to your jurisdiction. Monitor any penalties, fines, or legal actions related to non-compliance. This KPI highlights your adherence to legal requirements



## Due Diligence and Effectiveness

### Supplier Onboarding and Evaluation:

Expedite the ongoing project to incorporate modern slavery considerations into the supplier onboarding and performance evaluation processes for all suppliers, not just Tier 1 and Tier 2.

### Enhanced Audits:

Expand the scope and frequency of audits for both Tier 1 and Tier 2 suppliers. Leverage Sedex platform to conduct comprehensive assessments of suppliers' adherence to modern slavery laws and ethical standards.

### Third-Party Verification:

Engage independent third-party auditors to verify the accuracy and completeness of supplier self-assessment questionnaires, ensuring an unbiased evaluation and identifying potential discrepancies.

### Supplier Engagement and Capacity Building:

Implement mandatory training programs for all suppliers on modern slavery, human rights, and ethical business practices.

Provide ongoing support to suppliers in developing and implementing corrective action plans, offering resources and expertise to foster continuous improvement.

## Policy Development and Implementation

### Robust Policies:

Ensure that company policies on working hours, freedom of association, non-discrimination, and fair wages are comprehensive, up-to-date, and effectively communicated to all stakeholders.

### Regular Review:

Establish a regular review cycle for all relevant policies to ensure they remain aligned with evolving best practices and regulatory requirements.

## Risk Assessment Mechanisms

### Comprehensive Risk Mapping:

Continue the progress of detailed risk mapping that identifies specific geographic regions, sectors, and supplier types with higher risks of modern slavery. Utilize a combination of internal and external data sources to create a dynamic risk profile that is regularly updated as part of Modern Slavery KPI's.

## Transparency and Reporting

### Public Disclosure:

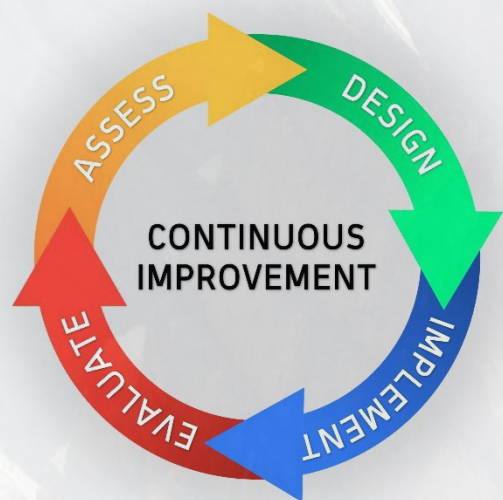
Publish detailed and transparent reports on the company's modern slavery risk assessment findings, actions taken, and progress towards achieving stated goals.

### Stakeholder Communication:

Maintain open communication channels with all stakeholders, providing regular updates on the company's modern slavery initiatives and seeking feedback to ensure continuous improvement.

## Continuous Improvement

Magotteaux Australia recognizes that the fight against modern slavery is an ongoing journey that requires continuous improvement and adaptation. Building upon the foundation established in 2023, the company is committed to refining its due diligence processes, enhancing supplier engagement, and strengthening its overall approach to modern slavery risk management.



### Evaluate

### KPI Implementation and Tracking:

Magotteaux Australia will continue to monitor and report on the key performance indicators (KPIs) established to measure the effectiveness of its modern slavery initiatives. These KPIs track progress in areas such as supplier compliance with the Supply Code of Conduct, completion rates of modern slavery training programs, and the number of corrective action plans implemented and successfully completed.

Regular monitoring and reporting of these KPIs will ensure transparency and accountability, allowing the company to identify areas for improvement and measure the impact of its efforts.



# Recommendations & Conclusion

## Enhanced Supplier Audits:

The company will expand the scope and frequency of supplier audits, going beyond Tier 1 suppliers to include Tier 2 and, where possible, Tier 3 suppliers. This will provide a more comprehensive understanding of the risks present in the deeper levels of the supply chain and enable targeted interventions.

## Root Cause Analysis:

Magotteaux will conduct in-depth root cause analyses of identified modern slavery risks to understand the underlying factors that contribute to these issues. This analysis will inform the development of more effective and sustainable solutions that address the root causes rather than just the symptoms of modern slavery.

The company will also leverage technology, such as data management systems and automated monitoring tools, to enhance the efficiency and effectiveness of its due diligence processes.

## Assess

### Third-Party Audits and Reviews:

The company will engage independent third-party auditors to conduct comprehensive audits of its modern slavery risk management systems and practices. These audits will provide an objective assessment of the company's performance, identify areas for improvement, and ensure compliance with international standards and best practices. The findings from these audits will be incorporated into the company's continuous improvement efforts.

### Stakeholder Feedback Mechanisms:

Magotteaux Australia will continue to utilize and refine its formal channels for receiving feedback from employees, suppliers, customers, and other stakeholders on its modern slavery initiatives. This feedback will be regularly reviewed and incorporated into the company's decision-making processes to ensure that its efforts are aligned with the needs and expectations of its stakeholders. The company will also actively seek feedback from external stakeholders, such as NGOs and industry experts, to gain diverse perspectives and insights.

## Principle Governing Body Approval

This statement has been approved by Magotteaux's Board of Directors on June 28, 2024 and has been signed on its behalf by the Magotteaux Board of Directors as the principle governing body of Magotteaux Australia Pty Ltd.

Philippe De Bosscher  
Director Australia

Michael Adams  
Director Australia

## Conclusion

In conclusion, Magotteaux Australia reaffirms its unwavering commitment to eradicating modern slavery and upholding human rights within our operations and across our extensive global supply chains. Throughout 2023, we have made significant strides in understanding, assessing, and mitigating the risks of modern slavery. We have strengthened our due diligence processes, enhanced supplier engagement, and fostered a culture of transparency and accountability.

While we are proud of the progress made, we acknowledge that the fight against modern slavery is an ongoing journey. We remain vigilant and proactive in our efforts, continuously refining our strategies and collaborating with stakeholders to drive positive change. Our commitment to continuous improvement is evident in our 2024 Sustainability Plan, which focuses on enhancing environmental, health, and safety (EHS) practices across our manufacturing sites.

Magotteaux is dedicated to maintaining the highest standards of ethical business conduct and social responsibility. We believe that by working together with our employees, suppliers, customers, and communities, we can create a future where modern slavery is eradicated, and human rights are respected and protected. This Modern Slavery Statement is a testament to our ongoing commitment to this important cause.

## Consultation

In compiling and finalising this statement, we have engaged closely with:

- \\ Our Australian Leadership Team as a wholly-owned subsidiary of Magotteaux International S.A.
- \\ Members of our global Sustainability, Sales and marketing, Finance and Legal departments.
- \\ Members of the Board of Directors.

Magotteaux Australia will continue to consult on a Global scale to identify modern slavery risks.



MODERN SLAVERYACT REQUIREMENT	Magotteaux Statement
Identify the reporting entity	<a href="#">Slide 7</a>
Describe the structure, operations and supply chains of the reporting entity	<a href="#">Slide 13</a>
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	<a href="#">Slide 15</a>
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to address those risks, including due diligence and remediation processes	<a href="#">Slide 17</a> , <a href="#">Slide 14</a> , <a href="#">Slide 16</a>
Describe how the reporting entity assess the effectiveness of such actions	<a href="#">Slide 18</a> , <a href="#">Slide 17</a>
Describe the process of consultation with other entities in the Magotteaux Global Group. <b>Magotteaux Australia does not own or control any other entities</b>	<a href="#">Slide 20</a> , <a href="#">Slide 19</a>
Provide any other information that the reporting entity or the entity giving the statement considers relevant	<a href="#">Slide 8</a> , <a href="#">Slide 9</a> , <a href="#">Slide 10</a> , <a href="#">Slide 11</a>

