

# Modern Slavery Statement

*This statement relates to the Gallagher group of companies (Gallagher Group), covering all our wholly owned subsidiaries.*

**Gallagher Group is dedicated to conducting business whether with end customers, suppliers, or distributors, in a lawful manner with the utmost integrity and to high standards of business ethics. We expect our employees, distributors, and suppliers to conduct business to the same high standards.**

## Introduction

The Gallagher group of companies operate globally, manufacturing and distributing products for the agricultural and physical security sectors. Our headquarters and manufacturing hub are in New Zealand, though our supply chain is global. As a responsible global organisation with a global supply chain, Gallagher Group opposes all forms of slavery and human trafficking and is committed to ensuring modern slavery does not exist in any part of the global Gallagher Group.

This document is Gallagher Group's modern slavery statement for the financial year ending 31 March 2024; our inaugural Statement was released in 2022. This Statement outlines the steps we have taken during the financial year ended to identify and prevent modern slavery within our operations and manufacturing supply chain. This Statement also outlines our actions to assess and address modern slavery risks, how effective those actions have been, and our future actions to address modern slavery further.

This modern slavery statement has been formulated by Gallagher Group pursuant to the requirements in accordance with Part 6, Section 54 of the U.K. Modern Slavery Act 2015 (U.K. Act), the Australia Modern Slavery Act 2018 (Australian Act), and the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 (Canadian Act).

## The Gallagher Group

Gallagher Group manufactures and distributes products for the agricultural and physical security sectors. In the agricultural sector, our products include virtual and physical electric fence systems for animals, stock weighing systems, and stock electronic identification systems. Our products in the physical security sector include electronic access control systems, fully integrated intruder alarm management, and energised perimeter fencing.

Gallagher Group products are sold globally, primarily through retailers for animal management products and channel partners and system integrators for security products. Gallagher Group has sales and support teams globally, with key offices in New Zealand, Australia, the United States, Hong Kong and the United Kingdom to support retailers, channel partners and system integrators. Sales and support are provided by regional distribution partners in some parts of the world; these partners are not part of the Gallagher Group and are excluded from this Statement.

## The Gallagher Group structure and operations

The ultimate holding company in the Gallagher Group is Gallagher Holdings Limited. Gallagher Holdings Limited is a company based in Hamilton, New Zealand. Gallagher Holdings Limited has subsidiaries based globally, with key offices in New Zealand, Australia, Hong Kong, the United Kingdom, and the United States. The Gallagher Group operates in different jurisdictions through its various subsidiaries.

Gallagher Group has approximately 1250 employees worldwide, with approximately 800 in Hamilton, New Zealand.

The responsibilities for addressing modern slavery are shared widely across the Gallagher Group, including the People, Operations (including Procurement), Risk and Responsibility, and Legal teams.

## Our Operations

The Gallagher Group has four main manufacturing sites, two in New Zealand – including the Group’s largest site in Hamilton – and two in Australia (New South Wales and Victoria). The Hamilton and New South Wales sites manufacture electronics products; the others manufacture farm gates and associated farm equipment.

Products from the Hamilton site are sold in New Zealand and abroad. All products manufactured in Australia are exclusively for the Australian market. Most products are delivered directly from our manufacturing sites to retailers, channel partners and system integrators. However, the Gallagher Group does have distribution centres in Australia, Canada, New Zealand, Chile, the United Kingdom, and the United States.

## Our Supply Chain

We source raw materials, components, products, and services globally. Our Hamilton manufacturing site dominates our procurement spending, and a significant proportion of its supply chain is from Asia and the Pacific, the region with the highest amount of modern slavery (Global Estimates of Modern Slavery (2022)). The Hamilton manufacturing site presents the most significant supply chain modern slavery risks, so we have focused our supply chain risk assessment and actions on this site for this Statement. Over time, we will broaden the Statement’s scope to include all our manufacturing sites.

We have almost 300 suppliers to the Hamilton manufacturing site though heavily concentrated, with 27 suppliers representing over 90% of expenditure. Within the top 90% of expenditure, our most common categories are:

- plastic resin feedstock,
- electronic components, and
- steel (pipes, wire, and fasteners).

To understand our supply chain, we engaged with our top 35 suppliers. Twenty-five suppliers, representing 75% of expenditure, completed a modern slavery survey. These 25 suppliers were asked for the past financial year: (1) the countries where they sourced their materials; (2) any modern slavery processes or procedures they had or are planning; and (3) any modern slavery issues.

Based on the surveyed suppliers, we have suppliers headquartered in eight countries, who, on average, source from seven countries. The surveyed suppliers’ source from 27 countries; the most common are China, Taiwan, and New Zealand.

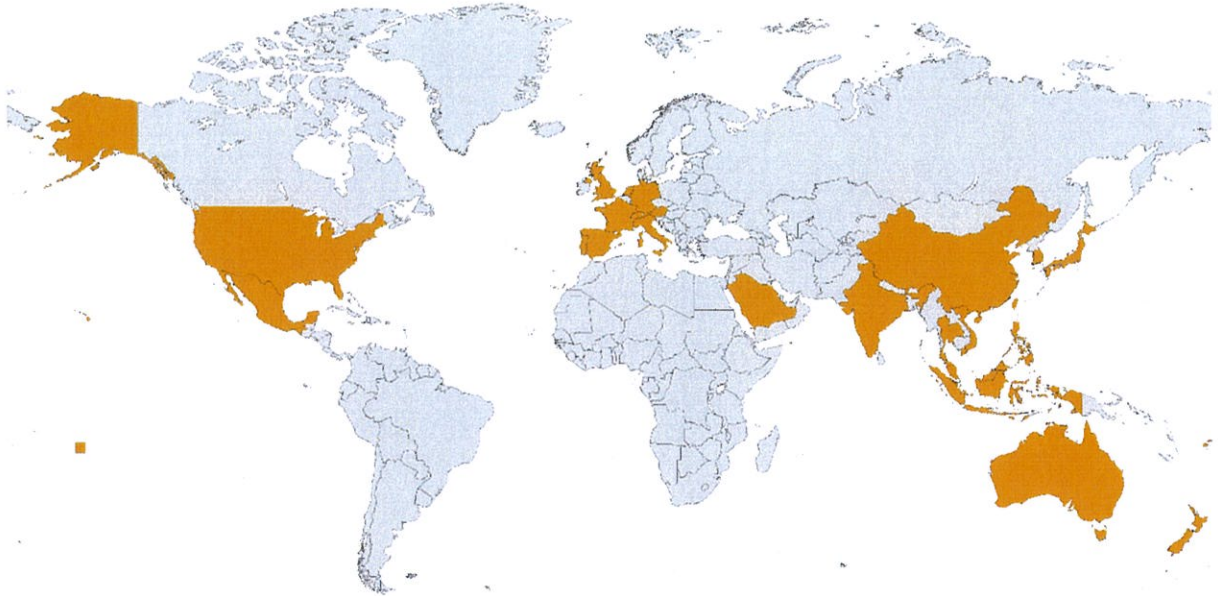


Figure 2. Overview of the Hamilton manufacturing supply chain

## Assessing our modern slavery risks

### ***Modern Slavery Risks within Operations***

All Gallagher Group operations are in very low modern slavery risk countries: New Zealand, Australia, Hong Kong, the United Kingdom, Canada, and the United States. Most of our employees are in New Zealand (almost 900), followed by Australia (just over two hundred). Approximately 3.6% of employees in Australia and New Zealand are on a working visa; with half of these employees in operational roles. Approximately 9.5% of employees in Australia and New Zealand work on a fixed-term or casual contract. Our youngest employee is 16.

We assess our modern slavery risks within our operations as very low because we operate in very low risk countries and have very low numbers of potentially vulnerable workers.

### ***Modern Slavery Risks within our Supply Chain***

To assess our modern slavery supply chain risk, we mapped 75% of our Hamilton manufacturing site spend against published modern slavery risk information from [Global Slavery Index \(2023\)](#) and [U.S. Bureau of International Labour Affairs \(2022\)](#). Table 1 below lists the countries our suppliers manufacture in and the associated risk level. Of our three main purchase categories (plastic resin feedstock, steel, and electronic components), category-specific risk information is available for electronic components, where China and Malaysia are recognised as high-risk ([U.S. Bureau of International Labour Affairs \(2022\)](#)). Table 1 incorporates this additional product risk information.

Approximately 13% of our spending is in moderate-to-high risk countries, spread across 10 suppliers (four of which either have or are working on their modern slavery statements). The main categories supplied are electronic components, plastic resin, and wire.

Table 1. Countries our suppliers manufacture in and the modern slavery risk level.

Countries our suppliers manufacture in	Modern Slavery Risk
Saudi Arabia	Very High
India	High
Philippines	High
Indonesia	Moderate
Mexico	Moderate
Malaysia	Moderate
Thailand	Moderate
Vietnam	Moderate
China	Moderate
Portugal	Low
South Korea	Low
Italy	Low
United States	Low
Hong Kong	Low
Spain	Low
France	Low
Singapore	Low
Austria	Low
United Kingdom	Low
Taiwan	Low
Australia	Low
New Zealand	Low
Japan	Low
Germany	Low
Netherlands	Low
Switzerland	Low
Fiji	Low

### Identified modern slavery issues in the last 12 months

No modern slavery issues were identified in the last 12 months within our operations or with our largest manufacturing suppliers representing 75% of expenditure. We acknowledge that there is the possibility that modern slavery issues may have occurred in unexamined parts of the supply chain. However, with our focus on our largest suppliers and a high proportion of manufacturing spend, we believe the possibility of modern slavery issues is low. For our entire supply chain, examined and unexamined, our Contractor Conduct Policy requires suppliers not to use any form of forced, bonded, compulsory labour, slavery or human trafficking.

## Actions taken to mitigate modern slavery risks

Gallagher Group has taken various actions to mitigate modern slavery in our operations and supply chain; our core actions are described below.

### **Operations**

- Screening potential employees to ensure they fit the requirements to be employed, including identifying their age is appropriate as per local laws, and that they have the legal right to work.
- Employees have a written contract of employment that enshrines our employees' rights and entitlements at law.
- Annual reviews to ensure that all staff are paid at or above the minimum wage requirements applicable to their employment.
- Annual Risk Assessment: conducting a modern slavery assessment based on identifying the potential number of employees vulnerable to modern slavery.

### **Supply Chain**

- Contractor Conduct Policy: suppliers, subcontractors, and third-party service providers must sign the policy, which covers (among other things) labour and human rights. Specifically covered is that contractors:
  - must not use any form of forced, bonded, compulsory labour, slavery or human trafficking;
  - must not require employees to surrender any government-issued identification, passport or work permit or other personal document as a condition of employment;
  - may not require its employees to pay the employer's or agent's recruitment or any other fee for their employment; and are strictly prohibited from employing children.
- Annual Supplier Engagement and Due Diligence Survey: our largest manufacturing suppliers were engaged on modern slavery through a survey that covers: (1) the countries where they sourced their materials; (2) any modern slavery processes or procedures they had or are planning; and (3) any modern slavery issues in the past year. This year was the inaugural survey.
- Annual Risk Assessment: conducting a modern slavery assessment based on published risk data and the due diligence survey.
- Modern Slavery Management System: maintain a record of supplier information on modern slavery, including the due diligence survey results and risk assessment.

### **Other Actions**

- Internal communication on modern slavery: We advertised the Statement internally and made it available on an internal SharePoint site.

- Statement externally available: the Statement was registered in Australia, Canada and the United Kingdom, and made available on [www.gallagher.com](http://www.gallagher.com), [security.gallagher.com](http://security.gallagher.com), and [am.gallagher.com](http://am.gallagher.com).
- Whistle-blower policy: processes exist for whistle-blowers across our global companies to report concerns to management.

### **Effectiveness of actions to mitigate modern slavery risks**

Gallagher Group measures effectiveness by the number of modern slavery issues identified and the level of operations and supply chain transparency. In the last 12 months, no modern slavery issues were identified. However, as discussed earlier, we have supply chain modern slavery information on a high proportion of expenditure (75% of our spending), but not complete transparency. Additionally, where we have transparency, we have not verified suppliers' claims of no modern slavery issues although we intend to implement regular audits of key suppliers. We believe our approach is effective though further action is needed to strengthen supply chain transparency. The following section outlines our planned actions.

### **Actions to be taken to mitigate modern slavery risks**

#### ***Operations***

While there are no concerns with the effectiveness of actions taken for operations, over the next 12 months, a human resources information system is being implemented; this will make it easier to analyse information on potentially vulnerable employees. This system will allow us to easily review historical contracts.

#### ***Supply Chain***


The focus for the next 12 months is to:


- Broaden the suppliers engaged with: strive to engage with (including surveying) at least 80% of supplier expenditure across all four manufacturing sites (Hamilton and Pukekohe in New Zealand, New South Wales and Victoria in Australia).
- Engage with moderate-to-high risk suppliers: investigate these suppliers and work with them to mitigate modern slavery risks. The investigation will include improving transparency through detailed modern slavery self-assessment surveys and, where necessary, auditing. The guiding principle is first to encourage suppliers to improve their practises before changing a supplier.
- Establish processes for addressing moderate-to-high risk suppliers: take the learning from the engagement in action two to develop processes for future moderate-to-high risk suppliers.
- Continue to incorporate modern slavery in supplier onboarding, including a risk assessment and due diligence process for new suppliers which includes assessment of their modern slavery risk.
- Modern slavery internal refresher training: train procurement staff on modern slavery.

Additionally, Gallagher Group will investigate working with other organisations in the same sector to assess and address high-risk parts of the supply chain.

### Consultation in preparing this statement

In the preparation of this Statement, the Gallagher Group consulted with relevant internal employees and our largest suppliers. This Statement was approved by the Board of Gallagher Holdings Limited on 21 May 2024.

Signature	
Name	KAHL BETHAM
Position	CHIEF EXECUTIVE & EXECUTIVE DIRECTOR
Date	11 JUNE 2024

Signature	
Name	marion Andreweg.
Position	CFO
Date	11 June 2024.