

20th April 2024

Modern Slavery Statement

This statement is made under the *Modern Slavery Act 2018* (Cth) (the **Act**). It sets out the actions taken by BX Bunka Australia Pty Ltd (**BX**), an entity which operates in Australia to address modern slavery risks in our supply chain over the financial year ending 31 December 2023.

Our structure, operations and supply chains

BX's business model is a wholly owned company defined by shares. The entity is wholly owned by a publicly listed entity in Japan. All products are manufactured in Australia with some using overseas components. BX operates the manufacture, supply and distribution of Commercial and Residential Garage Doors in Australia. BX is the holding company for Steel-Line Garage Doors Pty Ltd, Steel-Line WA Pty Ltd, Misiv Pty Ltd, Arco (Qld) Pty Ltd, Sprint Roller Shutters Pty Ltd, Max Door Solutions Pty Ltd and Doorworks Australia Pty Ltd (**Our Group**).

BX is headquartered in Brisbane, Australia with a wider global presence through operations across Australia and further afield with the parent company in Japan (**Operations**).

Our portfolio of controlled entities includes Steel-Line Garage Doors Pty Ltd, Steel-Line Garage Doors Pty Ltd, Steel-Line WA Pty Ltd, Misiv Pty Ltd, Arco (Qld) Pty Ltd, Sprint Roller Shutters Pty Ltd, Max Door Solutions Pty Ltd and Doorworks Australia Pty Ltd and each of the entities in BX Bunka Australia Pty Ltd is referred to as "Our Group" for the purposes of this statement.

BX is a subsidiary of Bunka Shutter Co. Ltd A Japan based entity engaged in the manufacturing, supplying, installing and servicing of residential and commercial doors.

BX employs 602 employees across Australia.

Our Operations span the areas of production, provision and delivery of products, research and development, direct employment of employees, distribution, purchasing marketing and sales, finance, HR and IT.

To date in the 2022 - 2023 financial year, our Group has engaged directly with more than 1131 sub-contractors from nine (9) countries. The Group's largest category of spending is on pre-painted and galvanised steel coil. The supply chain of products and services that contribute to our Operations include assembling the products in overseas factories where certain elements are made and the importation of certain materials to package the Products.

Risks of Modern Slavery Practices in our operations and supply chains

The majority of our steel coil is sourced in Australia. Steel coil is procured from an Australian supplier, BlueScope Steel that operates a global supply chain. We are vigilant in considering the risk when purchasing from overseas suppliers albeit Australian suppliers are also considered due to their global network. With this in mind, we take all reasonable steps



to ensure we source responsibly. For our subsidiaries, all Operations procure motors, automation components, hardware, cardboard, stretch wrap and other packaging in addition to the production line requirements and storage equipment. We also source motors, hardware and automation components from China, Taiwan and Germany whilst packaging is sourced locally (collectively, the **Products**).

The risks of modern slavery in BX and Operations exist within the manufacturing of Products from overseas suppliers which increases the risk of exploited labour and the setting of unrealistic cost targets and delivery timeframes for the supplier that can only be met by using exploited labour. The impact of COVID-19 in recent years has increased the risk of workers in BX's operations and supply chains being exposed to modern slavery. Consequently, BX has implemented further measures to reduce the risk of modern slavery for vulnerable workers within its supply chains, including maintaining open communication with suppliers about the intersection of COVID-19 and modern slavery risks.

The actions we take to assess and address these risks

BX adopts a number of processes and procedures to assess and address risks of modern slavery, as outlined below.

BX recognises its responsibility, as one of the leading companies in the garage door manufacturing industry, to support a balanced and collaborative approach to all aspects of sustainability. Our total partnership approach engages our leadership teams with our customers and suppliers to address the risks of modern slavery and strive to demonstrate best practice. Our commitments show that we are on the right track. Whilst the noted improvements, listed below, are continuing to develop and improve, we anticipate that as these initiatives will become more established, and subsequently the effects will be more apparent.

We are committed to a process of upholding practices against modern slavery or human trafficking in our supply chains or in any part of our business. We commit to acting ethically and with integrity in all our business relationships. Our commitment is also supported by our initiatives, namely:

- Systems that allow workers to anonymously report modern slavery concerns; and
- Company grievance procedures which provide a medium for reporting, investigation, action and resolution.

BX has also implemented an audit process. We require our suppliers to use our auditing framework for their supply chain allowing us to meet our commitment to increased due diligence. A core competency of the business is our partnership with suppliers. This assures we can have an open and transparent relationship. We have in recent years rolled out additional auditing systems to local suppliers as well as international partners, which we have found has been an effective tool to manage compliance of our supply chain partners with the Act. Further, we have now incorporated the relevant modern slavery compliance requirements into our tender process which we have found has had no detrimental impact to our process, with all vendors willing to complete and meet requirements. During the 2022 - 2023 reporting period, senior managers of BX visited some international suppliers to complete in-person



audits and to ensure there is no evidence of non-compliance with modern slavery laws. Over the next 12 months, we aim to complete further in-person audits of our overseas vendors to ensure adherence to guidelines and recommendations previously provided. All senior managers, key permanent employees and directors will continue to undergo annual modern slavery awareness training, which we have found has consistently and effectively kept all relevant persons informed of the importance of modern slavery laws while also ensuring compliance with the relevant provisions.

BX continues to take steps to improve on and implement measures to increase employee awareness and engagement regarding Modern Slavery. In this reporting period, BX undertook in-person audits, engaged in the ongoing education of its various teams at the local level about its obligations under the Act and the actions it takes to identify and address the risks of Modern Slavery and how it assesses and aims to improve those measures.

How we assess the effectiveness of the actions we take to address the risks of Modern Slavery

BX continually assesses the effectiveness of the measures it takes to address the risks of modern slavery in several ways, including the following:

- BX has mapped its supply chain, including all existing and potential suppliers, from high risk countries.
- BX has assessed the risks throughout its supply chain by conducting onsite audits.
 - We are aware that we purchase some raw materials from high risk rated countries. As an example, we have identified China as a country that may continue to present some challenges.
 - The geographical distance from Australia and cultural differences that exist in China make it particularly difficult to assess compliance and gain an understanding of their statutory regulation and how that compares to Australian regulation.
 - This has been previously identified and robust audit systems were put in place (such as site visits to vendors overseas for inspection and reporting of the working conditions).
- BX monitors its ability to follow the protocols it establishes for high risk rated countries. In the event BX is unable to follow that protocol, it has required overseas suppliers to complete questionnaires to enable BX to gather data about working conditions, identify modern slavery risks, and confirm supplier standards.
- The mapping of our supply base at BX sites has improved transparency, which is pivotal in maintaining control and confidence. Through the auditing process, we have gained a better understanding of our supply chain beyond just the first tier.

We have found that since these measures have been implemented BX has been able to effectively and efficiently address modern slavery risks, however we will continue to monitor the effectiveness of these measures by regular engagement with key areas and oversight of



senior management review and develop our frameworks and processes to improve the effectiveness of our actions.

Process of consultation with our subsidiaries

We have and continue to engage in extensive consultation with each member of Our Group for the purpose of developing this statement and to ensure Our Group is aware of the actions that need to be taken to identify, assess and address modern slavery risks in the Operations. Specifically, we have undertaken the following consultation activities, and intend to do so annually:

- Consultation with senior management in relation to the reporting requirements of the Act and information relevant to addressing those requirements;
- Consultation with key members of the team including members of the subsidiaries and supporting functions such as Human Resources, Finance, and Procurement; and
- In doing the above, we gain input from all key members across the subsidiaries to compile a comprehensive report and derive action items for the year ahead.

This statement was approved by the Board of BX and is signed by Aaron Dillaway, Director, on behalf of the Board of directors of BX.

Signed,



Aaron Dillaway

Director, BX Bunka Australia Pty Ltd

