



FORACO Australia | 2025 Modern Slavery Report



Reporting Entity:

Foraco Australia (ABN 63 137 031 782)

Head Office: Kewdale, Perth Western Australia 6105

Reporting Period: 1 January 2025 – 31 December 2025

Date of Approval: 30 June 2026

Approved by: Australasia Vice President

Purpose

This annual report for the 2025 financial reporting year has been created by Foraco Australia Pty Ltd. ("**Foraco**") for the sole purpose of meeting its obligations and reporting requirements for entities pursuant to the *Modern Slavery Act 2018* (the Act).

Our Company

Foraco Australia operates a modern fleet of drill rigs, providing diamond core drilling, reverse circulation, hydrogeological, grouting, mine service hole and geotechnical drilling services. We are focused on creating a world leading drilling services company by offering a unique combination of global experience, local expertise, and constant customer focus. Foraco develops customised drilling solutions that meet the needs of their customers. Headquartered in Perth, we utilise a regional operating model to place our key people and assets as close to our customers and operations as possible. We have fully resourced satellite facilities located in Paraburdoo, Adelaide, and Moranbah.

Foraco has three core values (i3) that are integrated into all of the work we do: **Integrity**, **Innovation** and **Involvement**. Our commitment to these three values has been instrumental in our past successes and they are our commitment to you. Our i³ values are underpinned by the Foraco Safety Management System which is compliant, current, fit for purpose, consistent, engaging and unambiguous.

Governance Structure

The Compliance Officer and Regional Vice President are responsible for overseeing ethical practices and approving exceptions. Employees are provided with a contact list for escalation and support. Governance structures ensure accountability and transparency in all aspects of operations.

Modern Slavery Risks

Labour Hire

Labour hire arrangements continue to present an area of elevated risk, particularly where workers may be vulnerable due to visa status, recruitment practices, or limited awareness of workplace rights.

Key risk indicators include:

- Lack of visibility over subcontracted labour arrangements
- Potential wage non-compliance or underpayment
- Recruitment practices involving fees or coercion
- Limited worker access to grievance mechanisms

Supply Chain

Foraco Australia recognises that modern slavery risks may exist within its supply chain, particularly in higher-risk regions or sectors reliant on vulnerable labour, including extraction, manufacturing, and logistics.

Foraco continues to strengthen its risk management approach through reviewing and enhancing its due diligence framework, including:

- Enhanced supplier onboarding and review via the updated Ethics & ESG Questionnaire
- Ongoing review of supplier labour practices and subcontracting arrangements

Foraco continues to prioritise engagement with suppliers operating in higher-risk jurisdictions and labour-intensive industries to support effective oversight and risk mitigation.

Approach to Modern Slavery

Foraco maintains a structured due diligence framework that supports responsible, ethical, and legally compliant procurement practices, including oversight of labour standards within its supply chain. During the 2025 reporting period, Foraco continued to reinforce these processes to ensure alignment with regulatory requirements and evolving best practice.

Procurement and Due Diligence Processes

- (a) Foraco's Code of Ethical Conduct for Suppliers and Business Partners ("SCC") sets out expectations that suppliers operate in accordance with internationally recognised labour standards, including those established by the International Labour Organization. These expectations extend to any third parties engaged by suppliers in delivering goods or services to Foraco.
- (b) Foraco's SCC requires that suppliers do not employ forced labour and child labour. Suppliers must comply with the rules outlined by the International Labor Organisation Convention 138 concerning the minimum age of employment for children.

- (c) Internally, Foraco's Code of Business Conduct and Ethics requires all employees to comply with applicable laws, regulations, and company policies, reinforcing a culture of ethical and responsible business conduct.

In addition, Foraco maintains a suite of employee policies and procedures that define roles, responsibilities, and workforce expectations. These frameworks support compliance with employment standards, human rights obligations, and occupational health and safety requirements across its operations.

Training

Foraco continues to deliver training on ethical conduct and compliance obligations as part of its onboarding processes and as policies and procedures are updated. During the 2025 reporting period, modern slavery awareness was strengthened across procurement, operational, and leadership teams to support improved oversight and accountability. Further development of targeted training initiatives will continue to enhance understanding and support effective risk identification and management.

Ethics and Whistleblowing

Foraco Australia maintains a robust ethics framework as outlined in the Foraco Employee Ethics Handbook 2025. Employees are encouraged to report any suspected breaches of ethical conduct, including modern slavery risks, through confidential channels. Anonymous reporting is permitted, and all reports are investigated promptly by the Compliance Officer. Whistleblowers are protected from retaliation, and investigations are conducted with discretion and fairness.

Ethics & ESG Supplier Questionnaire

Foraco requires suppliers to complete an Ethics & ESG Questionnaire as part of onboarding and ongoing review processes. The questionnaire assesses key areas including governance, labour practices, compliance frameworks, and ESG performance.

Responses are reviewed by Compliance and Procurement teams, with supporting evidence requested where required. Identified gaps may result in further engagement, corrective action, or, where necessary, termination.

This process supports the identification of higher-risk suppliers, monitoring of compliance, and alignment with Foraco's ethical standards and obligations under the Modern Slavery Act.

Client-Driven ESG Reporting and Accountability

Foraco experienced increased client expectations regarding ESG performance and modern slavery risk management. In response, the company strengthened its processes to support more consistent and accurate reporting of ESG-related data to clients.

This included improvements in the collection, validation, and communication of information relating to:

- Supplier due diligence activities and outcomes
- Labour hire engagement and oversight practices
- Governance frameworks and risk management processes

These enhancements have enabled Foraco to more effectively meet client-specific ESG reporting requirements and contractual obligations, while reinforcing internal accountability for the identification and management of modern slavery risks.

Foraco recognises that client expectations play an important role in driving continuous improvement and will continue to align its reporting practices with evolving stakeholder requirements and industry standards.

Supplier and Partner Expectations

Foraco communicates clear expectations to suppliers and business partners through its Code of Conduct and Ethics Framework. Suppliers are required to comply with applicable anti-bribery, anti-corruption, and human rights standards, including those relating to modern slavery.

Compliance is monitored through ongoing engagement and due diligence processes. Where concerns are identified, Foraco may undertake further review, require corrective actions, or, where significant breaches occur, terminate the business relationship.

Labour Hire

To address these risks, Foraco is committed to implementing the following mitigation strategies:

- Conducting due diligence on all labour hire providers, including background checks and compliance reviews.
- Requiring transparent and ethical recruitment practices, including the prohibition of recruitment fees.
- Including modern slavery clauses in all labour hire agreements.
- Performing regular audits of labour hire agencies and conducting confidential worker interviews.
- Reviewing labour hire remuneration annually, aligned with the 1 July Modern Award updates, to support wage compliance
- Supporting labour hire workers through injury management processes, including facilitating access to preventative treatment and return-to-work support where appropriate

Risk Management

Foraco Australia is committed to identifying, assessing, and mitigating modern slavery risks across its operations and supply chains. While our operations are primarily based in Australia, we acknowledge that sourcing products and services globally introduces potential exposure to modern slavery practices, particularly in regions with lower regulatory oversight or socio-economic challenges. To manage these risks, Foraco maintains a suite of policies and procedures that promote ethical employment practices and responsible procurement. Our governance framework includes regular reviews of supplier conduct, incident reporting mechanisms, and corrective action protocols. Key suppliers are assessed annually for compliance with modern slavery standards, and any concerns are addressed through engagement or escalation. The Board and Compliance Team monitor risk trends and review significant events to ensure continuous improvement. Foraco also ensures its personnel remain informed of legislative changes and industry best practices through training, webinars, and professional updates. This integrated approach supports our commitment to transparency, ethical conduct, and the ongoing enhancement of our modern slavery risk management framework.

Assessing Effectiveness

Foraco is committed to continuing and improving its approach to identifying and mitigating modern slavery risks. During the 2025 reporting period, the company strengthened its approach to assessing effectiveness by placing greater focus on monitoring outcomes and using available data to inform decision-making.

Key measures include:

- **Supplier Compliance Monitoring:** Supplier responses to the Ethics & ESG Questionnaire are reviewed both at onboarding and periodically to identify gaps and track improvements over time. Where issues are identified, suppliers are engaged to implement corrective actions.
- **Audit and Review Processes:** Higher-risk suppliers and labour hire providers are subject to targeted reviews, including documentation checks and periodic engagement. Outcomes are used to inform procurement and ongoing supplier management.
- **Labour Hire Oversight:** Annual reviews of labour hire remuneration, aligned with 1 July Modern Award updates, are undertaken to support wage compliance. Findings are used to strengthen engagement with providers where required.
- **Incident and Feedback Monitoring:** Reports raised through whistleblower channels are reviewed and investigated, with trends monitored to identify potential systemic issues and opportunities for improvement.
- **Governance and Reporting:** Modern slavery risks and actions are reported to management on a periodic basis, supporting oversight and accountability across the business.
- **Framework Review:** Foraco conducts annual reviews of its modern slavery approach to ensure processes remain relevant and effective, with updates incorporated into policies and procedures where appropriate.

These measures enable Foraco to monitor the effectiveness of its actions, support ongoing improvement, and strengthen its overall response to modern slavery risks.

Continuous Improvement

Foraco remains committed to strengthening its approach to identifying, preventing, and addressing modern slavery risks across its operations and supply chain. During the 2025 reporting period, the company focused on enhancing existing processes, including improvements to supplier due diligence, labour hire oversight, and internal awareness. Recognising that modern slavery risk management requires ongoing attention, Foraco will

continue to refine its risk assessment processes, strengthen supplier engagement, and embed modern slavery considerations into its governance and operational practices. Through a pragmatic and continuous approach, Foraco aims to build on its existing framework, improve transparency, and support ethical business conduct across all areas of the organisation.

Consultation

Foraco Australia Pty Ltd recognises the importance of engaging with its owned and controlled entities in the development of its modern slavery statement. During the reporting period, consultation was undertaken with relevant internal stakeholders across our operations, including senior executive managers, regional managers, and compliance personnel.

This consultation involved:

- **Reviewing shared policies and procedures**, including the Code of Business Conduct and Ethics, the Supplier Code of Conduct, and the Expenditure Authority Procedure, to ensure alignment across entities.
- **Collaborative input into risk assessments**, particularly regarding labour hire and supply chain vulnerabilities.
- **Joint participation in training and awareness sessions** focused on modern slavery risks and ethical sourcing practices.
- **Regular meetings and communications** between the leadership personnel and operational leads to ensure consistent implementation of mitigation strategies.

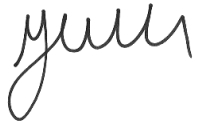
These consultations ensured that all entities under Foraco's control were informed of their obligations under the Modern Slavery Act and contributed to the development of a unified and effective response to modern slavery risks.

Approval and Attestation

This statement was approved by the Board of Directors of Foraco Australia Pty Ltd on 29 June 2026, in accordance with section 13(2) of the Modern Slavery Act 2018 (Cth).

I, Nathan Elford, being a Director of Foraco Australia Pty Ltd and a responsible member of its principal governing body, attest that I have reviewed the information contained in this statement. Based on my knowledge and having exercised reasonable diligence, I confirm that the information is true, accurate, and complete in all material respects for the purposes of the Act.

IN WITNESS WHEREOF the authorised signing officer(s) of Foraco Australia Pty Ltd. have executed this report as of the effective date of the signature set out below.

A handwritten signature in black ink, appearing to read 'Nathan Elford', written in a cursive style.

Nathan Elford

Director

Foraco Australia Pty Ltd

Date: 29 June 2026



Integrity.

We run our business with the highest level of integrity and this value is embedded in all of our daily operations, from the field to our corporate offices.

Innovation.

The global economic, political and geographic landscape is constantly changing and as a result, so is our work environment.

Involvement.

A winning culture and entrepreneurial spirit are two of our key differentiators in the industry. We practice a fluid bottom-up-top-down communication.

Foraco Australia
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