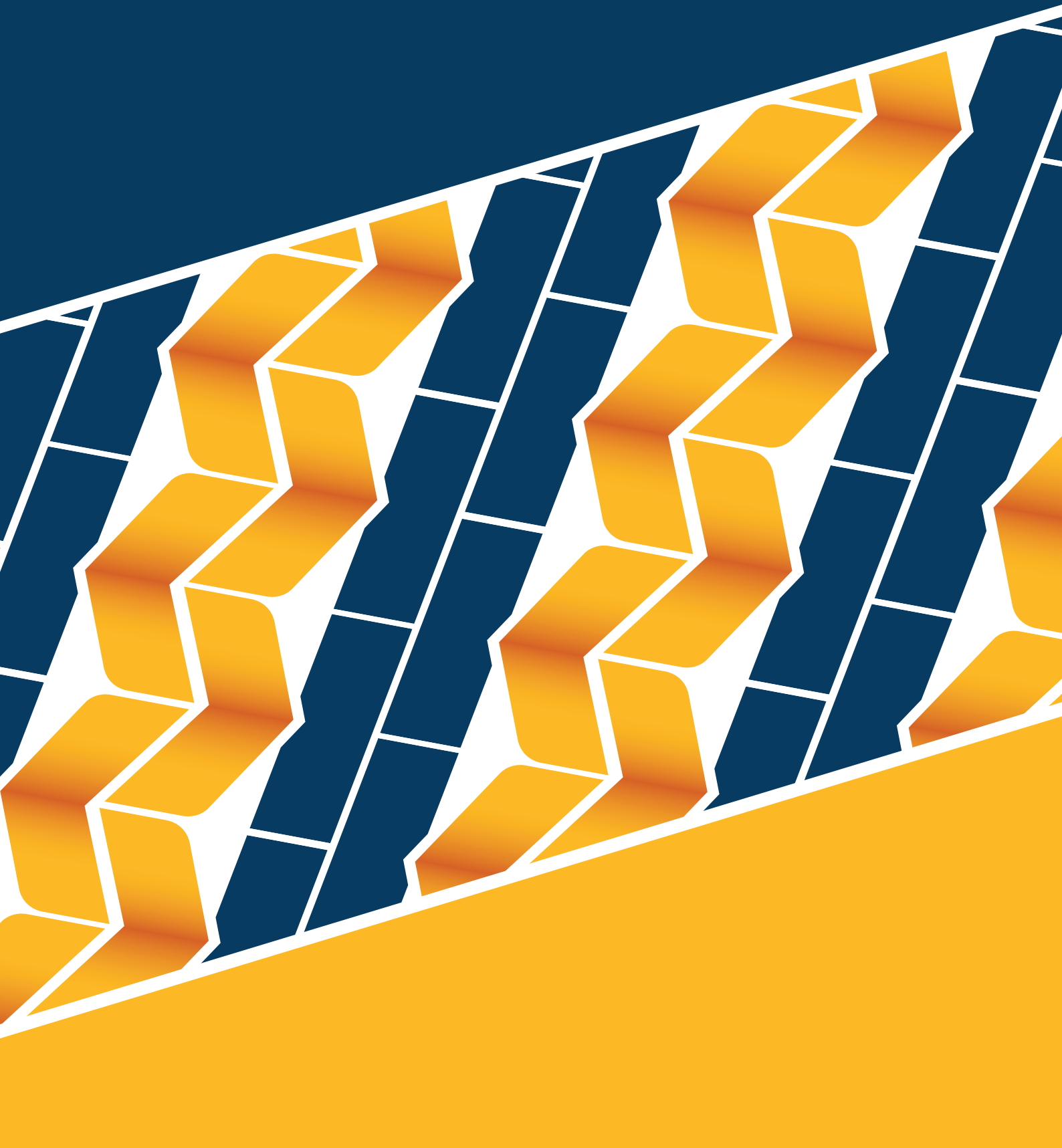




Korvest Ltd

Modern
Slavery
Statement
2024



1. ABOUT US

Korvest Ltd (ACN 007 698 106) is a public company listed on the ASX (ASX: KOV). Korvest has a long history as an Australian manufacturer having listed on the ASX in September 1970. Korvest has a very simple corporate structure consisting of only one legal entity. Korvest does not have any subsidiaries. Instead, it operates its two trading businesses as divisions of Korvest Ltd. The two business are EzyStrut, a cable and pipe support business and Korvest Galvanisers, a hot dip galvanising business.

Korvest's Head Office and production facility are at 580 Prospect Road Kilburn SA 5084.

EzyStrut manufactures and sells cable and pipe support systems. EzyStrut's production facility is at the Kilburn site which is also where the national warehouse is located. Products are distributed from the national warehouse to the EzyStrut branches located in each mainland state. These branches hold inventory for distribution in their local market. Each branch has a team of sales executives as well as branch-based customer service and warehouse staff to service the local customer base.

Korvest Galvanisers is a galvanising business also located at the Kilburn site. It provides galvanising services for a range of external customers, predominantly South Australian steel fabricators. Korvest Galvanisers is vertically integrated with EzyStrut as a significant portion of EzyStrut product is galvanised.

Korvest's workforce is approximately 270 people including labour hire personnel. Labour hire is used to fill short term vacancies and to supplement Korvest's permanent workforce to manage variable workloads.



2. SUPPLY CHAINS

Korvest looks to have long term supplier relationships for the major ongoing business inputs. The majority of Korvest's supply chains are Australian.

Other than employee costs, the major expenditure relates to key production inputs such as steel for EzyStrut and zinc for Korvest Galvanisers. These are sourced from Australian suppliers. Other significant expenses include freight, energy and property leases and these are also predominantly Australian suppliers.

EzyStrut imports some finished goods to supplement the products made in Australia. Approximately 10% of Korvest's supplier expenditure relates to imported products. Cable and pipe support products are imported from suppliers in China, Thailand, Malaysia and Spain.

3. MODERN SLAVERY RISKS IN KORVEST'S OPERATIONS

Korvest understands that there is a risk that its own operations could inadvertently cause, contribute to or be directly linked to Modern Slavery. It is acknowledged that any of the categories of Modern Slavery including:

- Trafficking in persons;
- Slavery;
- Servitude
- Forced labour;
- Forced marriage;
- Debt bondage;
- Deceptive recruiting for labour or services; or
- The worst forms of child labour

could be potentially occurring in Korvest's global supply chain. Korvest is currently unaware of it causing, contributing or being linked to such practices anywhere in its supply chain. However, in coming years Korvest will progressively improve its processes to increase its capacity to detect these forms of Modern Slavery within its global supply chains.

Korvest has conducted a scoping assessment of the potential risk of Modern Slavery within its operations and supply chain. To assist in identifying potential risks based on the sector, industry, services, products procured and geographical locations of Korvest's suppliers, the publication *"Modern Slavery Risk, Rights & Responsibilities – a Guide for Companies and Investors"* commissioned by the Australian Council of Superannuation Investors (ACSI Publication) has been used as a reference.

An analysis of the ACSI Publication has identified four high risk factors being:-

- Vulnerable populations
- Business models structured around high-risk work practices
- High-risk product and service categories
- High-risk geographies

Korvest has considered the potential risk of Modern Slavery for each of these risk factors in Korvest's Operations and Supply Chain.

The following were identified as potential areas of risk for our Operations and Supply Chains:

- Migrant workers and Base-skilled workers
- Labour hire arrangements
- Branded and unbranded goods (including garments) not for resale utilised for marketing, cleaning or as personal protective equipment.
- Sourcing of raw materials
- The manufacturer of the information technology equipment used including computers and printers
- Services such as
 - o Security, maintenance and cleaning
 - o Transportation: Ports, maritime freight and truck drivers

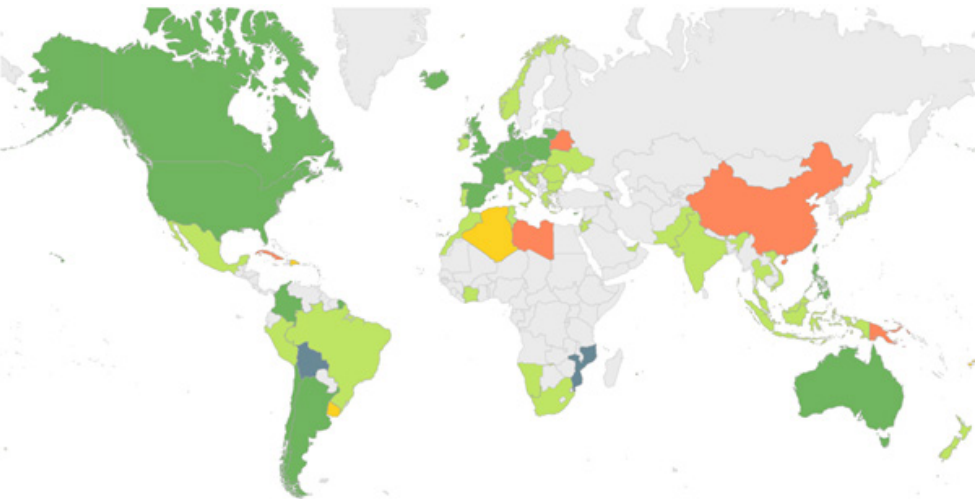


3. MODERN SLAVERY RISKS IN KORVEST’S OPERATIONS (CONTINUED)

Modern Slavery risks arise as a result of the countries that Korvest or its suppliers operate in. Whilst Korvest only has Australian operations, it does use suppliers from a number of different countries or who have operations in a range of countries. The US Department of State compiles an annual Trafficking in Persons report. This report classifies countries into tiers determined by the extent to which they meet the standards set out in the US Trafficking Victims Protection Act (TVPA). The following shows where Korvest’s suppliers have operations.

Countries of Operation Overview

The map below displays your suppliers' countries of operation, overlaid with the Trafficking in Persons Report tiers.



Tier 1

Countries and regions whose governments, at the date of this assessment, fully meet the Trafficking Victims Protection Act's (TVPA) minimum standards.

Tier 2

Countries and regions whose governments, at the date of this assessment, do not fully meet the TVPA's minimum standards, but are making significant efforts to meet those standards.

Tier 2WL

Countries and regions whose governments, at the date of this assessment, do not fully meet the TVPA's minimum standards, and as the (increasing) number of victims is significant without proportional action, and/or no evidence of increased efforts to combat trafficking has been provided.

Tier 3

Countries and regions whose governments do not, at the date of this assessment, fully meet the minimum standards and are not yet making significant efforts to do so.

Tier SC

Due to civil conflict and humanitarian crises, gaining information is difficult and a tier has not been assigned.

Uncategorised

At the date of this assessment, insufficient information is available about these countries or regions and a tier has not been assigned.

4. ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

4.1. Policies

Korvest has established:

- A **Modern Slavery Policy** which sets out our commitment to combatting Modern Slavery in our business and supply chains;
- A **Code of Conduct** that establishes a framework around conduct required of our employees. It also provides guidance with respect to expected and acceptable standards of behaviour including acting lawfully and therefore in accordance with the Australian Modern Slavery Act;
- A **Whistleblower Protection Policy**. This Policy outlines the mechanisms available for reporting and investigation of misconduct, such as Modern Slavery. Reports can be made anonymously.

The Korvest Modern Slavery Policy has been extensively updated in FY24 to include a number of recommendations resulting from the iPRO Korvest Modern Slavery self assessment. Also captured in this policy update is the expectation that Suppliers also conform to the Korvest Policy requirements.

Further, updates during this reporting period to the Korvest General Terms and Conditions of Order now include a requirement for suppliers to participate and submit assessments in ESG auditing and compliance as required by Korvest. This includes the supplier participation in Modern Slavery risk assessments and will form part of our future supplier audits.

4.2. Supplier Due Diligence Process

Korvest carries out supplier due diligence before entering commercial relationships with any new supplier of significance either based on trading volume or risk (eg overseas based). This includes requesting information from suppliers on their Modern Slavery policies and practices using the iPro tools described below.

Improvements to the supplier evaluation and on-boarding process in FY24 include the direct communication to potential suppliers of the Korvest Modern Slavery Policy and General Terms and Conditions of Order, prior to commencing trade with the new supplier. This ensures awareness of the Korvest policy and our expectations of suppliers.



4.3. Supplier Reviews

Korvest continues to engage iPro to conduct modern slavery assessments for Korvest's major suppliers. Under this process suppliers are invited to complete a comprehensive Modern Slavery questionnaire which results in each supplier being allocated an inherent risk score as well as an unmitigated risk score based on their responses.

After initially engaging iPro to conduct Modern Slavery assessments in FY23, this reporting period expanded the utilisation of this system to include new suppliers appointed by Korvest. The iPro questionnaire was also enhanced during this period to include new questions and suppliers were invited to update their risk assessment based on the updated questions.

4.4. Employee Training

Employee training on Modern Slavery is completed by all employees in the purchasing and procurement area as well as others who have contact with suppliers. Training has now been completed by 41 people from across the business including from Management, Procurement, Sales and Human Resources.

4.5. Need to remediate

We are yet to identify any occurrences of Modern Slavery in our operations or supply chain and therefore have not had a need to remediate. In the event that we were to encounter Modern Slavery practices in our supply chain caused or contributed to by us, we will take action to cease and prevent our contribution to the Modern Slavery practices.

5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

To assess the effectiveness of our actions Korvest considers the number and value of suppliers who have completed the iPro questionnaire and also the unmitigated risk score for our supply chain. In future years Korvest will continue to use the supplier responses to the iPro questionnaire to engage with them regarding actions that can be taken to improve their risk score.

The Supplier Modern Slavery risk **assessment completion rate** increased from FY23 of 63.6% to 70.5% in FY24, even with the inclusion of new suppliers and the enhanced questionnaire requiring all suppliers to update their assessment.

The Supplier Modern Slavery **inherent risk** score has improved from 42.4 to 40.2

The Supplier Modern Slavery **unmitigated risk** score has declined slightly from 29.6 to 30.8

Also observed was the re-classification of all suppliers classified as "High Risk (High levels of inherent risk)", with these suppliers moving to a lower risk category.

Korvest has also updated our own iPro assessment showing significant improvements in our inherent and unmitigated risk scores. The updated assessment has also provided us with further opportunities to improve our own risk score, mostly around supplier policies and contractual terms and conditions related to various aspects of Modern Slavery.

Korvest own Modern Slavery **inherent** risk score has improved from 50.0 to 25.0

Korvest own Modern Slavery **unmitigated** risk score has improved from 25.9 to 17.2

6. CONSULTATION

Korvest does not own or control any other entities therefore this criterion is not applicable.

7. APPROVAL

This Statement was approved by the Board of Korvest Ltd on **21 November 2024**



Andrew Stobart
Chairman



Chris Hartwig
Managing Director



APPENDIX

The table below identifies where information related to each mandatory reporting criteria can be located within the report:

Mandatory Criteria	Section of Report
Identify the reporting entity	Section 1
Describe the structure, operations and supply chains of the reporting entity	Sections 1 and 2
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities that it owns or controls	Section 3
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Section 4
Describe how the reporting entity assesses the effectiveness of these actions	Section 5
Describe the process of consultation with any entities the reporting entity owns or controls	Not applicable as no owned or controlled entities
Provide any other relevant information	None



Korvest Ltd, 580 Prospect Road, Kilburn, SA 5084
T: 61 8 8360 4500 | F: 61 8 8360 4599 | E: korvest@korvest.com.au
www.korvest.com.au



www.ezystrut.com.au



www.korvestgalvanisers.com.au