



SIKA AUSTRALIA MODERN SLAVERY STATEMENT 2022

BUILDING TRUST





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Introduction

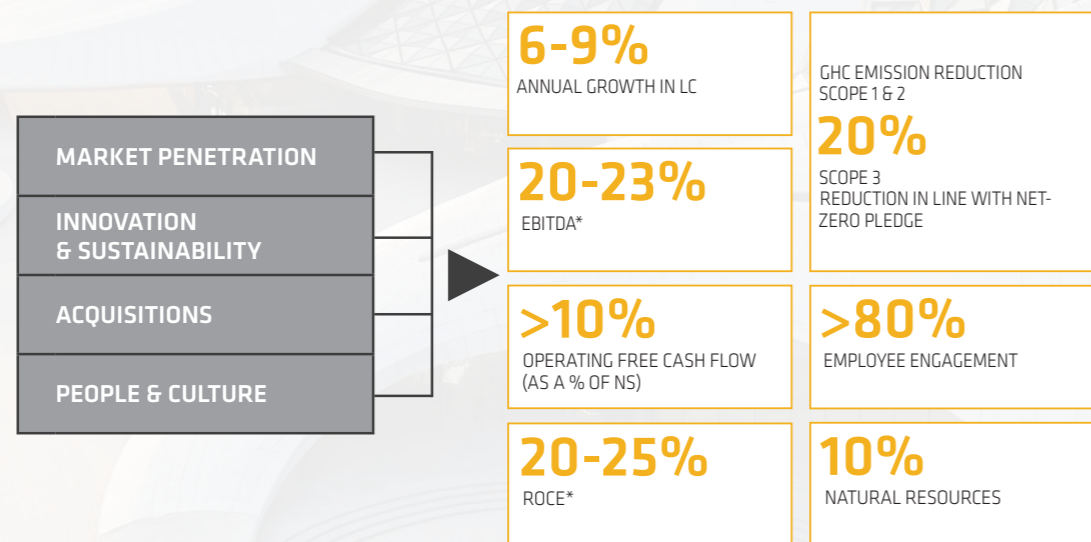
The Modern Slavery Statement for Sika Australia Pty Ltd (Sika Australia) outlines our approach to identifying, addressing, and minimising the risk of modern slavery in our business and supply chains. Sika Australia is committed to operating responsibly and adhering to high ethical and social standards.

We reject any activities which may cause or contribute to modern slavery, including but not limited to forced or bonded labour, child labour, human trafficking, slavery, servitude, forced marriage or deceptive recruiting for labour or services.

We are committed to pioneering sustainable solutions to address global challenges, and to achieve this safely together with the lowest impact on all resources. Creating and increasing value while reducing adverse impacts, continues to be our goal.

The global Sika Group (Sika Group) 'Growth Strategy 2023' fully integrates sustainability into all our business processes, and we strive to create value for our customers and partners along the whole supply chain and throughout the lifespan of our products. We believe the value created, far outweighs the impacts associated with production, distribution, and use.

SIKA GROWTH STRATEGY 2023



The future success of Sika Group is not only dependent on pursuing the right strategy but is just as much based on the trust and dedication of all employees. The Sika Group journey to global leadership is founded on the company's entrepreneurial philosophy and the 'Sika Spirit'.

The Sika Spirit is a synonym of the strong set of values and principles which represent our company's DNA. Five management principles express our corporate culture and they are the very foundations of our current and future success: **Customer First, Courage for Innovation, Sustainability and Integrity, Empowerment and Respect, Manage for Results.**

Our values can be summarized as follows:

- We respect universal human and workers' rights.
- We act in accordance with fundamental environmental, health and safety standards.
- We promote sustainable development and corporate responsibility.
- Sika Group expects its suppliers to embrace a similar set of values; and to enforce them in their own supply chain network. Therefore, we employ robust governance structures including initial supplier risk assessment and due diligence for all new suppliers.
- The Supplier Code of Conduct defines our expectations and provides our suppliers with the guidelines in relation to requirements when supplying goods or services to Sika Group, anywhere in the world.
- We also extend our commitment to responsible sourcing by helping suppliers improve their sustainability track record.

This statement was approved by the Sika Australia Board on 30th January 2024, in its capacity as principal governing body of Sika Australia, and signed by Adam Sharp in his role as the Managing Director of Sika Australia, on 30th January 2024.

Our Modern Slavery Statement

At Sika Australia, we recognise the construction industry's responsibility to take a leading role in eradicating modern slavery and human trafficking. We are proud of our existing efforts to combat these injustices within our own operations and are actively strengthening our practices throughout our supply chains.

We demonstrate our commitment by:

- Adhering to the ten principles of the UN Global Compact, embedding ethical practices into our core values.
- Implementing robust due diligence processes to identify and address potential risks in our supply chains.
- Continuously improving our policies and procedures to ensure ethical sourcing and responsible labor practices.
- Collaborating with industry partners and government agencies to address these complex issues collectively.

Openly communicating our efforts and progress through regular transparency reports. We believe that everyone deserves to work in a safe and dignified environment. By building strong ethical foundations and fostering partnerships, we can achieve a construction industry free from modern slavery and human trafficking.

This statement, covering the 2022 financial year, fulfills our reporting obligations under the Modern Slavery Act 2018 (Cth). It details our unwavering commitment to identifying and mitigating modern slavery risks within our operations and supply chain during our first reporting period.

We firmly believe that modern slavery and human trafficking have no place in our world. We hold ourselves accountable for actively managing these risks across our business and supply chain. While we have made significant progress, we acknowledge the need for continued due diligence and remain committed to continuous improvement.

Structure, Operations and Supply Chain

Sika Australia Structure

As of December 31st, 2022, Sika's global footprint spans over 103 countries, fueled by more than 400 factories birthing innovative technologies. Empowering customers worldwide, Sika drives sustainable transformation in the construction and transportation industries. Since 2020, Sika Group's annual sales have soared from CHF 7.9 billion to over CHF 10.5 billion in 2022, reflecting a relentless pursuit of groundbreaking solutions. This dedication to innovation extends beyond its bottom line, exemplified by Sika's adherence to the UN Global Compact's ten principles and its 2019 Swiss Technology Award win for a revolutionary adhesive technology.

Our Head Office is based in Wetherill Park, New South Wales with sales and manufacturing sites across Australia:

OUR SITES		
NSW	Head Office & Manufacturing	122 Newton Road Wetherill Park NSW 2164
	Sales Office	55 Elizabeth Street Wetherill Park NSW 2164
	Manufacturing Site	67 Elizabeth Street Wetherill Park NSW 2164
QLD	Sales Office & Manufacturing	30 Parker Court Pinkenba QLD 4008
	Manufacturing Site	6 Mackie Way Brendale QLD 4500
VIC	Sales Office & Manufacturing	33 Fiveways Boulevard Keysborough VIC 3173
	Manufacturing Site	71-75 Licola Crescent Dandenong South VIC 3175
SA	Sales Office	28 Kenworth Road Gepps Cross SA 5094
	Manufacturing Site	1-2/28 Maxwell Road Para Hills West SA 5096
WA	Sales & Manufacturing	61 Bushland Ridge Bibra Lake WA 6163

In Australia, have over 340 employees who work in our production, warehouse sites, and offices including support functions in Finance, Human Resources, Quality, Environmental Health and Safety, IT, Technology, Procurement, Supply Chain and Sales.

Our direct employees are engaged either by contract, EBA or award agreements. Sika Australia also engage temporary workers through recruitment and labour hire companies. The number of temporary workers varies depending on the seasonality of the business. The work performed by this part of the workforce is mainly manufacturing, warehousing and logistics. In FY2022, workers employed through employment agencies accounted for 18% of total factory and warehouse cost.

Sika Australia Operations

We are a speciality chemicals company with a globally leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and motor vehicle industry.

Our operations have two elements–, manufacturing and import for distribution.

Cementitious adhesives, structural mortars, concrete admixtures, polypropylene fibres, liquid applied membranes, and epoxy resins are manufactured in our industrial facilities located throughout Australia.

Elastomeric sealants, structural waterproofing and other construction adhesive product ranges are imported by Sika Australia from other Sika Group companies' extensive network of global facilities and then sold (as trading goods) by Sika Australia to Sika Australia's customers. The split between manufacturing and distribution is 5361% and 4739% respectively. These products are sourced by Sika Group from Switzerland, Germany, France, UK, China, Vietnam, Indonesia, Japan, and the USA.

Our leading technologies service the requirements of Residential and Commercial Building, Mining, Automotive, Industrial Manufacturing and Infrastructure projects in Australia and around the world.

Our diverse customer base includes local construction craftspeople's, larger construction companies and multinationals including cement companies, as well as automotive, transportation and appliance manufacturing companies.

Sika Australia is active in the following target markets:

- Concrete
- Waterproofing
- Roofing
- Flooring
- Refurbishment
- Sealing and Bonding
- Building Finishing and Industry

Concrete

We develop, manufacture and market a complete range of admixtures and additives for use in concrete, cement, and mortar production. These products enhance specific properties of the fresh and hardened concrete, such as workability, watertightness, durability, or early and final strength. Manufacturing is predominantly in Australia, and we sell to concrete and mining industries in Australia and Papua New Guinea.

The demand for admixtures and additives is currently on the rise, particularly due to the increased performance requirements placed on concrete and mortar, especially in urban areas and for infrastructure construction.



Waterproofing

We manufacture and import a full range of technologies used for below and aboveground waterproofing: flexible membrane systems, liquid applied membranes, waterproofing admixtures for mortars, joint sealants, waterproofing mortars, injection grouts and coatings. These products are both manufactured locally and imported from overseas. Key market segments include basements, underground parking garages, tunnels, and all types of water-retaining structures (for example reservoirs, storage basins, and storage tanks).



Roofing

We manufacture and import a full range of roofing systems, incorporating flexible waterproofing sheet membranes or liquid applied membranes, thermal insulation, and various accessories. These products are predominantly imported from other Sika Group entities; however, we also manufacture a few products locally.



Flooring

We manufacture flooring solutions which are based on synthetic resin and cementitious systems for industrial and commercial buildings, for example pharmaceutical and food sector production plants, public buildings such as educational and healthcare facilities, parking decks and private residential properties.



Refurbishment

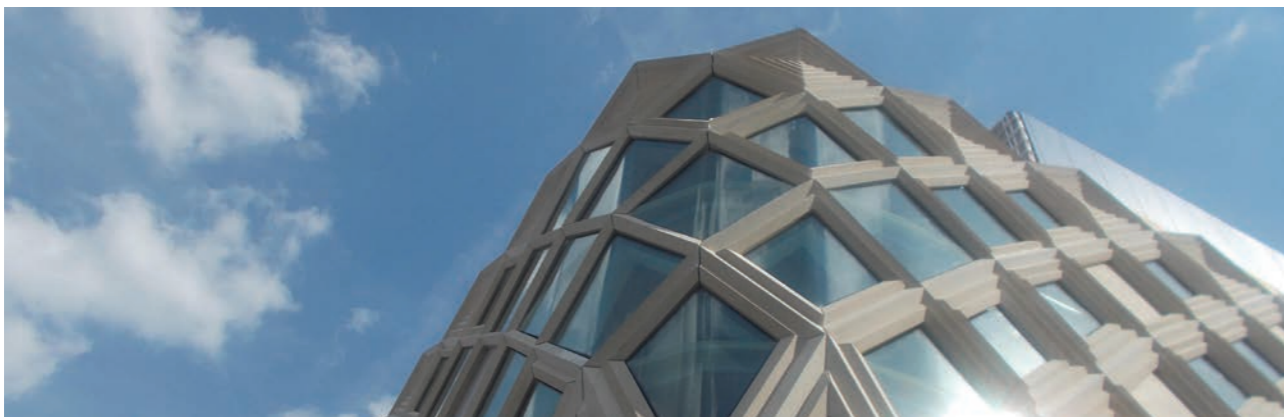
We provide systems to restore and rehabilitate concrete structures that have deteriorated due to corrosion, structural damage, water infiltration, freeze/thaw, reactive aggregates, and others. Sika Australia provides a full range of cement-based products, polymer-modified repair mortars and epoxy-based repair materials for different repair works and specific requirements. These products are predominantly manufactured by Sika Australia however we also import from other Sika Group entities and other third-party suppliers.



Sealing & Bonding

A wide range of high-performance and durable sealants, spray and performed foams, rigid and elastic adhesives for the building envelope, for interior finishing as well as infrastructure construction is provided.

Typical applications include the sealing of movement joints between facade elements to make buildings weatherproof, the bonding of wood floors to reduce noise or the sealing of joints in airport aprons. These products are imported from other Sika Group entities including third-party suppliers



Building Finishing

We develop and manufacture specialty solutions for tile installation and facade protection and decoration. Products range from individual housing and building projects to industrial infrastructure. Tile installation materials comprise of primers, waterproofing membranes, adhesives, grouts, and sealants for both new build and renovation projects.

Facade protection and decoration services the requirements of architectural projects by providing cement and lime plasters to textured and aggregated finishes and coatings for residential and commercial low and high-rise projects



Industry

The markets served by Sika include automobile and commercial vehicle assembly (structural bonding, direct glazing, acoustic systems, reinforcing systems), automotive aftermarket (auto glass replacement, car body repair), marine vessels, industrial lamination, appliances, renewable energies (solar and wind), and facade engineering (structural glazing, sealing of insulating glass units).





Research and Development

Our Research and Development (R&D) team develop adhesive and construction chemical products to support the requirements of our customers. Our R&D team:

- Research new technologies;
- Develop products to meet the needs of the market and our customers; and
- Work to continuously improve the application, mechanical and cost performance of our products.

Sika Australia's Supply Chain

We have a large vendor base and procure a range of goods and services both domestically and internationally.

In 2022, Sika Australia engaged more than 500 vendors, including Sika Group entities (18% of total vendors) and suppliers outside the Sika Group (Australian based and international) that Sika Australia procures from (96% of total vendors). These vendors can be categorised into 4 groups: raw materials, packaging, trading goods and services.

Raw materials, packaging and trading goods suppliers are referred to as 'Material Suppliers' and services suppliers as 'Services Suppliers' in the diagram below, which shows the percentage of total procurement spend by Sika Australia in 2022.

Sika Australia 2022 Spend %



Raw Materials, Packaging and Trading Goods Suppliers

There were 388 suppliers (including Sika Group entities) and these accounted for 70% of Sika Australia's total procurement spend in 2022.

Categories of spend is set out in the table below:

CATEGORY	% SPEND	NO. OF SUPPLIERS
Sika Intercompany Purchase	>15%	<50
Cementitious systems	10-30%	>50
Concrete Materials	10-30%	>50
Adhesive Systems	10-30%	>50
Coatings & Resins	<10%	>50
Packaging	<10%	<50
Thermoplastics	<10%	<50
	100.0%	Approx. 388

Raw materials, packaging and trading goods are sourced both from Sika Group entities and from other suppliers outside the Sika Group in the Asia/Pacific region (including China, Thailand, Japan, Korea, and India), the USA and Europe (including Russia).

The top 6 spend categories account for 95% of the spend on raw materials, packaging, and trading goods. The percentage of sourcing countries for the top 6 categories are set out in the table below:

RAW MATERIAL, PACKAGING AND TRADING GOODS		AUS	CHINA	MALAY	TAIWAN	THAI	EURO	US	JAPAN	KOREA
TOP 6 CATEGORIES	Sika Intercompanies									
	Cementitious Systems									
	Concrete Materials	49%	20%	6%	3%	3%	8%	3%	1%	5%
	Adhesive Systems									
	Coatings and Resins									
	Packaging									

In addition to raw materials, packaging and trading goods procured by Sika Australia, we also procure other goods (directly and indirectly) for our broader business operations including:

- **Safety attire:** Personal protective equipment, including safety glasses, gloves, work boots, hard hats, and high visibility vests.
- **Office consumables:** Stationery and kitchen consumables.
- **Information and communications technology:** Computer hardware and software, printers, audio/visual equipment, desk phones and mobile phones.

The majority of these goods are procured directly from suppliers within Australia.

Services Suppliers

There were 456 service suppliers and these accounted for 30% of Sika Australia's total procurement spend in 2022. The top 5 categories of spend are:

- Machine development and planning
- Maintenance and repair services
- Pallets hire
- Waste disposal
- Packaging Aid

These top 5 categories account for 40% of the total spend on services. 99% of these top 5 categories of services are sourced from Australia with the remaining 1% of sourced from Global Slavery Index 2022 low risk countries including Turkey

In addition to the services procured specifically for the manufacturing and supply of goods produced by Sika Australia, Sika Australia procures (directly and indirectly) other services for our broader business operations including:

- **Corporate/building services:** Office maintenance services, cleaning and security and our offices and manufacturing sites.
- **Professional services:** Tax, external legal counsel, insurance, and consulting.

The majority of these services are procured directly from service providers within Australia.



Risks of Modern Slavery Practices

Sika Australia undertook a desktop analysis of the risks of modern slavery in its business operations and supply chains for 2022.

Our analysis was undertaken using a risk assessment methodology which considers a number of indicators of modern slavery risks including:

- Geographic/country of origin
- Sector/industry
- Category of products and services

These risk factors are based on risk indicators set out in the Commonwealth Guidance for reporting entities under the Modern Slavery Act as well as information published by the Walk Free Foundation (Global Slavery Index 2022), the International Labour Organization (Global Estimates of Modern Slavery: Forced Labour and Forced Marriage 2022) and the Australian Council of Superannuation Investors (Modern Slavery Risks, Rights & Responsibilities Report 2022).

Our risk assessment identified moderate risk factors within Sika's Australian operations and supply chains. These include:

- Sourcing goods and materials from countries like China and South Korea, categorized as moderate risk for modern slavery
- Procurement of certain high-risk goods and services, particularly those involving manufacturing processes
- Our reliance on a highly skilled workforce for technical products, mitigating industry-wide risks
- Significant sourcing within Australia, a jurisdiction with lower modern slavery risks

While Sika Australia's local operations and procurement minimize the direct risk of causing modern slavery, we acknowledge the potential contribution to supply chain risks through sourcing from high-risk regions.

Included overleaf is a summary of our risk profile and assessment

RISK FACTOR	ASSESSMENT OF RISK																																																																																
Geographic/ country of origin risk	<p>Risk of contributing to modern slavery</p> <p>We understand that certain countries and regions may have a higher prevalence of modern slavery owing to poor governance, compromised rule of law, conflict-affected zones, large migrant populations, and poverty.</p> <p>The Global Slavery Index 2022 has found the Asia-Pacific region to have the highest number of people in modern slavery. The Index also named 10 countries with the largest estimated population of people in modern slavery—accounting for 60% of people living in modern slavery to be in China and Russia.</p> <p>The top 6 spend categories with the percentage of sourcing countries and their Global Slavery Index 2022 rating are set out in the table below:</p> <table border="1"> <thead> <tr> <th>RAW MATERIAL, PACKAGING AND TRADING GOODS</th> <th>AUS</th> <th>CHINA</th> <th>MALAY</th> <th>TAIWAN</th> <th>THAI</th> <th>EURO</th> <th>US</th> <th>JAPAN</th> <th>KOREA</th> </tr> </thead> <tbody> <tr> <td>Sika Intercompanies</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Cementitious Systems</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Concrete Materials</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Adhesive Systems</td> <td>49%</td> <td>20%</td> <td>6%</td> <td>3%</td> <td>3%</td> <td>8%</td> <td>3%</td> <td>1%</td> <td>5%</td> </tr> <tr> <td>Coatings and Resins</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Packaging</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Global Slavery Index 2018 rating</td> <td>Low Risk</td> <td>Mod. Risk</td> <td>Low Risk</td> <td>Low Risk</td> <td>Low Risk</td> <td>Low Risk</td> <td>Low Risk</td> <td>Low Risk</td> <td>Mod. Risk</td> </tr> </tbody> </table> <p>Sika Australia procures a certain percentage of materials from China and South Korea. We also acknowledge that this may present a moderate potential for modern slavery risks.</p> <p>Notwithstanding, we mitigate potential risks through robust governance and frameworks, which comprise supplier engagement policies including the Supplier Code of Conduct (as detailed in this document).</p> <p>Additionally, a large proportion of our materials and services are procured locally in Australia which is not considered a high-risk country.</p>	RAW MATERIAL, PACKAGING AND TRADING GOODS	AUS	CHINA	MALAY	TAIWAN	THAI	EURO	US	JAPAN	KOREA	Sika Intercompanies										Cementitious Systems										Concrete Materials										Adhesive Systems	49%	20%	6%	3%	3%	8%	3%	1%	5%	Coatings and Resins										Packaging										Global Slavery Index 2018 rating	Low Risk	Mod. Risk	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk	Mod. Risk
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Sector/ Industry	<p>Very low risk of contributing to modern slavery</p> <p>Manufacturing is considered a high-risk sector. The 2022 Global Estimates of Modern Slavery have shown forced labour exploitation does occur in the construction and manufacturing industries. Where other risk factors such as geography and product risks are also present, the risks are further heightened.</p> <p>Sika Australia is a specialist chemical manufacturing company, and we consider it to be a lower risk—this is largely attributed to the specialised nature of the products but also that our manufacturing facilities are locally based. Nevertheless, we acknowledge that some direct and indirect suppliers in the industry may present a moderate risk to modern slavery; be it in relation to specific products, such as cement and packaging, as well as in relation to facilities based in China and Russia.</p> <p>Further, a percentage (albeit a minor percentage) of our manufacturing work is undertaken by temporary workers engaged through Australian recruitment and labour hire companies. We understand that such third-party labour hire and recruitment organisations can present a risk of modern slavery as they may engage workers from vulnerable populations who are at risk of exploitative practices, and we don't have direct oversight of their recruitment practices.</p> <p>Nonetheless, Sika Australia considers the risk of modern slavery to be low as the relevant employment and visa checks for these workers are undertaken through VEVO (Visa Entitlement Verification Online system).</p>																																																																																

RISK FACTOR	ASSESSMENT OF RISK
Product/ Service	<p>Risk of contributing to modern slavery</p> <p>We understand that certain products and services may have high modern slavery risks mostly due to how they are produced, provided, or used.</p> <p>We have identified that certain raw materials and manufactured materials (specifically additives) we procure for production purposes may present a moderate potential for modern slavery risks based on the countries from which they are sourced, including China and Russia; based on the potential use of forced labour in the manufacturing of particular products within the construction and manufacturing-related industries, including cement and packaging.</p> <p>Notwithstanding, our procurement process gives us visibility through our direct suppliers for material in the goods we procure—being Australian-based, these factors do mitigate the potential for modern slavery risks. Additionally, much of the raw material and base products we procure for our chemical products require highly skilled and technical labour in the manufacturing processes which presents a lower risk of modern slavery.</p> <p>We acknowledge that there may be modern slavery risks present in relation to products that we do not have direct oversight from our indirect suppliers of some materials, including pallets, and some goods and materials used in our operations, including equipment components, office consumables and safety gear.</p> <p>We have identified the following potential high-risk areas in relation to the provision of services:</p> <ul style="list-style-type: none"> ■ Maintenance and repair services ■ Waste disposal ■ Cleaning <p>We understand these types of services may be provided by vulnerable workers including migrant workers or low-skill workers, including our labour hire contractors and therefore there is greater risk of exploitative practices, such as underpayment.</p> <p>Some of our warehousing and logistics services are undertaken by temporary workers engaged through Australian recruitment and labour hire companies. We understand there is a risk of modern slavery as these third parties may engage workers from vulnerable populations who are at risk of exploitative practices, and we do not have direct oversight over their recruitment practices. However, Sika Australia considers the risk of modern slavery to be low as the relevant employment and visa checks for these workers are undertaken through VEVO.</p> <p>Furthermore, as many of our services are procured from established, local suppliers with whom we engage on a regular basis, lessen potential risks of modern. Risks relating to indirect suppliers are mitigated by other means, including the Sika supplier self-assessment form and Supplier Code of Conduct declaration and internal audit processes, as is further articulated.</p>
	COVID-19 Risks

Actions to Address Risks, Due Diligence and Remediation Process

As detailed below, the Sika Group have several global policies and procedures that have been implemented by Sika Australia; during the reporting period, such policies have assisted us in undertaking due diligence when addressing potential risks posed by modern slavery not only in our business operations, but across our supply chains more generally.

Furthermore, Sika Australia is evaluating areas of potential risk where visibility can be enhanced through careful assessment and reviews to identify, understand, assess, and address them as part of our due diligence process.

Supplier Engagement and Code of Conduct

As part of our supplier onboarding process, all new and existing external suppliers must complete a Supplier Code of Conduct declaration. This guideline communicates our standards and expectations of suppliers as a condition of business to support Sika Australia's commitment to responsible sourcing.

In 2022, 98% of Sika Australia's external suppliers signed the Supplier Code of Conduct. The remaining 2% are suppliers who requested Sika Australia sign their own supplier code of conduct, which Sika Australia complied with upon approval of our CFO or Managing Director.

In relation to the Sika Group entities which are our direct suppliers, Sika Australia relies on the implementation by those Sika Group entities of the Sika Group policies, including the Supplier Code of Conduct, with their suppliers (who are our indirect suppliers).

Sika Supplier Code of Conduct

In view of Sika Australia's broad supplier base which includes suppliers in countries with moderate human rights violation risks and the sourcing from industries where labour rights potentially are at risk, Sika Australia actively promotes the respect of human and labour rights among its suppliers, by means of the Supplier Code of Conduct and periodic supplier audits and reviews.

By endorsing Sika's Supplier Code of Conduct, suppliers undertake to respect the provisions of the UNO's Universal Declaration of Human Rights and the core Conventions of the International Labour Organization with respect to:

- Prohibition and elimination of modern slavery, human trafficking, child labour and forced labour
- Freedom of association and collective bargaining
- Promotion of equal opportunity and fair treatment in employment and occupation
- Safe and healthy working conditions
- Payment of living wages and regular employment entitlements
- Non-excessive working hours

Compliance with the set of human rights included in the Supplier Code of Conduct is one of the basic contract renewal requirements. Once the Supplier Code of Conduct is signed, they are kept with our Finance team. In rare circumstances where a supplier does not sign, Sika Australia requires a valid reason from the supplier and will escalate the matter to Corporate Accounts (Sika Switzerland) and Sika Australia Managing Director for determination, including whether to continue with engagement of the supplier.

Suppliers further undertake to put systems in place for the proper information, training, and auditing of their personnel and subcontractors to ensure compliance with these principles. Suppliers are required to inform Sika Australia of any identified violation of Sika's Supplier Code of Conduct and our Procurement team or General Manager will deal with any violation of the Supplier Code of Conduct.



Screening of New Suppliers

Based on the requirements set out in the Supplier Code of Conduct, Sika Australia requires its new suppliers to perform a self-assessment, which includes questions around human rights and social risks including whether:

- The supplier's supply, manufacturing or warehouse locations are situated in a politically or socially unstable areas;
- The supplier has a policy for business ethics, covering issues like discrimination, labour rights, fair compensation and corruption; and
- The supplier has policies around employment, including verification of workers' ages.

The results of the self-assessments help Corporate Procurement identify suppliers representing a potential corporate social responsibility (CSR) risk.

Suppliers representing a CSR risk are screened by Sika Australia personnel, using desktop research and performing targeted supplier audits.

Sika Australia at any point shall have the right to propose corrective actions to the supplier. If a supplier is found not to have met requirements, we may terminate its contract(s).

Sika Group Policies and Governance

Sika Group's management approach to the protection of fundamental human and labour rights is reflected in several internal policies and processes, as described hereunder:

As a signatory of the UN Global Compact, Sika Group promotes the protection of universally acknowledged human and labour rights. With operations in more than 100 countries, Sika Group is active in many regions ranking high on human rights risk indices. Sika Group takes seriously its responsibility to assess its own operations in relation to potential human rights violations, and to implement adequate measures to prevent any violation.

For this purpose, Sika Group in its Code of Conduct, Supplier Code of Conduct and the annual GRI Compliance Confirmation has defined minimum human and labour rights standards to be implemented globally, including the prohibition of forced, slave, compulsory or child labour, the freedom of association, the prohibition of any form of discrimination, and the guarantee of fair compensation and equal opportunities for all employees.

Procurement Manual

In alignment with Sika's Growth Strategy 20282023, and with a strong focus on sustainable supply and efficiency improvement, our procurement team reviewed our Procurement Manual and revised processes, tools and best demonstrated practices.

Our material risk assessment process has been reviewed and simplified. Supply risk management is a fundamental aspect of procurement activity. Understanding our vendors capability to supply, as well as the business impact of our materials, is key to defining our priorities related to single source reductions and other specific supply risk mitigation actions.

Sustainability is a core element of our growth strategy and procurement plays a key role making sure we select our vendors according to the highest standards related to environment, labour and human rights, ethics, and sustainable procurement

Sika Code of Conduct

Sika Group's Code of Conduct requires all employees to comply with applicable laws and regulations. The Code recognises that at all locations where Sika Group entities operate, forced, compulsory or child labour are strictly prohibited. For the reporting year, Sika Group has received no indication nor any report of human rights violations concerning its own entities, including Sika Australia

Commitment to UN Global Compact and GRI Standards - GRI Compliance Confirmation

For almost a decade, Sika Group has demonstrated its firm and continuous commitment to frameworks promoting fundamental human and labour rights, such as the UN Global Compact and the GRI Standards. The GRI Compliance Confirmation affirms that Sika Group:

- Promotes equal opportunities and fair treatment in employment and occupation and prohibits any form of discrimination, and
- Ensures the right of workers and employees to establish and join organizations of their own choosing without the need for prior authorization.

Sika Australia's local management team is obliged to ensure, supervise, and monitor the protection of human and labour rights at their entities and within their areas of responsibility. They are also responsible for taking preventive action and providing adequate training to their staff. The annual GRI Compliance Confirmation asks all Sika Group entities' General Managers to confirm that they have implemented and communicated the following human and labour rights and principles to their employees:

- Prohibition of forced slave, compulsory, or child labour
- Freedom of association (without need of prior approval), unless prohibited by local laws
- Right to fair compensation, and
- Non-discrimination and equal opportunity principle

Internal Audits and Inspections

Through mechanisms such as audits and inspections, Sika Group also monitors the protection of human and labour rights among its Group companies. Sika Group's Corporate Compliance, in close cooperation with Corporate Legal and Internal Audit, conduct periodic checks and audits to monitor implementation of Sika Group's human and labour rights standards and to implement improvement measures, if deemed necessary.

These audits are generally conducted by Sika Group every 2-3 years and include verification of supplier selection according to the Procurement Manual (including compliance with the Supplier Code of Conduct).



Supplier Audits and Assessments

In February 2020, Sika Group joined "Together for Sustainability" (TfS), an industry-driven organization including all major chemicals companies. The goal of TfS is to develop and implement a global assessment and audit program for the supply chain of all members, with a particular focus on the implementation of human rights and environmental standards.

TfS greatly increases Sika Group's ability to ensure compliance by its suppliers with broadly accepted CSR norms, including fundamental human and labour rights. By the same token, Sika Group's organization and processes will be measured against the same norms. This, in turn, assists Sika Group to continuously improve its own CSR record and performance.

Raising concerns – Sika Trust Line

We are committed to a culture of corporate compliance and high ethical behaviour. Unlawful and unethical behaviour is not tolerated within Sika Australia, and it is the responsibility of all employees to comply with all legal obligations. Sika Group is a proud proponent of a speak-up culture. Accordingly, employees reporting observed violations or misconduct in good faith are protected against any form of retaliation.

There are a number of channels that employees can use if they wish to raise any concerns. At first instance, this involves speaking to their direct manager, and if not appropriate, speaking to the next level manager or to the Human Resources Department.

We encourage the reporting of disclosures based on suspected inappropriate, corrupt, or illegal conduct or behaviour. The Sika Trust Line is an externally hosted web-based platform system managed by Sika's Group Compliance Officer, also allowing anonymous complaints.

Sika Group's employees worldwide may report, in a safe and confidential environment, complaints and any related information regarding certain serious misconduct and/or breaches of Sika's Code of Conduct. The Sika Trust Line can be accessed by all employees. Sika Group supports and fosters a culture of zero tolerance to fraud, corruption, unfair competition, violation of universally recognized human rights and EHS (environment-health-safety) standards as well as other serious misconduct (harassment, sexual harassment, mobbing, bullying, etc) in all of its business activities.

Alleged violations will be carefully investigated according to Sika Group's internal standards and procedures to ensure consistency throughout the organization and, if confirmed, will have disciplinary consequences for the personnel involved. Sika Group further stops all interaction with business partners who were found to violate Sika rules including the Supplier Code of Conduct.

Measuring Effectiveness

Sika Australia acknowledges that we are still developing our understanding of modern slavery risks and how these can be assessed and addressed with targeted actions, in addition to the measures we already have in place, and this was the focus of the first reporting period.

As we continue to develop our understanding, we have not yet (other than as described in the previous section) been able to adequately assess the effectiveness of our current measures.

Still, we are committed to implementing further actions to assess and address modern slavery risks and further develop appropriate governance, frameworks, and processes to review the effectiveness of our actions—these have been described in the section 'Future Commitments' below.

Consultation

Prior to being presented to the Board of Sika Australia for review and approval, this statement was reviewed by Sika Australia's Finance Manager, Procurement Manager, Operations Manager, Supply Chain Manager, Human Resources Manager, and our Corporate Legal and Compliance Manager.



Future Commitments

Sika Australia recognises that addressing modern slavery risks requires an ongoing commitment and one where we will continue to improve with maturity. In the coming year our priorities include:

Policy Review

Continual review of our policy framework including our Code of Conduct, Supplier Code of Conduct, and Sika Trust Line and Whistleblower Policy for best practice.

Training and Awareness

Sika Australia will conduct training and awareness for those employees with roles relevant to the identification and management of modern slavery risks with our executive and senior management team. These learnings include information on:

- What is Modern Slavery?
- How modern slavery can be present in business operations and supply chains, and
- Understanding compliance and reporting obligations under the legislation.

Onboarding Supplier Self-Assessment Questionnaire

Developing self-assessment questions allowing suppliers' policies and practices to identify, assess and mitigate modern slavery risks in their supply chains and operations. This is aimed at incorporating them into the existing supplier self-assessment process or a possible standalone questionnaire.

Risk-based targeted Supplier Audits

In close cooperation with Corporate Procurement and TfS, Sika Australia shall periodically mandate targeted audits with suppliers that "according to recognized risk assessment indices" are exposed to moderate or high ESG risks (including modern slavery).

Engage with labour hire agencies

Liaise with our labour hire agencies to better understand their practices to address modern slavery risks:

- As a starting point, we will share our current and future development practices with respect to addressing modern slavery risks.
- We will also introduce a Sika Australia Modern Slavery Questionnaire to our labour hire agencies to determine their current and future practices with respect to addressing modern slavery risk.
- In order to assess the effectiveness of these actions, we propose implementing the below KPIs:
 - ▶ number of suppliers who have committed to the Supplier Code of Conduct
 - ▶ name of labour hire agencies that completed the questionnaire
 - ▶ (number/percent) of employees who completed the training, and
 - ▶ number of actions that have been implemented to deadline.

Approval of Statement

This statement was approved by the Board of Sika Australia in its capacity as the principal governing body of Sika Australia on 30th January 2024. This statement is signed by Adam Sharp in his role as Managing Director of Sika Australia on 30th January 2024.



Adam Sharp
Managing Director
Sika Australia Pty Ltd





012024

WE ARE SIKA

Sika is a specialty chemicals company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing and protecting in the building sector and the motor vehicle industry. Sika's product lines feature concrete admixtures, mortars, sealants and adhesives, structural strengthening systems, flooring as well as roofing and waterproofing systems.

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