

KNAUF

***KNAUF GYPSUM
MODERN SLAVERY
STATEMENT***

FY2024



Build on us.



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01 Introduction

This Modern Slavery Statement (Statement) is provided by Knauf Gypsum Pty Ltd (ABN 84 004 231 976) to report our activities in the financial year ending 31 December 2024 with respect to modern slavery. The information within this statement is correct as of 31 December 2024.

Knauf Gypsum Pty Ltd is part of the Knauf Group of companies. With corporate headquarters in Germany, the Knauf Group is one of the world's leading manufacturers of building materials, operating in more than 90 countries with over 80 raw materials processing plants and over 300 manufacturing plants on five continents. Knauf Gypsum owns gypsum-based wall and ceiling operations in Australia.¹

Knauf is committed to complying with high ethical and legal standards in both strategic considerations and daily business. The Knauf Code of Conduct and the Knauf values provide our fundamental guiding principles. Our value of Menschlichkeit recognises the importance of treating people fairly and acting with social responsibility. We recognise the inherent dignity of all people and the importance of respecting and promoting human rights.

Modern slavery remains a pervasive yet often hidden issue in global supply chains and has severe and devastating consequences for victims. We acknowledge the potential for its presence in our operations and supply chains and are taking a risk-

based approach as part of an ongoing commitment to mitigate the risk of modern slavery. Through a multi-year strategy, Knauf Gypsum continues to increase transparency and due diligence in our supply chains.

Modern slavery, as defined by the Modern Slavery Act, includes trafficking in persons, slavery, servitude, forced labour, debt bondage, deceptive recruitment, forced marriage, and the worst forms of child labour: situations where children are subjected to slavery or similar practices, or engaged in hazardous work.

We aim to deepen our understanding of our supply chain risks, extend modern slavery assessment across the breadth of our sourcing activities, and increase engagement with our suppliers to identify risks further down our supply chain. A summary of the actions we completed since our last report and our planned activities for FY2025 are presented in sections 6 and 7 of this Statement respectively. Knauf Gypsum remains committed to ongoing improvement and will continually monitor best practice developments through collaboration with

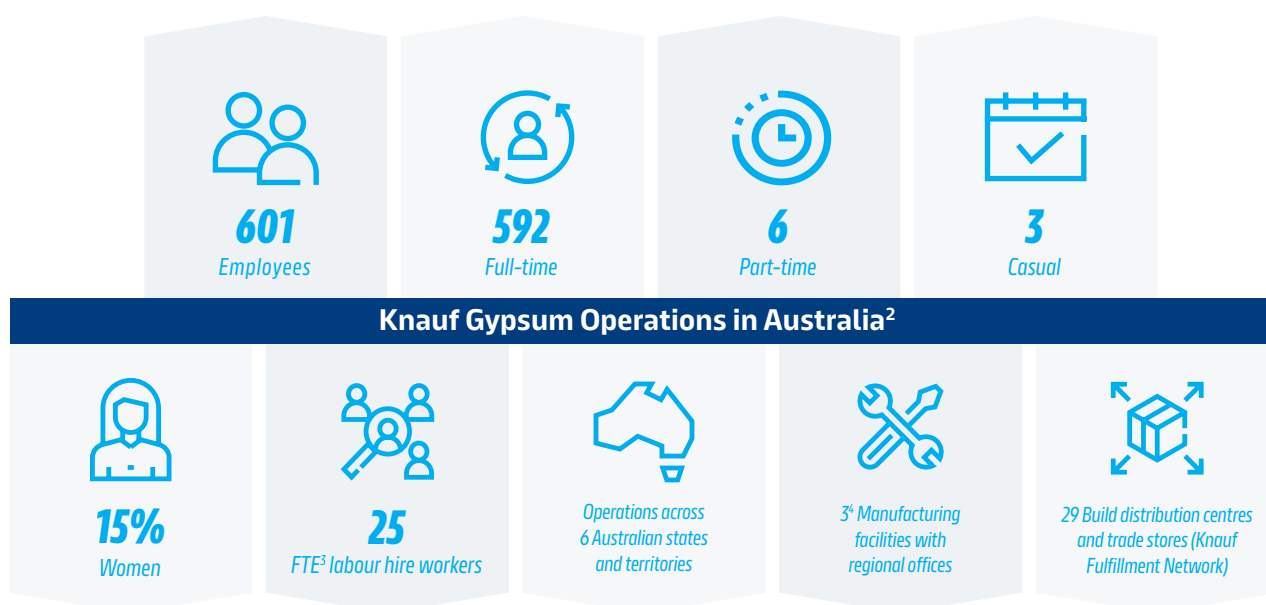
industry partners. Knauf Gypsum is progressively leveraging the resources of the Knauf Group in relation to supplier due diligence including systems and processes deployed as part of compliance with the German Supply Chain Due Diligence Act.

¹ Gebr Knauf KG (Knauf) is a German registered company and international manufacturer of gypsum boards, plasters and accessories, ceilings, insulation material, drylining systems, thermal insulation composite systems, paints, floor screed, floor systems, and construction equipment and tools. Knauf is headquartered in Iphofen, Germany and has subsidiaries and business activities worldwide.

02 Our operations

Manufacturing and supply operations

Knauf Gypsum operates manufacturing facilities and trade distribution centres across six Australian states and territories and supplies building products through independent resellers and distributors as well as its trade distribution centres. The business produces gypsum-based wall and ceiling linings, cornices, and joint compounds at three main locations: Queensland (Pinkenba); New South Wales (Camellia); and Victoria (Port Melbourne). Knauf also supplies insulation, metal framing, performance boards, tools, and accessories.



Knauf Linings operations

Knauf Gypsum also operates a business focused on supplying and installing interior linings in residential buildings across Australia. These installations use gypsum-based products, such as plasterboard, cornices, and joint compounds, manufactured by Knauf, alongside select third-party materials. This business operates under the name Knauf Linings.

Knauf Linings subcontracts installation work to builders of new residential houses. Skilled contractors are engaged to complete the installation services on site.

How we engage with joint ventures

Knauf Gypsum regularly engages with its Australian joint ventures; however, it does not control or manage their operations directly. Through board representation and senior management involvement, Knauf Gypsum promotes the adoption of modern slavery risk mitigation practices aligned with the standards applied across its own operations.

Support and knowledge sharing are also provided to help joint ventures identify and address potential modern slavery risks within their respective supply chains and operations.

² All figures are correct as at 31 December 2024.

³ Average full-time equivalent. Engaged as part of Knauf Gypsum's preferred labour hire supplier agreements.

⁴ Manufacturing facilities at Camellia NSW, Port Melbourne VIC and Pinkenba QLD, as at 31 December 2024.

⁵ Gypsum Resources Australia Pty Limited and Rondo Building Services Pty Limited are joint ventures owned equally with CSR Limited.

Our supply chains

In FY2024, Knauf Gypsum made payments to approximately 1,267 suppliers across 17 countries. International suppliers were primarily located in Western Europe, the United States, and Asia.

Approximately 93 per cent of procurement spend was with suppliers based in Australia and New Zealand. Key raw materials sourced locally included gypsum and paper for plasterboard lining. Gypsum was sourced from Gypsum Resources Australia Pty Ltd, a joint venture equally owned by Knauf Gypsum and CSR Limited. Procurement activities in Asia involved sourcing plasterboard, ceiling products from other members of the Knauf Group, and specific raw materials suppliers.

As part of its supply and installation offering, Knauf Gypsum engaged 296 contractors in FY2024 to install plasterboard and related products in new residential dwellings. These contractors operated as companies, trusts, or sole traders. Where contractors were entities, they often subcontracted installation work to individuals.



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per cent of Knauf Gypsum
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03 Modern slavery risks

Knauf Gypsum assesses modern slavery risks by evaluating where it may cause, contribute to, or be directly linked to risks across its operations and supply chains. Modern slavery can occur in any country or sector and is influenced by business models, labour practices, geographic factors, and industry type.

Risk factors relevant to Knauf include operations in construction and manufacturing, sourcing raw materials from higher-risk countries, and using outsourced labour. The Knauf Linings model involves subcontractors and low-skilled labour, which may increase vulnerability. Awareness of these risks is built into the onboarding process, contract clauses, and performance monitoring.

Manufacturing and supply operations

In FY2024, Knauf Gypsum continued to assess the risk of modern slavery in its operations as being low. Knauf Gypsum has strict human resources controls in place for onboarding new employees, reviewing employees' wages and salary agreements, and verifying corresponding payments. Approximately 30 per cent of Knauf's employees are covered by enterprise or industrial agreements, and 70 per cent through contracts of employment. The onboarding process includes employment checks managed by Knauf Gypsum's central recruitment team to ensure all new employees have valid working rights. Employee induction processes require new employees to confirm they have read and understood Knauf's policies and minimum standards, including the Knauf Code of Conduct.

Knauf Linings operations

The Knauf Linings business model involves engaging subcontractors and some unskilled or low-skilled labour, who may be more vulnerable to modern slavery risks. As a result, it is essential to incorporate awareness of these risks during subcontractor onboarding and ongoing performance management. To mitigate these risks, all subcontractors are required to comply with the Knauf Supplier Code of Conduct. Knauf's standard form agreements for subcontractors also contain specific clauses related to modern slavery to ensure compliance and accountability. In FY2024, Knauf Gypsum continued to assess the risk of modern slavery in the Knauf Linings operations as being low.

Our supply chain

Understanding Knauf's supply chain involves mapping suppliers, conducting due diligence, and assessing modern slavery risks through a range of processes. These include a risk assessment tool, supplier questionnaire, contract clauses, and a supplier performance management framework.

Previously, Knauf used an in-house risk assessment tool to evaluate modern slavery risks among tier 1 international suppliers. This has now been replaced with a more comprehensive platform provided by EcoVadis, a global leader in corporate social responsibility ratings.

EcoVadis assesses suppliers against a broad set of sustainability criteria, including labour and human rights, ethics, environmental impact, and responsible sourcing. Each supplier is evaluated through a review of documented evidence such as policies, reporting, and procedures. The assessment provides Knauf Gypsum with a structured, independently verified view of supplier performance and risk, while also supporting Knauf Group's broader efforts to harmonise sustainability practices and supplier management across all divisions.



04 Knauf's approach

Knauf Gypsum is committed to respecting human rights across its operations, supply chains, and communities. This commitment reflects the company's purpose—to make tomorrow a home for all of us—and the core value of *Menschlichkeit*, which emphasises fairness and social responsibility.

Our approach to identifying and addressing modern slavery aligns with the United Nations Guiding Principles on Business and Human Rights. It is supported by a consistent set of policies, procedures, and corporate governance controls that guide how risks are managed across the business. All employees are expected to follow the Knauf Code of Conduct, while contractors and suppliers are required to comply with the Supplier Code of Conduct.⁶

Governance and oversight

Modern slavery policies and processes fall within Knauf Gypsum's broader corporate governance framework. A dedicated working group oversees this work, bringing together senior representatives from procurement, human resources, supply chain, legal, marketing, and Knauf Linings.

The group reviews and endorses the content of this statement and provides a consistent approach to identifying, assessing, and addressing modern slavery risks. It also promotes a shared understanding of the company's expectations internally and across supplier relationships.

Policies and standards

Knauf Gypsum's approach to human rights and modern slavery is underpinned by a core set of policies and standards. These include the Knauf Code of Conduct, the Knauf Group Human Rights Policy Statement, and the Supplier Code of Conduct. Together, these documents set expectations for ethical behaviour, labour practices, and governance across Knauf's operations and supply chains.

These policies are supported by a broader suite of internal procedures related to human resources, training, compliance, and grievance handling. Senior management takes breaches seriously, and consistent processes are in place to respond to non-compliance. Depending on the nature of the breach, consequences may include additional training, impact on performance assessments, formal warnings, or termination of employment or contract.



⁶ Knauf AU Supplier Code of Conduct_website.pdf

Knauf Gypsum policies

Knauf Code of Conduct	Defines our standards for doing business in an ethical and transparent manner at all times, and directs employees and people representing Knauf Gypsum to maintain the highest standards of integrity. It also outlines our commitment to working with third parties whose business ethics and behaviour are consistent with our own.
Knauf Group's Human Rights Policy statement	Knauf Gypsum follows The Knauf Group's Human Rights Policy statement, which upholds internationally recognised human rights and commits to complying with all applicable local human rights laws. It sets out what we expect of employees and suppliers, and our approach to respecting and promoting human rights.
Supplier Code of Conduct	Standards we expect our suppliers to adhere to with regard to modern slavery and human rights, and environmental, social, and governance issues.
Working with Respect policy and Discrimination, Bullying and Harassment policy and procedure	Sets out our expectations that staff conduct themselves in a manner whereby the workplace is free from unlawful discrimination, bullying, harassment, vilification, and/or victimisation, and the processes for staff to make complaints.
Diversity policy	Our commitment to a work environment that recognises, respects, and values differences among people.
Speak Up policy	The Speak Up policy is a Knauf Group policy for employees, former employees, and external stakeholders. It enables internal and external stakeholders to raise concerns of misconduct in confidence and without risk of retaliation by making a Speak Up report via the Knauf Speak Up line. Reports can be made via a website or by telephone and are investigated in accordance with the policy.

Procurement

Knauf Gypsum's procurement activities are managed by a centralised team operating under established procurement policies. Depending on the nature of the goods or services provided, supplier arrangements may include detailed procurement agreements or standard purchase order terms. All new procurement agreements on Knauf standard terms and purchase orders include modern slavery clauses.

Supplier due diligence

All new suppliers, whether international or domestic, go through Knauf's onboarding program which includes compliance with the Knauf Supplier Code of Conduct, anti-corruption laws, and the Modern Slavery Act.

Knauf uses a platform provided by EcoVadis, a global leader in corporate social responsibility ratings as part of its supplier due diligence. The Ecovadis methodology is built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and the ISO 26000, covering 250+ spend categories and 185+ countries.

Annually, Knauf will use the Modern Slavery lens to understand and categorise suppliers. The categorisation is based on the requirements of Modern Slavery Regulations, focusing on supplier risk levels in: Child Labor, Forced Labor and Human Trafficking (Labour & Human Rights theme) and Supplier Social Practices (Sustainable Procurement theme). Any supplier with a critical status result will be engaged and validation of ratings conducted to determine any corrective actions.

Knauf Linings

Subcontractor agreements in the Knauf Linings business include modern slavery clauses and require compliance with the Supplier Code of Conduct. Periodic training is delivered to field teams who interact regularly with contractors, helping them identify indicators of potential modern slavery situations.

Grievances and remediation

Knauf Gypsum promotes clear and accessible channels for raising concerns. Employees, contractors, and suppliers can report suspected modern slavery practices through the Speak Up hotline or directly to senior management, human resources, or legal teams. Reports are treated seriously and managed in line with investigation protocols.

In FY2024, no modern slavery concerns were raised, and no incidents were identified in Knauf Gypsum's operations or supply chains.

Awareness and training

Knauf Gypsum continues to invest in training and communication to strengthen awareness of modern slavery risks. All employees complete Code of Conduct training, which includes information on the Speak Up hotline, during induction and at regular intervals.

Specialised training is provided to teams in Procurement, Knauf Linings, and other functions involved in risk management. Awareness campaigns, including posters, toolbox talks, and internal communications, reinforce expectations and outline the appropriate reporting processes. Periodic face-to-face training is also delivered to Knauf Linings field teams.

BE AN ADVOCATE AGAINST MODERN SLAVERY

SPEAKUP 1800 763 983

Knauf is committed to identifying and reducing the risk of modern slavery within its operations and supply chain.

BE INFORMED

understand the Knauf Code of Conduct and participate in training programs.

WORK ETHICALLY

use approved suppliers and contractors when sourcing on behalf of Knauf.

TAKE ACTION

report any concerns about the potential presence of modern slavery in our operations or supply chain to your manager or SPEAKUP on 1800 763 983.

Knauf is



deepening its understanding of the supply chain risks.



increasing engagement with its suppliers to identify risks further down the supply chain.



extending modern slavery assessment and due diligence across all sourcing activities.

Learn more about Knauf's efforts to mitigate the pervasive issue of modern slavery, and the action being taken to identify, assess and address the risk at www.knaufapac.com/en_au/Modern-Slavery.html

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05 *Assessing effectiveness*

Each year, Knauf Gypsum's modern slavery working group evaluates the effectiveness of the company's approach to identifying and mitigating risks. This includes reviewing changes to operations, risk factors, and controls.

The annual review covers:

- the supplier due diligence tool and its implementation
- supplier assessments, selection, onboarding, and reporting
- grievance reports and remediation actions (via Speak Up)
- the existence and availability of relevant policies
- best practice benchmarking
- awareness and training for key staff
- communication effectiveness regarding modern slavery expectations.

The FY2024 review informed priorities for the year ahead, including improved accessibility of materials and further engagement with high-risk suppliers.

06 FY2024 activities

During FY2024, Knauf Gypsum:

- finalised and published modern slavery guidelines and promoted them internally
- released the Knauf Group Human Rights Policy statement
- made modern slavery policies accessible via Knauf Centre and employee communications
- transitioned to EcoVadis as the primary supplier risk assessment tool
- conducted supplier reviews through EcoVadis; identified six suppliers for further review
- reviewed labour hire provider statements and maintained regular dialogue
- included modern slavery clauses in new Knauf procurement and subcontract agreements
- integrated modern slavery into the online supplier onboarding process
- delivered online modern slavery training to key teams
- received no modern slavery-related grievances.

07 FY2025 activities

Knauf Gypsum's priorities for FY2025 include:

- continuing to review and assess suppliers, with a focus on those in higher-risk categories
- expanding supply chain visibility and refining due diligence processes
- providing targeted training and awareness initiatives for employees and contractors
- promoting the use of grievance mechanisms and monitoring their effectiveness
- reviewing and improving internal practices in line with evolving best practices and regulatory expectations.



Contact us

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This statement has been approved by the Board of Directors of Knauf Gypsum Pty Ltd, and is hereby signed by a member of the Board.

A handwritten signature in black ink, appearing to read 'Tony Charnock'.

Tony Charnock

Managing Director Australia and New Zealand
Knauf Gypsum