

30 June 2022

Magotteaux Australia (Pty) Ltd

ACN 005 713 301 – ABN 40 055 713 301

Welcome to Country

Magotteaux Australia acknowledges the traditional owners and custodians of country throughout Australia and their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

Financial Year Ending
31 December 2021



Message from the Board

At Magotteaux Australia, respecting human rights is inherent in our business operations and is embedded in our values, reflecting and shaping our behaviours and organisational culture. We aim to treat everyone fairly and create a workplace and operating environment that is safe, ethical and transparent. Aligning with our core values and beliefs, any action taken to date or planned in the future will enhance our ability to address the risk of modern slavery in our operations and supply chain.

The Board of Directors of Magotteaux Australia is pleased to release our first Modern Slavery Statement. This statement sets out the steps that we have taken to implement, assess and mitigate the risk of modern slavery within our business and supply chains and is aligned with the Modern Slavery Act.

Preventing modern slavery is a complex issue which has a global lasting impact, and eliminating the potential for such practices in our operations and supply chain is key to our commitment.

Magotteaux has zero tolerance to all forms of modern slavery, and we have taken steps to understand these risks within our business and supply chain to ensure ongoing management of these risks.

Respecting human rights in our supply chain is a critical element of our business and sustainability principles. In the past year we have set out the alignment of our Sustainability Policy, Standards, Principles and the United Nations' Sustainable Development goals as well as the UN Guiding Principles on Business and Human Rights. This demonstrates our commitment to delivering economic benefits in a socially responsible manner, we believe this is core to our values and how we lead our business.

While we have not identified any instance of modern slavery practices in our operations, as a company with global supply chains, we have to understand all risks and that success requires collaboration throughout our business and how we operate.

Magotteaux Australia has commenced its journey with rigour and a genuine commitment to uncover and eliminate any possible risks of modern slavery in our supply chain. It has been and remains our goal to establish a culture of integrity and also sets the stage for long-term success.

We will continue to refine, assess and further improve our approach to identify and respond to the risk of modern slavery practices within our supply chain and operations.



Patrick Viseur
Board of Director
Australia



Michael Adams
Board of Director
Australia

Contents

Introduction.....	Page 1
Magotteaux Global Structure	Page 2
Magotteaux Australia Structure and Operations	Page 3
Magotteaux Governance & Policies	Page 4
Modern Slavery Risk Assessment	Page 6
Risk Factors	Page 7
Conclusion of Risk Assessment	Page 8
Looking Forward	Page 10
Consultation	Page 11
Board Signature	Page 11
Mandatory Criteria	Page 12



This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (Act). It describes the steps Magotteaux Australia (Pty) Ltd (ABN 40 055 713 301 Suite 4, 83 Havelock Street, Western Australia 6005) have taken between 1 January 2021 to 31 December 2021 to identify, assess and take action to eradicate potential modern slavery risks in Magotteaux Australia's operations and supply chain

In the 2021 Financial Year, Magotteaux Australia has developed a Modern Slavery Policy to outline our procedures and process for reporting concern. Magotteaux Australia is satisfied with the initial progress that has been made to date, in identifying and addressing potential shortcomings in our approach and responding to the risk of modern slavery in our operations and supply chain before the release of our Modern Slavery Statement.

This statement sets out Magotteaux Australia's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains.

Magotteaux as a global group shares Magotteaux Australia's goal for responsible business practice to the fight modern slavery.

As part of the manufacturing sector, Magotteaux Australia recognises that it has a responsibility to take a robust approach to slavery and human trafficking. We remain committed to continued improvement to our approach and response to the risks associated with modern slavery.

Our Commitment

- \\ Ensure the risk of modern slavery practices within Magotteaux Australia's business operations is understood and addressed in accordance with internationally recognised principles and the Modern Slavery Act 2018 (Act).
- \\ Eliminate the potential for modern slavery practices in our operations and supply chain.
- \\ Implementation and global roll out of the Supplier Ethical Data Exchange (Sedex) platform.
- \\ Create an action plan and set out next steps for Magotteaux Australia to achieve its goals to address the risk of modern slavery in our operations and supply chain.
- \\ Ensure transparency with our employees, clients, suppliers and stakeholders regarding the progress to date, along with our commitment and intent.
- \\ Develop a plan to measure the effectiveness of the approach taken to address the risks associated with modern slavery.
- \\ Give the necessary training to ensure the evolution of competencies required for the Magotteaux Australia's sustainable growth and performance
- \\ Promote innovations, encouraging the generation of ideas and value the contributions of employees as a pillar of future growth
- \\ Enable teams and empower individuals to reach their full potential and succeed

Magotteaux Australia is entirely aligned with the objectives behind The UN Global Compact and are committed to complying with the Modern Slavery Act 2018 (Cth) and will continue to both invest and take action, with the ultimate goal of eradicating modern slavery worldwide.

Magotteaux Australia is part of an international group: the Magotteaux group. Magotteaux's group is the world leader in process optimization solutions for abrasive and impact applications in mining, cement, aggregates, quarrying and power stations.

Magotteaux is a global corporate group and coordinates functions under a publicly listed parent company, Sigdo Koppers Santiago, Chile.

Magotteaux International S.A is head quartered in Liège Belgium and has multiple business and manufacturing operations across the world including:

22 Production units across 12 countries

- \ 4 in EU: Belgium (2), France, Spain
- \ 4 in SAM: Chili (2), Brazil (2)
- \ 4 in NAM: Canada, USA (2), Mexico
- \ 6 in APAC: India, Thailand (4), China
- \ 2 South Africa (incl. 1 JV)
- \ 2 JVs in China

As of 2020, Magotteaux's group directly employs 3000 qualified and experienced individuals who can help customers with much more than grinding optimization and milling efficiency.

Each region operates with a degree of autonomy, but with shared resources and common senior leadership structures to ensure consistency in functionality and coordination of activities.

+3,000

Employees around the world*

* As of December 2020



+150

Countries covered through our sales network



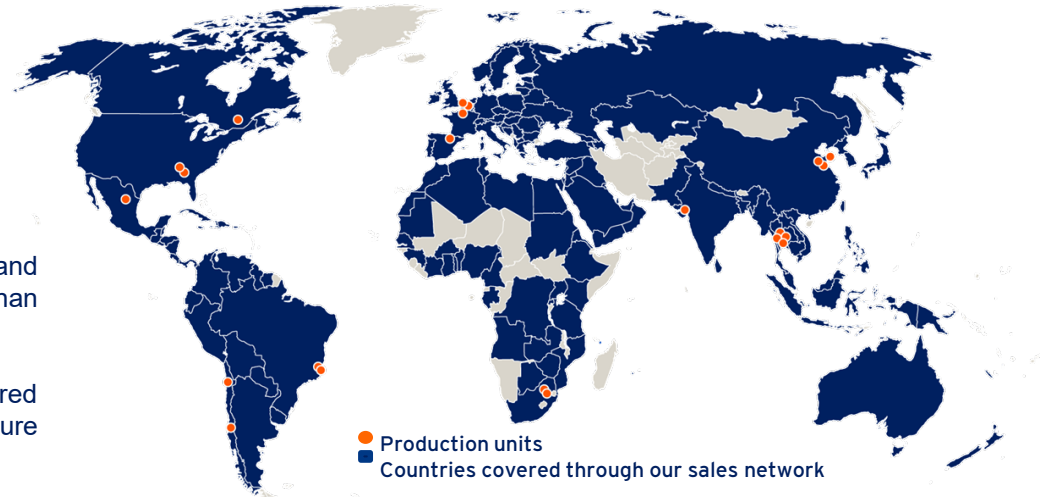
+1 million

Tons of products capacity



+100

Years of innovation experience



For the 2021 financial year, **Magotteaux Australia Pty Ltd** had a consolidated revenue that renders it as a reporting Entity under Article 14 of the Modern Slavery Act.

Magotteaux Australia Pty Ltd (ACN: 005 713 301) is an Australian registered company and is a wholly owned subsidiary of Magotteaux International S.A. and forms part of the Magotteaux global group.

Magotteaux Australia's core business function in the global group is sales and distribution of Magotteaux products, manufactured in one of our production plants globally.

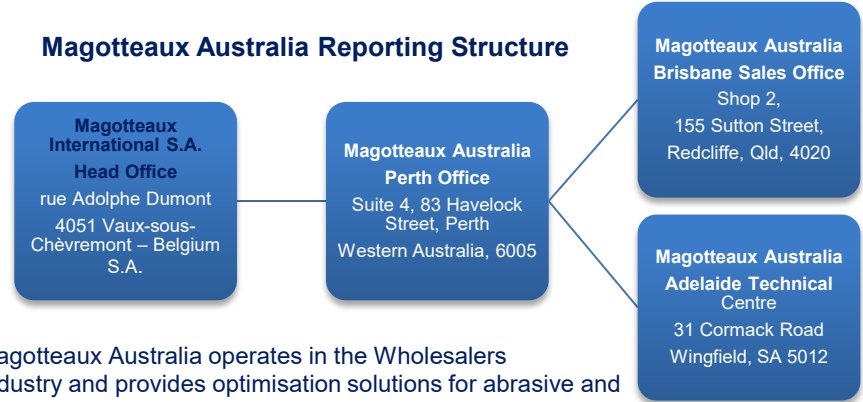
Currently Magotteaux Australia is based in Australia and serves other markets such as Papua New Guinea, New Zealand, Indonesia and New Caledonia.



Within Australia, Magotteaux operates across 3 branches, 2 sales offices and 1 technical centre. Currently Magotteaux Australia employs 22 local employees across the 3 branches.

All employees perform highly skilled roles such as sales specialists, engineers and professional sales support team.

Magotteaux Australia Reporting Structure



Magotteaux Australia operates in the Wholesalers Industry and provides optimisation solutions for abrasive and impact applications in a wide variety of industries including:

Magotteaux Australia has five main business streams namely:

- \\ Mining – grinding products made from various alloys and materials as well as technical services for milling efficiency.
- \\ Cement – grinding products, technical services for milling efficiency.
- \\ Aggregates – crushing wear parts and process expertise for the high wear, high impact industry.
- \\ Recycling – designs and manufacturing of equipment parts and services for the recycling industry.
- \\ Power Stations - grinding products made from various alloys and materials as well as technical services for milling efficiency.

Magotteaux recognises corporate governance must be related to the foundational business operation of the entire enterprise and is closely related to the corporate culture. Magotteaux Australia is committed to constructive corporate governance practices which comply with the standards, legislative obligations and community expectations to ensure a responsible business model for future generations.

The Board is the principal governance and oversight body within Magotteaux Australia globally. The Board's responsibilities are to govern, guide and direct the company towards the effective achievement of Magotteaux Australia's role and objectives in the interests of our employees, our shareholders and our community. It is our purpose to demonstrate leadership and a culture of integrity.

Our Directors, General Managers and other equivalent persons who are responsible for the management of Magotteaux Australia serve as role models for high ethical standards. The management endeavours to create and sustain a corporate culture of integrity across the Company. Operational leadership is represented by the General Manager(GM) and Sales Manager based in Perth.

Magotteaux's Group Sustainability Manager oversees the implementation of the Company's operational and strategic plans regarding modern slavery and sustainability initiatives. Accordingly, the Group Sustainability Manager has reviewed and contributed to the approach taken by the Company to assess and address the risk of modern slavery practices within Magotteaux's operations.

Our Policies

As a responsible corporation we are committed to operating in accordance with the International Bill of Human Rights (comprising the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights). We also take into account the UN Guiding Principles on Business and Human Rights (UNGPs) and other internationally accepted standards

We embed our commitment into relevant policies and statements, which are instrumental in managing our approach to modern slavery risk:

[Magotteaux Code of Ethics](#) which outlines the Purpose, Values and Mindset that govern our way of working across our business. We strive to maintain the highest standards of employee and business conduct through ethical behaviour.

[Magotteaux Australia Modern Slavery Policy](#) sets out Magotteaux Australia's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains.

[Magotteaux Australia Supplier Code of Conduct](#) ensures our commitment that our suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour.

Our Policies (continued)

Magotteaux Employment Handbook guides and informs the Magotteaux employment process regarding employment and the specific requirements.

Our people policies which are designed to provide equal opportunities and create an inclusive culture, in line with our values and in support of our long-term success.

All Magotteaux Australia staff have a signed contract that comply with relevant legislation regarding Awards, Employment contract and the National Employment Standards.



Raising concerns

Magotteaux Australia Whistleblowing Policy confirms our commitment to maintaining an open culture with the highest standards of honesty and accountability, where Colleagues and Third Parties can report legitimate concerns in confidence, and we welcome the voicing of genuine and serious concerns about actual or alleged malpractice and wrongdoing.

Whistleblowing is a core element of raising concerns at Magotteaux Australia. Whistleblowing relates to concerns which fall into the wider public interest, such as a breach of our policies and procedures, breaches of law and regulation, and behaviour that harms or is likely to harm the reputation or financial well-being of Magotteaux Australia. We take all whistleblowing reports extremely seriously and believe that no one should experience any form of overt or covert retaliation of any kind as a direct or indirect consequence of reporting an issue.

There are a number of ways to report a concern:

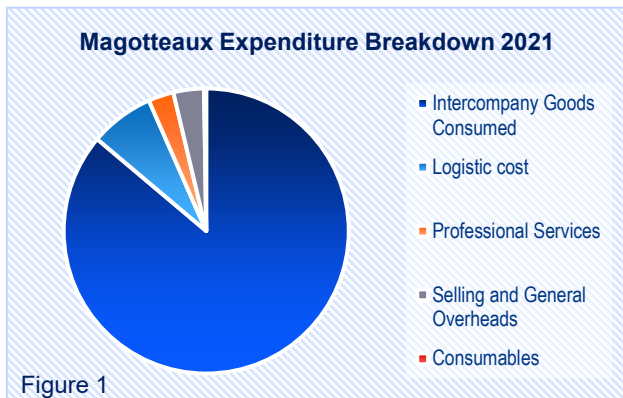
- ✧ If you are a Employee, you may seek guidance or report a concern by speaking to your direct Manager or a senior manager, to your HR team or to the Ethical committee, as long as you feel comfortable doing so.
- ✧ Anybody can seek guidance or report a concern by mailing: Australia_report_concern_group@magotteaux.com

Zero incidents related to modern slavery or human trafficking concerns were raised through our Report Concern channels to date.

Risk Approach and Methodology

Modern Slavery is a complex issue and we will continue to strengthen our approach to identify, assess, mitigate and address human right risks, assessing each area to understand where modern slavery risk factors exist or where there is a reasonably foreseeable risk of modern slavery practices.

Magotteaux Australia Suppliers were categorised according to expenditure for the financial year 2021 and is summarised in below Figure 1.



It is important to note that 86% of our capital expense within Magotteaux Australia is intercompany purchases. However for the purpose of The Act and Statement these entities are assessed as part of the due diligence in evaluation and monitoring of our supply chain.

The table below sets out the key operational expenditure to map out the supply chain.

Operations	Key expenditure breakdown
Intercompany Goods Consumed	<ul style="list-style-type: none"> • Products are manufactured in Magotteaux global operations. • Intercompany purchases from within the Magotteaux corporate group
Logistic Cost	<ul style="list-style-type: none"> • Product is transported via sea transport to local port dependent on geographic location. • Product is transported via domestic providers through either rail or road transport to client. • Courier Services
Professional Services	<ul style="list-style-type: none"> • Laboratory testing • Auditors • Banking • Insurance
Selling and General Costs	<ul style="list-style-type: none"> • Business administration services • Cleaning and waste management • Utilities • IT equipment and support • Travel expenses e.g. hotel, flights and car rental • Repairs and maintenance
Consumables and PPE	<ul style="list-style-type: none"> • Parts • All process consumables • Reagents • Gas suppliers • Industrial fittings • PPE

All Magotteaux registered entities within the global Magotteaux network is part of our supply chain. All Magotteaux entities are required to comply with the ethical principles and high business practice standards across the board. Our world class production plants manufacture the products that we sell to customers within Australia.

Magotteaux is proud to have joined the global ethical trade platform, Sedex, as part of our first steps to establish our framework for action to address any potential risks.

Sedex is a long-established and globally recognised not-for-profit organisation dedicated to driving improvements in responsible and ethical business practices across global supply chains with experience and integration already established in the manufacturing industry. Magotteaux’s goal is to improve the visibility of our supply chains and undertake risk assessments to inform our future actions in managing supply chain risks.

Magotteaux intends to continue to evaluate high-risk tier one suppliers, whilst medium-risk and high-risk tier two suppliers will be progressively added to the platform.



Sedex Assessment Tool, Radar

Radar assisted Magotteaux Australia by assessing risks by country, sector or product area, in our business and supply chain. Using the tool, an analysis and comparison profile on our supplier risk was done. The assessment was used to formulate a risk rating as either low, moderate or high risk, and inform the allocation of resources and effort for the purposes of our due diligence.

TOPICS	OVERALL RISK CATEGORY		
Sector	LOW	MEDIUM	HIGH
Country	LOW	MEDIUM	HIGH
Overall inherent risk score	LOW	MEDIUM	HIGH

The key stage of risk assessment through Sedex Radar



Direct Operations

During 2021, Magotteaux Australia did not identify any actual instances or allegations of modern slavery within the direct operations of the Magotteaux Global group and we did not become aware of any modern slavery allegations against any of our current suppliers.

Magotteaux Australia assessed the level of risk of modern slavery in its direct operations to be low due to the following factors

- \ The minimum employment standards that regulate the condition of employment in the industry provides vigorous protections against modern slavery practices in Australia.
- \ Most employees are employed directly into skilled roles where experience is required and extensive background checks are completed.
- \ Expected workplace behaviours are covered through our Code of Ethics and our values is a required study module within our MagAcademy.
- \ Our recruitment process captures both age and eligibility to work to ensure we are meeting the eligibility criteria to perform work.

Magotteaux Australia will continue to strive to guarantee the safety and wellbeing of its personnel, promote social accountability with its stakeholders, minimize its activities that impact on the environment and ensure the quality of the products, solutions and services to customers.

Supply Chain

The key conclusion of the analysis of our supply chain was that the vast majority of suppliers pose a relatively low to moderate risk because they possess one or a combination of the following features:

- \ Majority of products are intercompany purchases and operate under the global company ethics and regulation.
- \ All joint ventures are audited through various ISO standards.
- \ They operate in industries which are subject to significant regulation with strong employee protection mechanisms.
- \ They are located and operate within Australia with no or minimal foreign connection.
- \ In the case of the procurement of products, all of our suppliers are either Australian or global majors, most of whom have been required to comply with modern slavery laws in other jurisdictions for a number of years. Accordingly, such suppliers have in place thorough on-boarding processes for their own procurement.

Notwithstanding the above, Magotteaux Australia acknowledges that all products and services carry some risk of modern slavery in their supply chains (even if such risk may be relatively low). We will continue to build on our efforts of assessing and monitoring of our supply chain and will take deliberate, clearly defined and targeted action for continuous improvement in our goal to address modern slavery risks in our supply chain.

Further Actions taken

Magotteaux Australia has updated our Supply Code of Conduct (SCC) that requires suppliers to declare that they are in compliance with anti-slavery laws.

An update to the Procurement Terms is in progress at Corporate level to include a modern slavery clause.

Engagement and monitoring of high-risk suppliers through discussion as well as the implementation of a corrective action plan. Where suppliers repeatedly fail to engage or enter in dialogue with the Group, further sanctions will be applied to the relationship including termination of contract.

Magotteaux Australia has launched a training program to raise awareness of modern slavery issues on the basic principles of the Modern Slavery Act 2018, how to identify and prevent modern slavery and how to flag any potential slavery concern.

Assessing effectiveness & ongoing assessment

The foundational work leading into our first reporting period provides a base whereby we can leverage the data collation, analysis and due diligence performed to date, and actions taken, to pave the way for enhanced monitoring and reporting of suppliers in FYE 2022.

The bulk of our efforts and resources have focused on data collection and assessment of our suppliers, with further actions planned to enhance our approach to assessing suppliers in FYE 2022 through a Self-Assessment Questionnaire.

Our approach to measuring the effectiveness of how we assess and manage modern slavery related issues will continue to evolve. This process of re-evaluation is more important than ever, with the continuing global supply chain disruption and labour market shortages placing ongoing stress on all levels of the supply.

Impact of COVID-19

The COVID -19 pandemic has led to the most significant and sustained disruption to both domestic and global supply chains in recent history. Response measures such as lockdowns, rapid changes in manufacturing demand, the overnight emergence of new PPE product sourcing and consumer behaviour has resulted in volatility across the global supply chain, key shortages in the flow of certain raw materials and finished goods, unprecedented labour shortages across multiple industries and the emergence of new safety, health and medical products and new sources of supply.

The key focus of Magotteaux Australia during the pandemic has continued to be the protection of the welfare of our workforce while ensuring business continuity. The effect is that our workplace processes have become even more robust and stringent to ensure we meet government health requirements, and even though a large number of employees worked from home for large periods through 2021 our operations continued with minimal disruption.

As a result of Magotteaux Australia's response to the pandemic on its business, we do not believe that the modern slavery risk position for Magotteaux Australia has changed. However the uncertain shipping conditions and the significant competing global demand have only increased and reinforced the need for a robust supply chain risk assessment, governance and management action.

Magotteaux Australia is committed to taking clearly defined and targeted action in each reporting period to maintain continuous improvement in its goal to address modern slavery risks in its supply chains and operations.

The table below sets out the phases that Magotteaux Australia has undertaken to date and will continue to grow and evaluate our journey in the coming years.

Stage	Year of Implementation	Actions
Foundation	2021 - 2022	<ul style="list-style-type: none"> • The First Statement was aimed at establishing our framework for action to address modern slavery risks. • The First Statement included a targeted analysis of a small group of key suppliers aimed at developing a better understanding of our modern slavery risks. This helped inform the appropriate basis for future action to address modern slavery risks. • Magotteaux Australia commenced the process of establishing a culture of awareness and understanding of modern slavery risks through training and awareness-raising activities, along with introducing modern slavery considerations into procurement activities. • Development and adoption of a Global Supply Chain Integrity Policy that clearly defines our responsible sourcing principles and the values we expect our suppliers to hold. This policy will adopt the Ethical Trading Initiative Base Code (ETI Base Code) • Development and Implementation of a global Human Rights Policy based on the UN Global Compact and the UN Guiding Principles on Business and Human Rights to align our Global Sustainability Goals within our Company.
Discovery	2022 - 2023	<ul style="list-style-type: none"> • In 2022 Magotteaux Australia will shift its focus to increasing its visibility, awareness, and further understanding of modern slavery risks in a targeted manner. • A wider group analysis of key suppliers through Self-assessment questionnaires. This also will include questions aimed at understanding risks further up the supply chains of Magotteaux Australia's key suppliers. • Reiterate and expansion of our culture of awareness and understanding of modern slavery risks. • In 2023 will undertake further work to improve its understanding of risks beyond its group of 'Tier One' suppliers.
Implementation	2023 - 2024	<ul style="list-style-type: none"> • Global supply chain mapping and risk assessments to be undertaken and mitigation strategies and targeted action with suppliers that are considered to be high risk. • Increased supplier engagement and due diligence. • Social compliance audits through SMETA within our operations as well as possible high risk suppliers in our supply chain. • Continuous communication with regards to our ethical supply chain standards, commitments and expectations to all prospective and existing suppliers through our sourcing, contracting and market engagement activities and through our Tender platform.
Review	2022 - 2025	<ul style="list-style-type: none"> • Consistently review policies and process throughout our journey to assess effectiveness and ensure that our actions align with our Sustainability goals. • At the end of the first 5 year cycle, Magotteaux Australia will consider the overall effectiveness of its approach to addressing modern slavery risks and commence planning for the next cycle.



Consultation

In compiling and finalising this statement, we have engaged closely with:

1. Our Australian Leadership Team as a wholly-owned subsidiary of Magotteaux International S.A.
2. Members of our global Sustainability, Sales and marketing, Finance and Legal departments.
3. Members of the Board of Directors.

Magotteaux Australia will continue to consult on a Global scale to identify modern slavery risks.

Principle Governing Body Approval

This statement has been approved by Magotteaux's Board of Directors on June 29, 2022 and has been signed on its behalf by the Magotteaux Board of Directors as the principle governing body of Magotteaux Australia Pty Ltd.



Michael Adams
Director Australia



Patrick Viseur
Director Australia



MAGOTTEAUX

The table below outlines the mandatory modern slavery criteria (as set out in the Modern Slavery Act) and references the page within the Magotteaux Australia Modern Slavery Statement which addresses the requirements:

MODERN SLAVERY ACT REQUIREMENT	Magotteaux Statement
Identify the reporting entity	Magotteaux Australia Structure
Describe the structure, operations and supply chains of the reporting entity	Magotteaux Structure & Operations
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Modern slavery risk assessment
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to address those risks, including due diligence and remediation processes	Conclusion of assessment
Describe how the reporting entity assess the effectiveness of such actions	Conclusion of risk assessment
Describe the process of consultation with other entities in the Magotteaux Global Group. Magotteaux Australia does not own or control any other entities	Process of Consultation
Provide any other information that the reporting entity or the entity giving the statement considers relevant	Our Commitment Looking Forward





© Magotteaux – June 2022

The information and data in this presentation sheet are accurate to the best of our knowledge. They are intended for general information only. Applications as suggested are described only to help readers make their own assessment. They are neither guarantees nor to be construed as express or implied warranties of suitability for these or other applications.