

Modern Slavery Statement

Introduction

At Close the Loop Limited we have a zero-tolerance approach to modern slavery and are fully committed to preventing slavery and human trafficking in our operation and supply chain.

This statement sets out the actions that we have taken to understand all potential modern slavery risks related to our business, and to implement steps to prevent slavery and human trafficking. Modern slavery describes situations where offenders use coercion, threats, or deception to exploit victims and undermine their freedom.

Practices that constitute modern slavery can include:

- human trafficking
- slavery
- servitude
- forced labour
- debt bondage
- forced marriage, and
- child labour.

Modern slavery is a term used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers, though these practices are also harmful and may be present in some situations of modern slavery. Modern slavery can occur in every industry and sector and has severe consequences for victims. Modern slavery also distorts global markets, undercuts responsible business, and can pose significant legal and reputational risks to entities.

Our business and supply chains

Close the Loop Limited, based in Australia comprises of multiple packaging and resource recovery businesses under its banner, as follows.

The head office is at 43-47 Cleeland Road Oakleigh South, Victoria.

1. O F Pack focuses on the larger volume of packaging needs which get manufactured offshore.
2. O F Flexo is a flexographic print packaging, operating at our Carrum Downs site in Victoria, and it specialises in large format bags and pouches.
3. The Pouch Shop, also situated in Carrum Downs, prints customised digital packaging solutions for SME.
4. O F Resource Recovery operates out of Laverton North, where paper and cardboard waste get recycled.
5. Oceanic Agencies, located in Queensland provides seafood packaging solutions to our seafood market.
6. Alliance Paper, also located in Queensland is a provider of thermal paper and associated paper products and services.
7. Crasti & Co. based in New South Wales, provides bulk bags and commercial packaging solutions to the Australian market.
8. Foster International, based in South Africa, specialises in innovative flexible packaging solutions.

9. Close the Loop Packaging located in both United States and Belgium, provides flexible packaging to the Americas and Europe.
10. Close the Loop resource recovery businesses located in Australia, United States and Europe, recover materials through our take-back programs, and reprocess them to new useable forms.
11. ISP Tek Services is a Tier 1 full consumer electronics life-cycle management business providing US-based remanufacturing capabilities for OEMs.
12. In-Plas Recycling, located in the United States, is a recycler and processor of post-industrial scrap, pellets, regrind and by-products, as well as recovered plastics.

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and on-boarding procedure includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety and environmental standards, and references.

We have not been made aware of any allegations of human trafficking/slavery activities against any of our suppliers, but if we were, then we would act immediately against the supplier and report it to the authorities.

Policies

Close the Loop Limited operates the following policies for identifying and preventing slavery and human trafficking in our operations:

- Whistleblowing Policy - we encourage all employees, customers and suppliers to report any suspicion of slavery or human trafficking without fear of retaliation. We provide a confidential helpline to protect the identity of whistle-blowers.
- Code of Conduct - our code encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing our supply chain.

Supplier due diligence

Close the Loop Limited conducts due diligence on all new suppliers during on-boarding and on existing suppliers at regular intervals. We have processes and procedures in place to ensure we do not deal with any suppliers that have the following practices:

- Excessive risk in the provision of their services.
- Health and safety standards and labour relation practices that are not compliant.
- Substandard employment practices.
- Using any form of forced, compulsory or slave labour.
- Not allowing their employees to work voluntarily and of their own free will.
- Not complying with required employment practices as per the law.
- Requiring employees to post a deposit/bond and withholding their salaries for any reasons.
- Requiring employees to surrender their passports or work permits as a condition of employment.

If it is identified that a supplier does not comply with the above, then appropriate sanctioning will take place.

Risk and management

We acknowledge that the risks of modern slavery may be heightened in parts of our supply chains and operations based on factors like the industry sectors we deal in such as electronics, our suppliers' geographical locations, their quality of governance, the materials or products we procure from them, presence of low-skilled and migrant workers, prevalence of subcontracting, and each business's visibility of its value chain.

This year we have assigned dedicated personnel including executive management to monitor and act on company and supply chain governance issues. We survey our existing suppliers at least once a year on their stance on modern slavery and activity to preserve humane and beneficial working conditions and do the same when onboarding new suppliers. We are encouraging our suppliers to become members of responsible governance platforms such as Sedex and to conduct regular audits, and we have the same expectation of the entities we own and control.

Close the Loop Limited has the following policies and procedures for consultation and issue resolution:

- Communications procedure
- Issue Resolution Policy and Procedure (OH&S)
- Grievance Resolution Policy and Procedure.

To assess the effectiveness of actions to address modern slavery risks, Close the Loop Limited possess an Internal audit system to monitor, adjust and correct the functions of our management system to relevant regulations and standards. We are continuously updating and aligning our existing policies across all entities of Close the Loop Limited.

We understand that our identification of, and action on, modern slavery risks will be an evolving process and aim to improve our methods of stocktake and evaluation in this regard year on year.

This statement was approved by **Marc Lichtenstein** in his role as Executive Director & Chief Financial Officer and the principal governing body (Board of Directors) of Close the Loop Limited.



Marc Lichtenstein
Executive Director & Chief Financial Officer