

A photograph of a man with a beard and safety glasses, wearing a blue Thales uniform and blue gloves, working in a laboratory. He is focused on a task involving a grid of small yellow components. The background shows laboratory equipment and a rack of white test tubes. A large blue graphic overlay is on the left side of the image.

Thales Australia
**Modern Slavery
Statement
2022**

THALES
Building a future we can all trust

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Acknowledgement of Country

Thales Australia acknowledges that our sites and facilities are located on the on the ancestral lands of Australia's First Nations peoples. We pay our respect to the past, present and future Traditional Custodians and Elders of this nation and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.

Identification of the reporting entity

This is the 2022 Modern Slavery Statement ('Statement') for Thales Australia Limited ACN 008 642 751 ('Thales Australia') prepared in accordance with the requirements of the Commonwealth Modern Slavery Act 2018 ('the Act'). It outlines the steps we have taken to detect, assess, and mitigate the risk of modern slavery practices within our operations and supply chain for the reporting year ending 31 December 2022.

Thales Australia is a subsidiary of Thales Australia Holdings Pty Limited (ACN 058 583 841) (Parent Company). The Parent Company is ultimately owned by Thales SA. Thales SA is a French société anonyme (joint-stock company), identified with number 552 059 024. Other than Thales Australia, no other entity of the Parent Company meets the reporting entity criteria under the Act and is not covered by this Statement.

References to 'us', 'our' and 'we' in this Statement are references to Thales Australia. We refer to Thales SA as 'Thales Group' or 'Group' in this Statement.

Whilst not covered by this Statement, the actions taken to mitigate the risk of modern slavery are applicable to the following subsidiaries of the Parent Company as a result of common internal rules, processes and procedures:

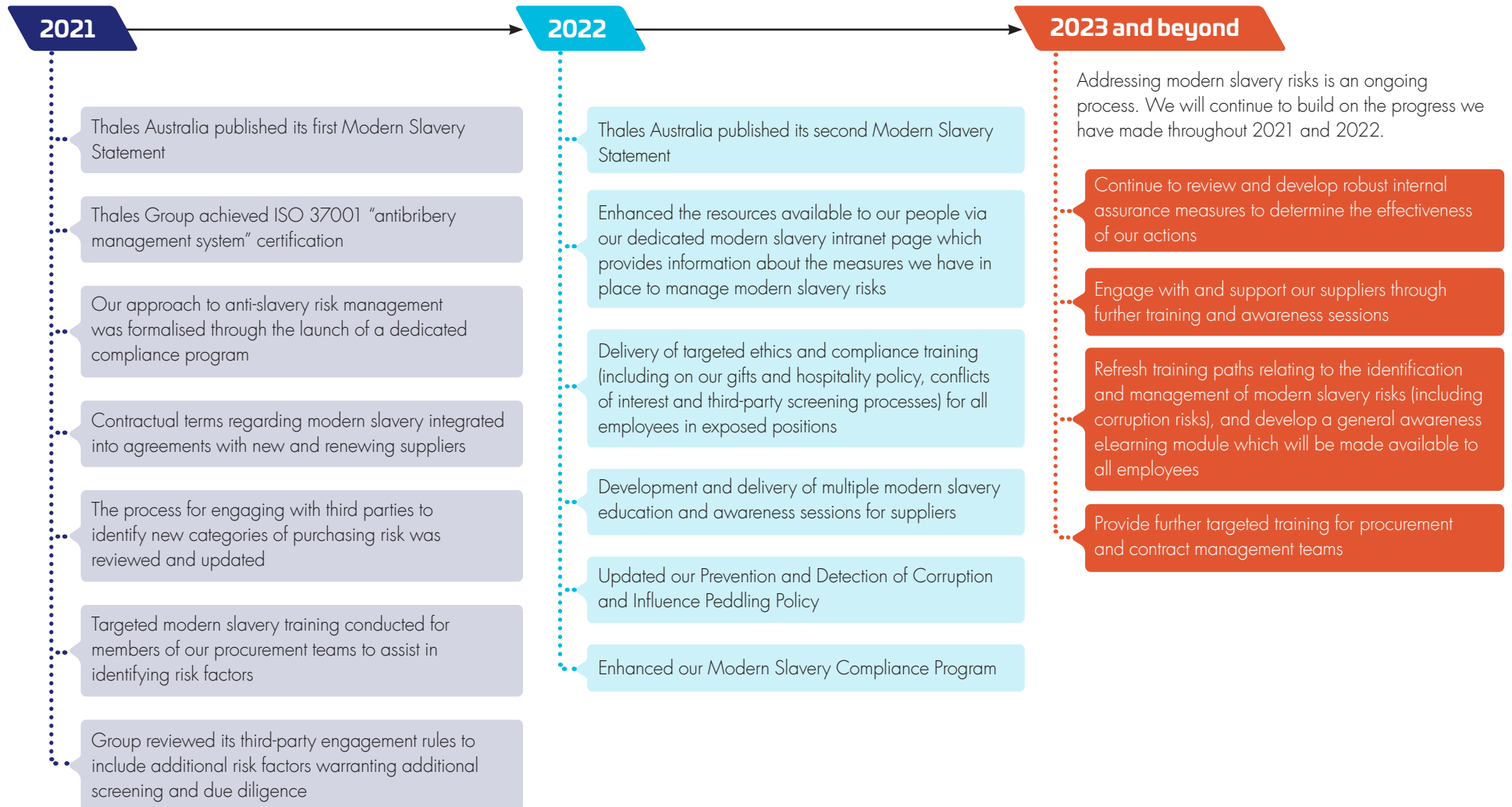
- Thales DIS Australia Limited (ABN 72 066 223 685)
- Thales DIS CPL Australia Limited (ABN 17 001 745 375)
- Multos International Pty Ltd (ABN 74 132 595 094)
- Ground Transportation Systems Australia Limited (ABN 97 657 064 992)



Modern slavery is a term used to describe situations where coercion, threats or deception are used to seriously exploit victims and undermine or deprive them of their freedom. This includes human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

In preparing this Statement, Thales Australia recognises that substandard working conditions or the underpayment of workers are practices which, left unaddressed, may escalate into modern slavery. We do not tolerate modern slavery in any of its forms as part of our commitment to corporate responsibility.

Our modern slavery progress



Our structure, operations and supply chains

Our Organisation and Structure

We turn leading edge technologies into solutions that are both imaginative and resilient, human-centric and sustainable so that our customers can navigate complexity with confidence.

We are part of Thales Group, a global technology leader investing in digital and deep tech innovations – connectivity, big data, artificial intelligence, cybersecurity and quantum technology – to make the world safer, greener and more inclusive and in turn build a future we can all trust, which is vital for the development of our societies. We provide solutions, services and products that help our customers – businesses, organisations and states – in the defence, aeronautics, space and digital identity and security markets to achieve their purpose whilst keeping human intelligence at the heart of the decision-making process. Thales Australia is a technology leader in the

aeronautics, defence & security, transport and digital identity markets. We develop and deliver innovative services and products for our customers, with our capabilities spanning a wide spectrum of complex high technology systems and solutions. Many of these advanced technology solutions are the outcome of patient investment in, and collaboration with, local Small and Medium Enterprises who are integral in delivering to our customers.

Thales Australia has been consistently working towards creating a future we can all trust both within Australia and internationally. We operate primarily within Australia and provide goods and services across the Asia Pacific, Europe, the Middle East, Central America, and Africa. Our corporate headquarters are located in Sydney, with branches in Taiwan, Philippines and Singapore.

Thales Values & Modern Slavery

The Thales values shape our organisational culture and our approach to modern slavery mitigation.

Customer trust

To succeed, we must work as partners with our customers, listening to them, anticipating their needs and finding solutions together. Building customer trust is always our priority. This equally applies to a joint effort to address the issue of modern slavery.

One Team, One Thales

We share responsibilities in a culture of loyalty, partnership and transparency and look to our colleagues both locally and abroad when assessing and addressing our risks. Collaboration and unity in our actions allows us to leverage the knowledge and insights that come from being a global organisation.

Developing our people

Supporting the professional development of each employee is fundamental and this includes the promotion of awareness understanding of modern slavery risks. Dialogue is encouraged and we provide opportunities to promote open conversations about the actions we are taking.

Accountable and committed to excellence


We understand that acting responsibly means making realistic commitments and delivering on our promises. We strive to achieve excellence by acting with integrity, accountability and professionalism in everything we do.

Agile and innovative

We aim to continually improve quality and work more efficiently. We understand the importance of having strong foundations in place that enable us to demonstrate our commitment to these principles as well as social responsibility.

 **Larrakia - Darwin**
 & Yirriganydji & Gimuy
 Walubara Yidinji - Cairns
 Providing asset management
 services in support of the
 Armidale Class Patrol Boat fleet.

3800+ employees
 Delivering solutions that make tomorrow possible, today
 Building a future we can all trust.

 **Wadjuk Noongar -**
 Perth & Rockingham
 Collins Class Submarine Sonar, Submarine
 Training & Simulation Support, MU90
 Lightweight Torpedo and Surface Ship Sonar
 sustainment, Explosive Ordnance Services,
 Software Development Services.

 **Dja Dja Wurrung -**
 Bendigo
 The design, manufacture and export of the
 Bushmaster and Hawkei vehicles.

 **Wurundjeri -**
 Melbourne
 One of Thales's Global Centres
 of Excellence in Air Traffic
 Management systems, \$1Bn of
 ATM exports over the last 10 years.

 **Ngunnawal - Canberra**
 Providing hardware and
 software support services for
 critical Command & Control and
 telecommunications systems
 used on operations.

 **Pangerang & Yorta Yorta**
 - Mulwala & Benalla
 Producing world leading ammunition
 and propellant for the ADF.

 **Taiwan, Singapore and the Philippines**
 Air Traffic Management systems


 **Jagera & Turrbul - Eagle Farm**
 Key sustainment location for the Bushmaster and Hawkei vehicles.

 **Wiradjuri, Gundungurra & Darug - Lithgow**
 Manufactured the ADF's in service rifle for more than 100 years.

 **Wanaruah and Kamilaroi - Myambat**
 Thales's Armaments Service providing end to end logistics for the
 provision, distribution and maintenance of ordnance.

 **Wann-gal - Sydney Olympic Park**
 Thales ANZ corporate headquarters.

 **Gadigal & Awabakal and Worimi -**
 Garden Island, Waterhen & Newcastle
 Ship repair and maintenance; dockyard management.

 **Darug - Rydalmere**
 Design, manufacture and export of submarine sonar systems,
 anti-submarine warfare systems, mine countermeasures, secure
 communications, training and simulation.

 **Darug - Orchard Hills**
 Thales's Armaments Service providing logistics for the provision,
 distribution and maintenance of ordnance.



Our Operations

Thales Australia operates in the following market segments:



AERONAUTICS

Making aviation safer, easier and more efficient

We deliver advanced operational and navigational control capabilities involving air traffic management solutions, navigational aids, detection and communications systems, tower systems, air traffic control centres, simulators, and avionics and electronics for military and civilian aircraft.



DEFENCE AND SECURITY

Helping governments, armed forces and major organisations to protect citizens and critical infrastructures

We install, support and integrate a wide spectrum of systems, equipment, and services for military forces involving: protected mobility systems, vehicles, small arms, soldier systems, ordnance, munitions, optronics and integrated logistics. Thales also delivers networked maritime warfare solutions, sonar and underwater systems, mine warfare, electronic warfare, radars, command and control, mission and unmanned aerial vehicle systems, land vehicle simulators and training environments. In the Information Communications Technology (ICT) space, Thales provides ICT solutions to defence and other national security organisations involving secure systems, encryption products & solutions, electronic security, software, networks cybersecurity and communications.



DIGITAL IDENTITY AND SECURITY

Building trust in a connected world

Our technologies help organisations accelerate their digital transformation. Our customers include the world's largest companies and governments - who rely on our technologies to authenticate identities and protect data exchanges.



TRANSPORT*

Controlling and supervising transport networks with maximum efficiency

Thales Australia provides world-class capabilities in ground transportation systems including urban and main line signalling solutions, train control and supervision systems, light rail control systems, transport information systems, secured revenue collection systems for public transport and roads.

**As part of its divestment activities, Thales Australia ceased to operate this business from December 2022. From this date, the operations were transferred to another entity of the Parent Company.*

2022 Procurement Spend

Our Supply Chain

Thales Australia's supply chain is complex, global and multi-tiered. Our supply chain refers to the goods and services we procure through subcontractors, suppliers and service providers (collectively referred to as 'suppliers' in this Statement). We procure goods and services from suppliers in Australia and overseas via our centralised procurement team which enables the application of common policies and practices when implementing our risk management practices across core subjects including the measures to be taken in respect to human rights and modern slavery.

In 2022, we procured approximately \$600 million in services and goods both locally and abroad. This spend also represents an increase of 15%,[^] in local spend – demonstrating our continued commitment to support local capability.

[^] by percentage of total spend commitments in the reporting period vs last reporting period.

| COUNTRY** | % ² | GSI RESPONSE RATING ¹ | VULNERABILITY SCORE ³ | CPI RANK ⁴ |
|-------------|----------------|----------------------------------|----------------------------------|-----------------------|
| AUSTRALIA | 85.17% | BBB | 4.27 | 13 |
| USA | 5.79% | BBB | 15.88 | 24 |
| GERMANY | 1.94% | BB | 10.44 | 9 |
| BELGIUM | 1.46% | BBB | 13.05 | 18 |
| FRANCE | 1.30% | BBB | 15.25 | 21 |
| ISRAEL | 1.12% | BB | 26.42 | 31 |
| NEW ZEALAND | 1.12% | BB | 1.91 | 2 |
| UK | 0.90% | BBB | 11.13 | 18 |
| INDIA | 0.33% | B | 55.49 | 85 |
| ITALY | 0.31% | BBB | 28.29 | 41 |
| NETHERLANDS | 0.29% | A | 6.11 | 8 |
| SOUTH KOREA | 0.26% | CC | 29.83 | 31 |

** where spend in 2022 was equal to or greater than .25%

1 - Global Slavery Index Government Response rating (<https://www.globallslaveryindex.org/2018/data/maps>)

2 - Percentage of total procurement spend in 2022

3 - Global Slavery Index Vulnerability to Modern Slavery score (<https://www.globallslaveryindex.org/2018/data/maps>)

4 - Transparency International Corruption Perceptions Index rank (<https://www.transparency.org/en/cpi/2022>)

Assessment of the risk of modern slavery practices in our operations and supply chains

When assessing the risk of modern slavery within our operations and supply chain we considered whether we may cause, be linked to, or contribute to modern slavery, in alignment with the United Nations Guiding Principles on Business and Human Rights.

We aim to proactively identify potential modern slavery risks across our operations and supply chain by considering geographic risks, sector risks, and product and services risks. These assessments are underpinned by data from various risk sources including the 2018 Global Slavery Index ('GSI'), 2022 Transparency International Corruption Perceptions Index ('CPI'), the outputs of a supplier transparency assessment completed in 2020 and the Group's mapping of risks relating to human rights, the environment and health and safety (which was updated in 2022) which draws on external data sources and internal reports and interviews.

Our Operations

Thales Australia employs approximately 3,800 people – and our people are integral to what we do. Our workforce and operations are primarily located within Australia. More than 90% of our people are directly employed by us, and covered by the Commonwealth Fair Work legislation and Fair Work approved enterprise agreements. We found there is a low risk of modern slavery within our workforce and operations.

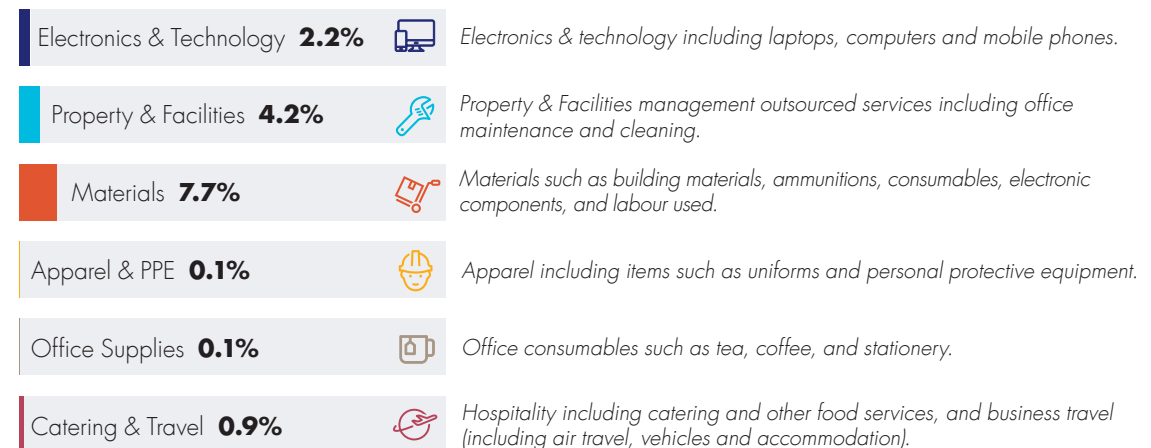
We are committed to creating a workplace where our people prosper and this is reflected in our recruitment practices which include processes to ensure eligibility to work and our employee policies. We have strong relationships with the providers of our labour hire and contingent workers, and our contracts contain provisions to mitigate the risk of modern slavery in these employment arrangements. Labour hire and contingent worker contracts are also subject to Fair Work legislation.



Our Supply chain

Our involvement in diverse market segments and operations means we acquire a diversity of goods and services from both Australian and international suppliers. With consideration to the data sources mentioned above, we have identified the following categories of goods and services as being of a potential higher risk of modern slavery. We have not identified any significant changes to our risk profile since our last statement. We consider we have robust controls in place to manage these risks and we address the actions we have taken to mitigate these risks in the next section of this Statement. During 2022, we developed a better understanding of our Tier 2 supply chain, however there is further work to be completed before we can properly assess the risk of modern slavery within our supply chain beyond Tier 1.

Percentage of spend by category



* % of total procurement spend in 2022

Actions taken to assess and address these risks

It is imperative to Thales Australia that we work towards the prevention of modern slavery whilst prioritising the health and safety of people and communities. Thales Australia and the Group have implemented a multi-faceted approach to identify, prevent, and limit potential violations of human rights and fundamental freedoms that may occur both within Thales and its suppliers. This is regularly reviewed to ensure it remains effective.

In preparing this Statement, we have considered our governance framework, our policies and procedures relevant to our operations and supply chain, our incident and remediation measures, and our engagement and awareness actions. We are committed to ensuring that the actions we take towards addressing modern slavery risks continue to be reviewed and updated if required.



Policies & governance

At Thales Australia, we are consistently striving to conduct all aspects of our business in a safe, responsible, and sustainable manner. Our comprehensive governance and policy framework provides us with a strong foundation for us to assess and address our modern slavery risks, while demonstrating our dedication to managing and mitigating these risks. This informs our approach to mitigating modern slavery, and is consolidated by our key policies that further support our commitment to respecting human rights. These key policies are set out below and there is more information available on our public website.

Policies

Our procedures and policies, including those relating to modern slavery and corporate responsibility, are easily accessible to our employees on our centralised reference management system.

- **Thales Group's Code of Ethics** communicates the standard of behaviour expected of all employees and suppliers to deliver our company purpose of "building a future we can all trust." This includes requirements to comply with commitments made by Thales Group to the *United Nations Global Compact* principles concerning human rights and labour standards.
- **Thales Group's Prevention and Detection of Corruption and Influence Peddling Policy** defines our framework for the management of corruption. This includes risk mapping processes, third party evaluation, incident management and continuous review. Compliance to the rules of ethical business conduct is of importance to Thales and in 2022, the Group further strengthened its anti-corruption framework through the introduction of enhanced testing and reporting requirements.
- **Thales Group's Code of Conduct** specifies best practices for the prevention of corruption, provides guidance in respect of gifts and hospitality, and defines rules for interactions with third parties, including the management of conflicts of interest. It is supported by the **Group's Policy on Detection, Prevention and Management of Conflicts of Interests**, which identifies conflict of interest situations and defines measures for dealing with real or potential cases.
- **Thales Australia's Whistleblowing Policy** and the **Group Alert Line** mechanisms are detailed in the Incident and Remediation section of this Statement on page 14.
- The **Group Procurement Policy** sets the standard for all procurement activities and supports our commitment to upholding the *United Nations Global Compact* concerning human rights, labour, the environment, and corruption prevention. It requires the completion of a corporate responsibility assessment of suppliers (which includes an assessment of compliance with social and environmental regulations and anti-corruption measures). It also sets out our expectations of suppliers.

- **Thales Group's Integrity & Corporate Responsibility Charter** outlines our expectations of the suppliers we work with. It is based on the *Code of Conduct of the International Forum on Business Ethical Conduct* and covers human rights, employment practices, anti-corruption, responsible sourcing of conflict minerals, and health and safety. must be agreed by suppliers prior to us committing to conduct business with them. This is detailed further on page 13.
- A dedicated **Modern Slavery Compliance Program** was developed in

Governance & Oversight

We have multiple forms of oversight to ensure that modern slavery risks are considered and managed at all levels of the organisation.

- Modern slavery is incorporated in the Thales Group approach to Corporate Responsibility and Integrity. It sets processes and procedures we are required to follow to minimise risks arising from corruption, bribery and modern slavery. There are various group-level governance committees including the Integrity and Compliance Committee, Risk Assessment Committee and Strategic and Corporate Social Responsibility Committee.
- Our Board is responsible for overseeing our operations and approving the annual modern slavery statement and receives updates from the Compliance Audit and Risk Committee as required. The committee is made up of directors and members of the Thales Australia Executive Leadership Team and assists the Board to fulfil its responsibilities concerning modern slavery compliance.
- Management committees that govern various aspects of our modern slavery approach include:
 - **Ethics Committee:** The Thales Australia Ethics Committee is chaired by our Chief Compliance Officer. It oversees the implementation, assessment and reporting of the Group's Integrity and Compliance program, as well as identifying the main focus areas of other ethics, integrity and corporate responsibility policies in line with

2021. Adopting the Thales Australia compliance management framework ensures the program reflects various facets of effective risk management when embedding anti-slavery practices into our operations. This was enhanced during 2022, and plan to continue this work throughout 2023.

- These policies are supplemented by our health and safety policies which cover various facets of workplace safety and underpin our mission to build a proactive safety culture and protect the wellbeing of our people.

the values and priorities that the Group and Thales Australia Board has defined. The Committee also assesses the criticality of internal alerts made and any allegations of integrity or compliance violations brought to its attention. In addition, the Committee defines and allocates resources for promoting and sharing a culture of ethics, integrity and corporate responsibility within our organisation.

- **Procurement Compliance Committee:** The Procurement Compliance Committee is attended by representatives of our procurement and legal teams to review procurement arrangements against criteria including anti-corruption and modern slavery. It considers whether the requisite due diligence processes have been followed, engagements should be entered, and whether remediation actions are required.
- **Compliance Officer Network:** Within Thales and the Group, a network of compliance officers has been established to provide advice to our employees on compliance-related issues, oversight the implementation of our compliance policies and support investigation of incidents.

Contractual Clauses

We continued to incorporate integrity and corporate responsibility clauses into our new and renewing supplier contracts throughout 2022. These clauses require our suppliers to take steps to ensure compliance with corruption laws and adherence to our Integrity & Corporate Responsibility Charter which addresses modern slavery. These clauses also act to further awareness of our expectation of suppliers to manage the modern slavery risks within their own supply chain.



Employee arrangements

The majority of our workforce are directly employed by us (as permanent, fixed term or casual employees). Their employment arrangements are governed by Fair Work legislation, which provides a safety net of minimum entitlements, enables flexible working arrangements and prevents employee discrimination. We have six enterprise agreements that have been assessed against the Fair Work Act and the relevant modern awards, and approved by Fair Work Commission. These enterprise agreements are registered and legally binding instruments.

The remainder of our workforce is made up of labour hire and contingent workers. Our contracts with the providers of these workers:

- provide for these workers to receive the rates set out under the relevant enterprise agreements (in line with our direct employees);
- require that providers warrant compliance with anti-slavery and human trafficking policies and legislation, and implementation of processes to assess their own modern slavery risks; and
- require that providers notify us of any actual or suspected modern slavery by a person or within a supply chain affecting our engagement.

We are continuing to implement a replacement time and record keeping management system to allow us to track the hours our employees work to ensure correct conditions are applied.





Supply chain due diligence

We are committed to working with suppliers that respect human rights and are acting to address modern slavery risks. Thales Australia manages a large portfolio of suppliers with purchasing primarily occurring through our centralised procurement team. This approach allows us to embed a comprehensive risk-based approach to supply chain management that provides insight into the practices of our Tier 1 suppliers, identifies areas of high risk, put in place mitigation plans and recognise the complex link between modern slavery and corruption.

We use a Group-wide procurement tool to support effective supplier management. As a single source of supplier information, it allows us to have greater visibility and control over our procurement practices, and easily manage our due diligence and risk management processes. As it integrates with our supplier portal, our suppliers can view our Integrity & Corporate Responsibility Charter, update information held, and respond to questionnaires.

The Integrity & Corporate Responsibility Charter

Relationships with our vendors begin with a commitment from our suppliers and partners to adhere to the principles set out in the Integrity & Corporate Responsibility Charter. Non-compliance to the charter may result in the implementation of a remediation plan, and in cases of continued or severe non-compliance, the termination of their contractual relationship with us. Our suppliers must ensure that their own suppliers and subcontractors, partners and associates comply with the same requirements set out in the charter.

Vendor Screening

We follow the Thales Group process for vendor screening. This process has been developed through extensive mapping of Thales Group's supply chain, and its risks relating to human rights, health and safety, and corruption. It considers the type of purchase and the supplier's country of operation to generate a risk rating. The resultant rating determines the mitigating actions we will take to address modern slavery and corruption. These actions may require a supplier to undergo a corporate responsibility assessment and/or integrity assessment (detailed further in this section).

Corporate Responsibility Assessment

We have engaged a third-party assurance organisation to help us better understand our supply chain and identify modern slavery risks. During onboarding, we provide supplier details to a third-party who provides an assessment of risk in the categories of human rights violations, environmental harm or poor health and safety. Suppliers assessed as high risk are required to undergo a further assessment process which includes

- completion of a self-assessment questionnaire in which they provide details of their due diligence processes in relation to human slavery in their operations and supply chains and steps taken to assess and manage that risk.
- a desktop verification undertaken by the third-party's compliance experts to assess the responses to the questionnaire and validate whether they comply.
- if a supplier is not able to be validated, they are requested to complete a corrective action plan which requires them to provide further evidence of improvement in areas of concern.
- we may request the third-party complete a workplace condition assessment of a supplier. This involves a thorough review of their work conditions, management systems and corporate governance arrangements.

Integrity Assessment

We are committed to building relationships with suppliers that are based on trust and dedication to corporate responsibility. To support this commitment and the implementation of our Code of Conduct, we may request suppliers to complete an integrity assessment. We use the CPI to identify suppliers in geographic locations of risk, supplemented by information about the supplier's governance structures, and ethics and compliance policies. This enables us to build a risk profile and identify any areas which may indicate behaviour below the standard expected of our suppliers.

Responses to the integrity questionnaire are reviewed to identify potential risk factors that require further investigation. If found, and before the engagement can commence, the supplier is referred to a third party to conduct an in-depth investigation with the view of identifying any remediation steps or action plans be implemented. Through this process we may also identify factors which prevent us from engaging with that supplier.

We recognise that assessing and addressing the risk of modern slavery in our extended supply chain (that is, beyond Tier 1) is a key challenge requiring further work to manage.



Grievance & remediation processes

We expect our people and our suppliers to act consistently with our Code of Ethics and core values. In keeping with those values, we encourage our employees and others we work with to come forward through our whistleblowing process if they see conduct that they believe is problematic.

Our **Thales Australia Whistleblower Policy** sets out the protections available to whistleblowers, how to make a disclosure including who is authorised to receive a disclosure, and our processes and procedures which includes a fair and independent investigation of disclosures.

Through this process we ensure:

- we give people who are aware of possible wrongdoing the confidence to speak up;
- that individuals who disclose wrongdoing can do so safely, securely and with confidence that they will be protected and supported;
- that wrongdoing is identified as early as possible;
- that disclosures are dealt with appropriately and on a timely basis;
- transparency around our framework for receiving, handling and investigating disclosures; and
- we deter wrongdoing.

We also utilise the Group internal alert system which enables named or anonymous reporting of concerns or incidents relating to conduct, abuses of human rights and fundamental liberties, and harm to health and safety, resulting from our activities or those of our suppliers.



Training & awareness

Training is provided to develop the skills and awareness of modern slavery within our procurement teams and our people managers. In 2022, our people managers underwent training to refresh the currency of their knowledge in relation to our enterprise agreements, and our procurement team hosted educational sessions with business teams to further embed our mitigation processes. We also hosted a series of modern slavery education sessions for our suppliers throughout 2022. These sessions provided an opportunity to develop the knowledge and awareness of modern slavery risks of our suppliers, and better understand the actions we are taking in mitigating the risk of modern slavery. The sessions also reinforced the expectations we have of our suppliers to ensure they are also taking steps to mitigate risk within their own supply chains.

Our people are informed about our expectations in relation to modern slavery, equality of treatment, avoiding discrimination, ensuring respect and providing a safe and healthy working environment from the beginning of their employment. New starters are required to undergo and complete an ethics awareness module as part of their onboarding training, and our Code of Ethics is systematically given to and must be acknowledged by new employees.

Group's Ethics, Integrity and Corporate Responsibility is in conjunction with our local modern slavery intranet page that was developed in 2021, and thus allows for continued awareness and engagement surrounding modern slavery risks. Through these pages, all Thales Australia employees are able to view the latest news, access the Group's internal alert system, and learn more about our policies, guides, tools and internal instructions.



Supplier engagement and awareness training

To further our supplier engagement, Thales Australia developed and delivered modern slavery training and awareness sessions with small to medium suppliers. These sessions provided an opportunity to engage with and educate our suppliers about modern slavery risks, and provide them with tools to strengthen their own risk management practices. We plan to continue our engagement with suppliers throughout 2023.

Assessing the effectiveness of these actions

We are committed to working to mitigate any modern slavery risks that may arise within our operations and supply chains, and towards building our maturity and understanding around this. We are continually working to improve not only our modern slavery mitigation and prevention activities, but also our approach to assessing the effectiveness of our modern slavery actions.

Thales Australia has a strong risk culture that is embedded within our organisation in relation to modern slavery and corruption. This is outlined in our Code of Conduct principles, and as at the end of 2022 over 99% of our employees have signed the Code of Conduct. We believe this strong risk culture creates a safe environment that allows and encourages to people to raise their concerns either through our Whistleblower program or Internal Alert system. During the reporting period, we received no disclosures in relation to modern slavery risks, although we acknowledge that a lack of disclosures does not necessarily mean the absence of modern slavery practices.

We consider our comprehensive due diligence procedures within our procurement process to play a vital role towards our efforts to tackling modern slavery. Risks associated with the procurement process are continuously monitored through procurement dashboards which consider indicators including the number of suppliers that have signed the Integrity & Corporate Responsibility Charter and the evaluation of these suppliers in terms of Corporate Responsibility.

Each year we participate in a Group-wide attestation process which addresses our actions taken on human rights, health and safety of employees, and environmental protection. This provides insights into the Group risk mapping and allows us to further understand avenues for improvement so that we can continue to enhance our current mitigation and prevention processes.

Internal and external audits and reviews are performed regularly to ensure the terms and conditions of employment are applied correctly, our policies and procedures are implemented, and our training plan is adhered to.

Our Human Resources function is responsible for monitoring any anomalies or concerns and report any identified issues to the compliance team. Where concerns are identified as a result of the review, the issues are further investigated to develop and implement the required remediation actions. We acknowledge that while Australia is considered to be a low risk geographic location, it is not immune from modern slavery.

Further work is required to assess these risks of modern slavery within our local supply chain, and to evaluate whether additional measures are required. We are also considering further metrics to enhance our methods of assessing the effectiveness of our actions.

Process of consultation

This Statement for the reporting year ending 31 December 2022 is made pursuant to section 13 of the Modern Slavery Act 2018 (Ch). It was approved by the Board of Directors of Thales Australia on 20 June 2023.

The process of consultation involved a working group made up of representatives from various parts of the reporting entity's business who are involved in the detection and prevention of modern slavery across our operations and supply chain. Prior to review and approval by the Board, the Statement was reviewed by members of Thales Australia's executive leadership team.



Duncan Lewis,
Chair of the Thales Australia Board

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