

Modern Slavery Statement

Australian Steel Traders Pty Ltd

This Statement is submitted on behalf of Australian Steel Traders Pty Ltd (ABN 93 644 181 028) (**Australian Steel**) and under section 13 of the *Modern Slavery Act 2018 (Cth)* (**MSA**) to cover its second reporting period of 1 July 2022 to 30 June 2023.

1 Identification, Structure, Operations and Supply Chain

1.1 Structure

Australian Steel does not belong to a corporate group and does not own or control any subsidiaries.

1.2 Operations

Australian Steel conducts quality Steel Trading Services with an emphasis on accurate paperwork, efficient after sales services and providing customers with access to the best available information in the shortest possible time frame. We have worked with over 50 companies covering all aspects of the steel industry to provide a wide variety of steel products to the Australian and New Zealand markets including: various pipes and tubular products, structural sections and piling products, reinforcing steel products and flat rolled steel in coils and plates.

Australian Steel is a privately owned company headquartered in Brisbane, Queensland. Australian Steel employs 12 permanent employees.

Australian Steel does not hold any investments.

1.3 Supply chain

During this reporting period Australian Steel engaged with 91 tier 1 (or suppliers we directly procure from). Of those suppliers 63% are based in Australia with the remainder being based overseas in locations including China, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Thailand, Turkey, United Arab Emirates, and Vietnam. We procure a range of goods and services including accounting and legal services; engineering services; marketing services; real estate services; insurance; cleaning services; stationery; document destruction; IT software, hardware, and services; utilities; postage and courier services; logistics, transport and storage services; crane services; and manufacturers and exporters of various steel products. These supplier agreements month to month contracts. Some terms vary from supplier to supplier but we predominantly closely manage month-to-month basis.

We acknowledge that our supply chain extends past our tier 1 suppliers and intend to gain further knowledge as to tier 2 and beyond in future reporting periods.

2 Risks of Modern Slavery

We understand that due to the nature and prevalence of modern slavery in the world every entity has risks of modern slavery within its operations and supply chains. Australian Steel, like every entity,

must consider the likelihood of risks that we could cause, contribute to, or be directly linked to modern slavery practices so that we can then put appropriate actions in place to address any potential risks.

2.1 Operational risks

Our operations include the sale of various products and services in the steel industry. We do not manufacture these products ourselves but rather engage in the purchase and on sale of same. As such our staff do not engage in what would typically be considered high risk work in relation to modern slavery. For our size we have a very small staff base and as such have excellent oversight over our staff members' working conditions and wellbeing, lowering the risks and likelihood of modern slavery occurring in our operations. The majority of our recruitment is managed internally; however we do utilise some recruitment agencies to assist with sourcing candidates and acknowledge that this can result in reduced oversight and higher risks of modern slavery. We believe our supply chains pose a greater risk of modern slavery than our operations do.

We have dealt with a range of issues caused by the pandemic. We have actively sought to improve working conditions for our staff and continue to manage supported work from home arrangements where desired.

We have actively worked with our suppliers to manage supply-chain stresses that have been resultant of the epidemic and pressures placed on various workforces.

2.2 Supplier Risks

We understand that all businesses can contribute to or be directly linked to modern slavery practices through their own supply chains by conducting operations in a way that may facilitate or incentivise modern slavery, such as by placing unreasonable timing or budgetary pressures on suppliers, or simply by contracting with a supplier that is engaged in modern slavery practices.

We have only 91 tier 1 suppliers which we consider to be a relatively small cohort for an entity our size. This means we have a greater oversight and ability to monitor our suppliers. Of our tier 1 suppliers, 63% are located in Australia, which is a low-risk geographic location for modern slavery. Our supply chain mapping has revealed that 31% of our suppliers are based in high-risk geographic locations including China, India, Indonesia, Malaysia, Thailand, Turkey, United Arab Emirates and Vietnam. Our remaining suppliers are based offshore but in low-risk geographic locations.

We procure a range of goods and services and have identified the following as potentially high-risk areas cleaning services; stationery; IT software, hardware, and services; transport and storage services; and manufacturers and exporters of various steel products.

We understand that it has been estimated that approximately 15% of the documented global cases of forced labour (one form of Modern Slavery) have occurred within the manufacturing industry. We know manufacturing is a highly cost driven industry and therefore requires a continual focus on expense management. We understand that these pressures can put workers at risk of exploitation if suppliers or others seek savings by requiring long hours and forced overtime during periods of high demand as well as through wage cuts and other cost-saving measures at times of low demand. Manufacturing often involves out-sourcing to higher risk countries to produce goods at a lower cost or provide services at lower rates.

We also acknowledge that lag of recent macro-events continues to have an impact resulting in remote working, immobility, reduced oversight, substantial and unexpected change in supply and demand, loss of income, fear of loss of income and excessive overtime. These are all factors that can considerably increase the vulnerability of any workforce to exploitation and as such the risks of modern slavery have risen as a result of the recent pandemic and cultural shifts observed. As the world has returned to face-to-face interactions in many locations, we acknowledge that many of the heightened risks created by the pandemic will continue to have an effect.

3 Actions to Assess and Address Modern Slavery, Effectiveness

Australian Steel met the revenue threshold under the MSA for the second time in this recent reporting period which was expected and as such we have gone to great lengths in order to progress our approach to assessing and addressing modern slavery. We have sought expert assistance to help us accurately identify risks and put meaningful action in place in response to those risks.

3.1 Operational Actions

Our values are: Respected, Trusted Advisors, Experts, Flexible. Our mission is to be the business partner with which customers, suppliers and service providers prefer to deal with. We believe this existing culture is one that is conducive to addressing and assessing modern slavery risks as we want our customers to have confidence that their dealings with our business won't expose them to unforeseen and unaddressed modern slavery risks.

Policies and Processes

In relation to our own workforce, we are continually refining various processes and policies to further our efforts in addressing and assessing modern slavery in our operations including our:

1. Tailored Modern Slavery workshop for senior staff run by independent experts
2. Specific Modern Slavery Policy
3. Mission, Vision and Values
4. Business Environment Policy
5. Code of Conduct Policy
6. Recruitment Policy
7. Induction Policy
8. Training and Development Policy
9. Probation Policy
10. Occupational Health and Safety Policy
11. Equal Employment Opportunity and Anti Bullying Policy
12. Leave Policy
13. Performance Management Policy
14. Grievance Complaints Policy
15. Environmental Best Practice Policy
16. Whistleblower Policy

We have executed our Modern Slavery Policy which was rolled out in this reporting period. Our Modern Slavery Policy is applicable to all staff and contains our commitment to ensuring there is transparency in our operations and approach to tackling modern slavery. The Policy refers to various other internal policies that are relevant to modern slavery, relevant laws and international instruments and guiding principles. The Policy contains a definition of modern slavery and refers to human rights generally also. Our Policy educates our staff on where our risk areas may lie both within our

operations and supply chains and details the risk assessment and due diligence processes, we are undertaking. We advise staff of their responsibility to detect and report on risks and of the enforcement details in the event of any breach. We will endeavour to review this policy on a regular basis to ensure efficiency.

Our Code of Conduct sets out Australian Steel's belief in responsible social and ethical behaviour from all employees, clarifying the standards expected of our staff. Within this document we fully endorse that all employees are not deprived of their basic human rights. As listed above we have a number of other policies and processes that our staff are subject to. We recognise that many of these matters can have overlay with modern slavery and that the absence of a good culture in these areas can indicate the presence of modern slavery risks or may escalate into modern slavery in time.

We acknowledge that the very nature of modern slavery is such that victims or witnesses are often powerless to come forward. Our Whistleblower Policy ensures we have sound procedures to allow workers and their families to identify and report genuine concerns about illegal conduct or any improper state of affairs pertaining to Australian Steel without fear of detriment and with anonymity in certain circumstances. By monitoring any such reporting we can understand how effective our reporting mechanisms and further actions to address and assess modern slavery risks are.

We have held multiple tailored Modern Slavery Workshops for senior staff members run by independent experts. These workshops improve the education and awareness of our senior staff members in relation to the nature and prevalence of modern slavery, the risks of modern slavery, the MSA itself and the various actions we can take to improve upon our modern slavery approach.

3.2 Supply Chain Actions

Our Modern Slavery Policy reiterates to our staff the importance of all subcontractors and suppliers sharing our values. We have also executed a Supplier Code of Conduct which is centred specifically around modern slavery issues. The purpose of this document is to communicate our expectations to our suppliers, add to our due diligence avenues, educate and raise awareness, and provide us with further options when we're taking action to address our own risks. We are also preparing correspondence to commence conversations with our suppliers regarding modern slavery with a view to building upon our journey. As we progress this dialogue, we will increase the opportunities to assess effectiveness in this space.

We have developed internal policy specific to our modern slavery questionnaire. We have executed a lengthy detailed questionnaire that specifically speaks to modern slavery issues. It is a robust document, and we seek to continually explore and consider how best to utilise it to help us further understand where our risks lie and in a way that allows us to continually assess our effectiveness.

Through our contracts with suppliers, we continue to seek to strengthen our existing modern slavery clauses. We have prepared precedent contract clauses that speak specifically to modern slavery to add contractual weight to our supplier code of conduct. We continue discussions with external experts about how best to build best practice to continually update and put in place some modern slavery clause protections.

As above, we have commenced mapping our supply chain based on risks related to geographic location and category of goods/services for this reporting period. Where suppliers are found to be

non-compliant with our standards and contract terms, we will require those suppliers to carry out remedial action and assist them to improve their processes.

4 Consultation

As above Australian Steel does not own or control any other entities and as such there is no consultation process necessary.

5 From Our Principal Governing Body

Australian Steel makes this Statement in accordance in accordance with section 13 of the *Modern Slavery Act 2018 (Cth)*. Australian Steel's Board of Directors is the principal governing body for the purpose of the MSA.

This Modern Slavery Statement was considered and approved of by the Board of Australian Steel.

Christopher P Simpson

Dated December 29, 2023.

Chris Simpson

Chair of the Board

Responsible Member of Australian Steel's Principal Governing Body