

Modern Slavery Statement 2021



The FY2021 Modern Slavery Statement forms part of our corporate reporting suite for the 2021 financial year, which is available at orica.com/Investors.



About this Statement

Orica's Modern Slavery Statement (Statement) is for the financial year commencing 1 October 2020 and ending 30 September 2021 (FY2021). This Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (the Australian Act) and the *Modern Slavery Act 2015* (the UK Act) and has been approved by the Board of Orica Limited and the Board of Orica Mining Services Pilbara Pty Ltd.

This Statement is a joint statement comprising the following reporting entities under the Australian Act (Reporting Entities), together referred to as we, us, our, Orica:

- Orica Limited (ACN 004 145 868) which is the ultimate holding company in the Orica Group
- Orica Investments Pty Ltd (ACN 009 781 257)
- Orica Australia Pty Ltd (ACN 004 117 828)

- Minova Australia Pty Ltd (ACN 084 965 962)
- Orica Mining Services Pilbara Pty Ltd (ACN 158 151 369).

A full list of controlled entities in the Orica Group is included in Note 23 List of Controlled Entities in the FY2021 Annual Report. Orica Investments Pty Ltd is the holding company of many of our controlled entities (including overseas controlled entities) and our immediate parent is Orica Limited.

This Statement covers assets wholly owned and/or operated by Orica and those assets owned by joint ventures that are operated by Orica during the period 1 October 2020 to 30 September 2021. While we also hold interests in assets owned by joint ventures that are not operated by Orica, this Statement applies only to our operated assets, unless stated otherwise.

The table below sets out where the mandatory reporting requirements under the Australian Act and the recommended criterion under the UK Act have been addressed:

Table 1: Reporting requirements and recommended criteria

Australian Act mandatory reporting requirements	UK Act recommended reporting criteria	This statement
Identify the reporting entity; and Describe its structure, operations and supply chains.	Organisation's structure, its business and its supply chains.	Pages 01, 04-08
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk.	Pages 08, 10-15
Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.	Organisation's policies in relation to slavery and human trafficking; due diligence processes in relation to slavery and human trafficking in its business and supply chains.	Pages 10-15, 16
Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks.	Organisation's effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.	Pages 10, 18-19
Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement).		Page 19
	Training and capacity building on slavery and human trafficking available to its staff.	Pages 10, 17, 19
Any other relevant information.		Pages 10, 17, 19

A message from our Managing Director and CEO



Sanjeev Gandhi
Managing Director and CEO

Modern slavery has no place in our business and contradicts our values. As a leader in our industry and with operations in over 100 countries, we have a responsibility to ensure we are not participating in any form of modern slavery and to use our global influence to reflect this across our value chain. We are continually improving our approach to protecting the people who work within our operations and supply chains from severe labour exploitation for the commercial gain of others.

Despite a challenging year, we have made progress against our modern slavery commitments. An external, independent evaluation of our governance, policies and due diligence practices across our operations and supply chain was undertaken, identifying progress made to date and key areas requiring further improvement. Both our progress to date and our future priorities are addressed in this Statement. We also developed a new Modern Slavery in Supply Chain Risk Management Plan and completed a pilot to test the effectiveness of the plan with selected high-risk existing and prospective suppliers; looking for opportunities to refine our approach.

There is, of course, more to do. Modern slavery is a complex, systemic issue which requires ongoing effort across Orica. We recognise that we cannot tackle this alone. Making meaningful strides toward eradicating modern slavery will require deep collaboration with others including governments and regulators, non-government organisations, peers, industry bodies and networks.

We are committed to ensuring we deliver for our customers and support them to deliver on their own sustainability ambitions, which increasingly includes addressing and improving human and labour rights within their supply chains. We will continue to collaborate with our customers and others in FY2022 and beyond, to support a world free from slavery.

A handwritten signature in black ink, appearing to read 'Sanjeev Gandhi', written over a thin horizontal line.

Sanjeev Gandhi
Managing Director and
Chief Executive Officer

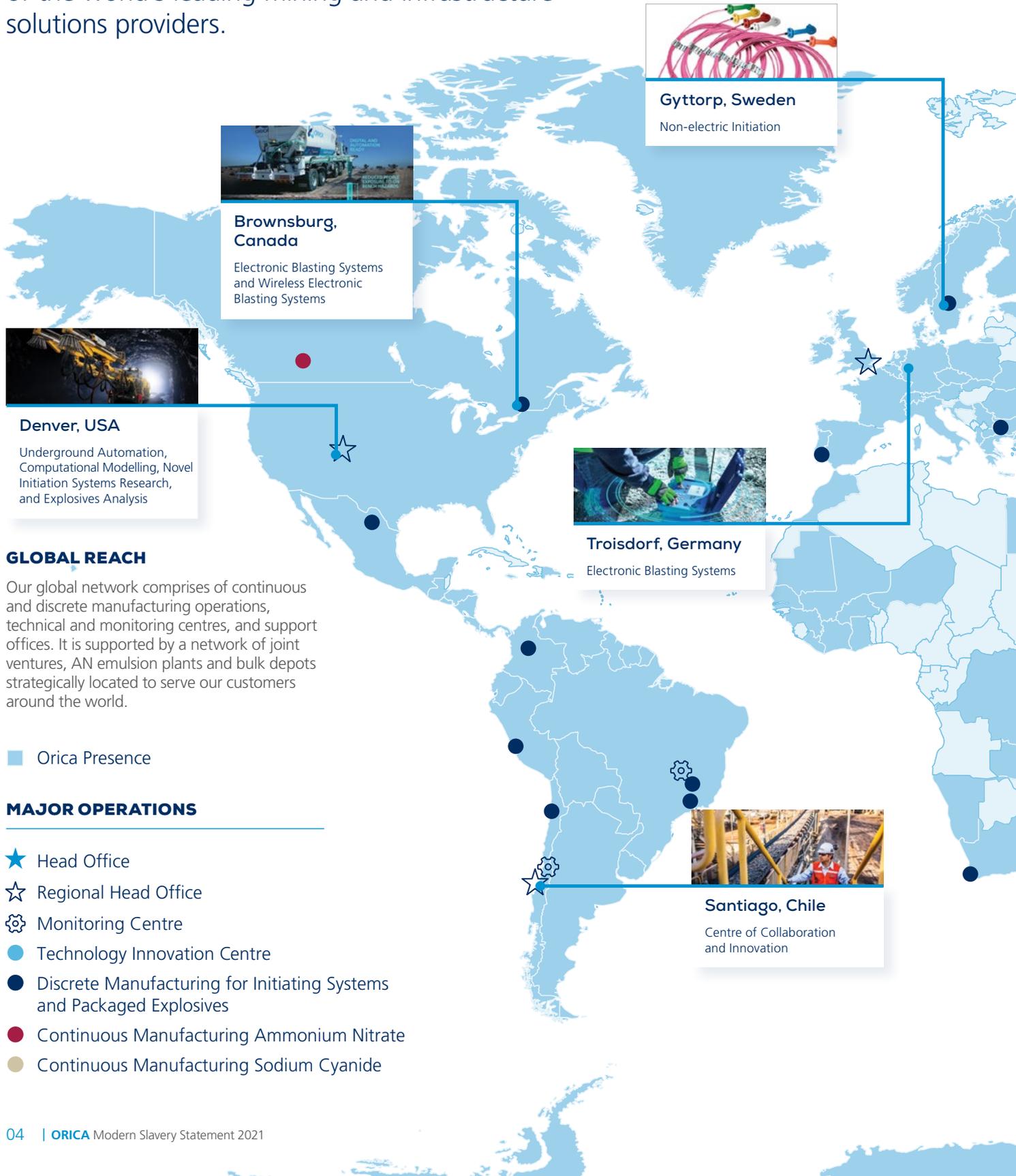


Our global footprint



13,000+ employees

Our story began in 1874, when we first supplied explosives to the Victorian goldfields in Australia. Since then, we have grown to become one of the world's leading mining and infrastructure solutions providers.



Gyttorp, Sweden
Non-electric Initiation

Brownsburg, Canada
Electronic Blasting Systems and Wireless Electronic Blasting Systems

Denver, USA
Underground Automation, Computational Modelling, Novel Initiation Systems Research, and Explosives Analysis

Troisdorf, Germany
Electronic Blasting Systems

GLOBAL REACH

Our global network comprises of continuous and discrete manufacturing operations, technical and monitoring centres, and support offices. It is supported by a network of joint ventures, AN emulsion plants and bulk depots strategically located to serve our customers around the world.

■ Orica Presence

MAJOR OPERATIONS

- ★ Head Office
- ☆ Regional Head Office
- ⚙ Monitoring Centre
- Technology Innovation Centre
- Discrete Manufacturing for Initiating Systems and Packaged Explosives
- Continuous Manufacturing Ammonium Nitrate
- Continuous Manufacturing Sodium Cyanide

Santiago, Chile
Centre of Collaboration and Innovation



Customers in more than 100 countries



Support and invest in host communities

\$6.2¹ billion market capitalisation



From the production and supply of explosives, blasting systems, mining chemicals and geotechnical monitoring to our cutting-edge digital solutions and comprehensive range of services, we sustainably mobilise the earth's resources.

With over 145 years of expertise, our community of engineers, scientists, technologists, operators, business specialists and on-site crew support customers in surface and underground mines, quarry, construction, and oil and gas operations.

Sustainability is integral to our operations. Our approach to sustainability begins with ensuring we operate our business responsibly, and by prioritising the safety of our people, customers, and communities. We are in a unique position to leverage our expertise in technology to create safer and more responsible solutions and deliver positive economic, social, and environmental contributions through our business activities.



Procured goods and services from 8,500 suppliers in over 50 countries



Perth, Australia

Orebody Intelligence
Customer Immersion Centre



Kurri Kurri, Australia

Bulk and Packaged Explosives and Delivery Systems, Software and Blast Sensors and Advanced Computational Blast Modelling



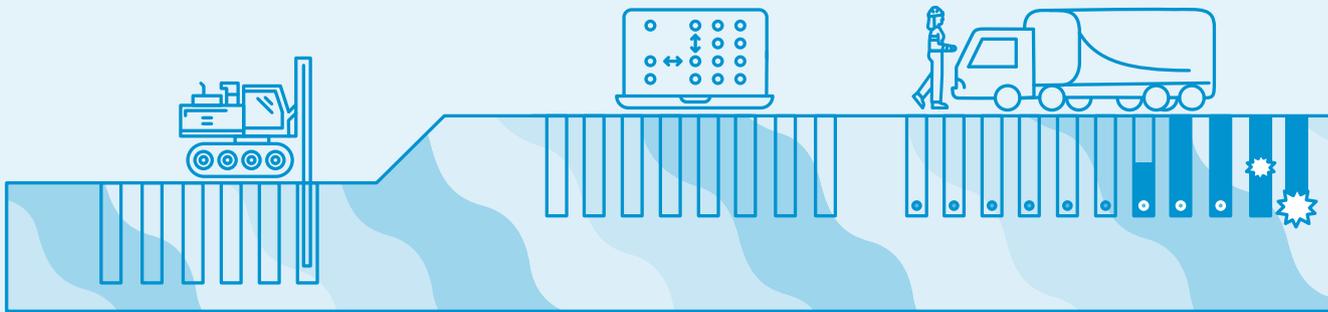
Brisbane, Australia

Digital Solutions Customer Immersion Centre

¹ As at 10 November 2021.

Our business model

Business activities



OREBODY INTELLIGENCE

Upstream from blasting, we are actively taking steps today to help our customers better understand the orebody.

DESIGN AND MODEL

We are collaborating with customers and industry to develop technologies and integrate vast amounts of complex geotechnical data into the blast design processes.

BLASTING

The blasting segment of the value chain remains at the core of our business model and the convergence of new technologies and solutions is enabling us to think and mine differently and operate more precisely and responsibly.

Outputs

(our products and services)



Digital solutions



Explosives



Blasting systems

Outcomes

Our success is dependent on our ability to create value for a broad range of stakeholders.



TECHNOLOGY AND INNOVATION

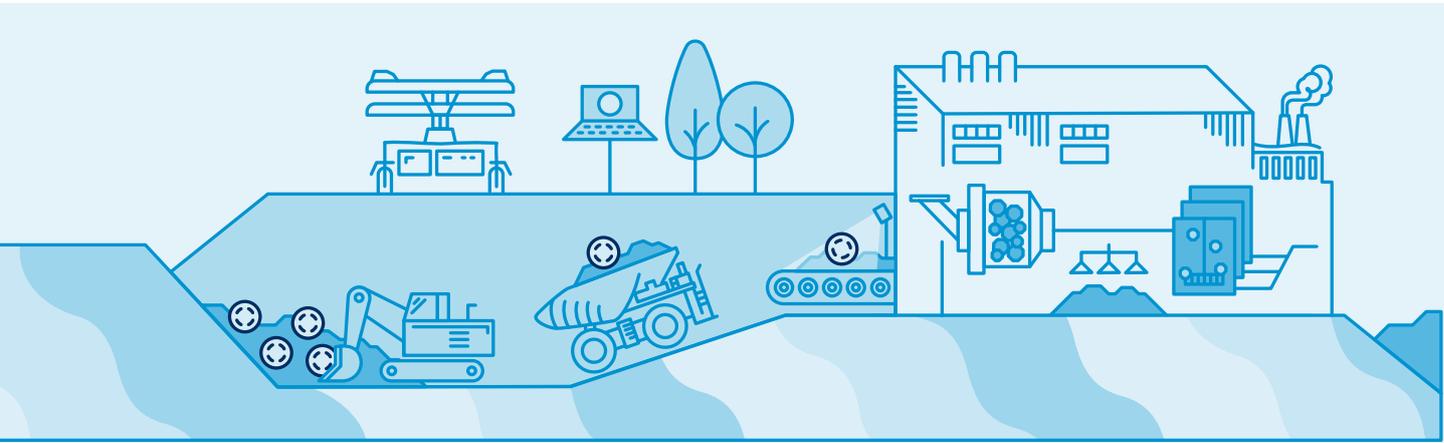
- Market leadership
- Digital transformation
- Support customers growth and sustainability goals



FINANCE

- Maintain investment grade credit rating
- Sustainable dividend
- Agility to respond to growth opportunities

For more detail on our business, including our business and sustainability strategies, operating environment, and risk management approach, refer to our *FY2021 Annual Report*.



MEASURE AND MONITOR

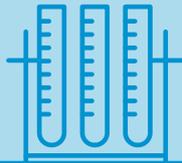
We have also made significant investments downstream from blasting in post-blast monitoring, including measurement technologies that deliver insights around blast outcomes.

ORE PROCESSING

Further downstream we are building capability and technologies in ore processing.



Monitoring



Mining chemicals



Service and support



RESPONSIBLE OPERATIONS

- Values-driven organisational culture
- Prevention of harm (people, product, data)
- Transparent policy positions
- Ethical supply chain



PEOPLE AND CAPABILITIES

- Engaged workforce and inclusive culture
- Diversity of thought
- Investment in capability uplift and talent



NATURAL ENVIRONMENT

- Protection and stewardship of the environment
- Management of physical and transitional climate change risks
- Attraction and retention of high calibre talent



COMMUNITY AND RELATIONSHIPS

- Responsiveness to changing community and stakeholder expectations
- Customer and supplier relationships
- Local economic investment and growth
- Contribution to the community including through taxes

Our reporting structure and supply chain

Our business is organised into segments based on the internal management structure as reported to the Group’s Chief Operating Decision Maker (the Group’s Managing Director and CEO).

During FY2021 the Group committed to a plan to sell the Minova business. On 30 September 2021, the assets and liabilities of the business have been classified as held for sale and it is considered a discontinued operation.



Our operations are supported by a dynamic and complex global supply chain which includes procuring goods and services in the following categories:

Category	Description of goods and services
Continuous manufacturing	Bulk materials, primarily ammonium nitrate, ammonia, caustic soda and gas
Discrete manufacturing	Individual componentry used as raw materials for the production or assembly of blasting systems or procured as products to be used at mine site
Corporate	Support products and services, including IT software and hardware, travel, and consultants
Indirect	Products and services procured to support operations, including maintenance, repair, and operations services
Logistics	Services and products supporting the movement of products

In FY2021, our products and services were procured from 8,500 suppliers² in over 50 countries. Around 85 per cent of our third-party spend originated from nine countries (Australia, Brazil, Canada, Chile, Indonesia, Mexico, Russia, Sweden, and the United States of America). Of the remaining 15 per cent, the majority of our third-party spend originated from seven countries (Singapore, Norway, the Philippines, India, Kazakhstan, South Africa and Argentina).

Our suppliers are critical to our business. We seek to work with suppliers that share our commitment to excellence, are aligned with our values, committed to acting ethically and to improving their environmental and social impact. We strive to work collaboratively with these suppliers to meet sustainability challenges together.

2. The reduction of our supply base from FY2020 (13,500 suppliers) is a result of active consolidation of spend through our strategic sourcing programme targeted at optimising cost, improving security of supply of quality products and services, and developing supplier relationships that are strategically aligned with our objectives.



FY2021 year in review

Despite the challenging year, we have progressed the key commitments we made in FY2020 to address modern slavery risk in our operations and supply chain.

A gap analysis was undertaken in FY2021 to assess our current approach to addressing our modern slavery risk, including the effectiveness of our governance and policies, risk identification and due diligence processes and systems, and capability. Various opportunities for enhancing our approach to our modern slavery risks were identified and will set the foundation for continued improvements in FY2022 and beyond.

To provide practical guidance on identifying and managing modern slavery risks through the procurement process, a Modern Slavery in Supply Chain Risk Management Plan (Risk Management Plan) was developed. The Risk Management Plan was trialled through a pilot program with selected suppliers, presenting further opportunities to refine how we identify and mitigate risks in our supply chain.

A group-wide training needs analysis was planned for FY2021 but was not completed. Instead, it was rescheduled for FY2022 to build in the learnings from the Modern Slavery Risk in Supply Chain Pilot (Supply Chain Pilot) and the gap analysis findings conducted in FY2021. However, modern slavery training needs were specifically mapped for our supply chain team and completed for key sourcing and procurement employees which represent higher risk priority areas for Orica. Further training and capability development activities (including the training needs analysis) are a priority for FY2022.

There was also activity to identify opportunities to collaborate with others such as non-government organisations, peers and industry partners, and this will be a continued focus in the coming year.

FY2021 KEY ACTIONS

- Conducted a comprehensive modern slavery gap analysis across our operations and supply chain
- Drafted a Responsible Sourcing Statement
- Developed a Modern Slavery in Supply Chain Risk Management Plan and tools, including:
 - Risk identification and on-going due diligence procedures
 - Self-assessment survey for existing suppliers
 - Pre-qualification survey for potential suppliers
- Supplier risk rating and governance
- Frequently Asked Questions (FAQ) document to assist our employees with supplier engagement and implementing the Risk Management Plan
- Trained key supply chain team members on modern slavery and how to identify and assess modern slavery risk within our supply chain
- Completed our Modern Slavery Risk in Supply Chain Pilot with prioritised suppliers and vendors to test newly developed Risk Management Plan and tools.

FY2021 MODERN SLAVERY GAP ANALYSIS

An independent, leading sustainability services firm, Point Advisory, was engaged to undertake a modern slavery gap analysis across our operations and supply chain. This analysis reviewed our current policies, systems, and processes to identify any gaps and opportunities for improvement in our approach to addressing modern slavery risks.

Several opportunities for enhancement were identified, including:

- **Governance:** reviewing and strengthening the governance structure in relation to modern slavery risk; better defining accountabilities and responsibilities for managing modern slavery risk.
- **Risk Assessment:** Strengthening the current risk assessment methodology for operational and supply chain activities, including engagement with business partners, financial investors, joint venturers.
- **Risk Management:** enhancing existing risk management processes and tools.
- **Training:** increasing capability through role-specific training to accompany existing training for those responsible for modern slavery risk management activities.
- **Collaborations:** leveraging good practice, engaging and working collaboratively with global industry partners, peers, government, and non-government organisations.

These opportunities for improvement will guide future activities.

Our approach and commitment

We respect and uphold the human rights of our people and those impacted by our operations and business relationships in the communities in which we operate.

Our approach to human rights is based on internationally recognised standards and codes, including the United Nations (UN) Guiding Principles on Business and Human

Rights, the Universal Declaration of Human Rights and the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work.

Our Code of Business Conduct (Our Code) and Human Rights at Work Policy provide information on grievance mechanisms available to report a concern or a breach of Our Code or relevant legislation in the countries we operate, including access to an independent, confidential and multilingual 24 x 7 Speak-Up service.

Our commitment to human rights is enshrined in our Code of Business Conduct and our Human Rights at Work Policy.

CODE OF BUSINESS CONDUCT

Our Code applies to anyone who works for, or on behalf of, Orica, including directors, officers, employees, contractors, suppliers, and consultants. It clearly outlines our expectations for individuals to understand and follow the specific requirements of Our Code, demonstrate our values, and comply with relevant laws and regulations and any additional Orica policies, standards or procedures.

Our Code is shaped around our values including our commitment to respect and value all. We expect individuals and entities to which Our Code applies to ensure they:

- respect the rights of others
- uphold human rights at work
- work with and support our communities.

HUMAN RIGHTS AT WORK POLICY

Our Human Rights at Work Policy applies to our business, and all third parties we deal with, including suppliers, customers, community partners and contractors, and sets out the core principles that applies to work locations in a global context.

Our principles include the rights of individuals to:

- a workplace free of discrimination and harassment
- a healthy and safe workplace
- appropriate pay and working hours
- freedom of association
- collectively or individually bargain, and join, or not join, a legally recognised trade union or third-party representative organisation
- choose employment freely.

DEVELOPING A RESPONSIBLE SOURCING STATEMENT

As our supply chain activities can give rise to social and environmental impacts, Our Code and Human Rights at Work Policy apply to all our suppliers.

This year, we also drafted a standalone Responsible Sourcing Statement, outlining our expectations of suppliers concerning ethical behaviour, human and labour rights and the management of social and environmental impacts. Our Responsible Sourcing Statement will be published in FY2022 and will apply to all current suppliers.



Governance and oversight

Orica's Board, through the Board Audit and Risk Committee, has oversight of our material compliance risks, including Ethics and Compliance risks (which incorporates modern slavery).



MODERN SLAVERY RISK GOVERNANCE FRAMEWORK

ORICA'S BOARD

The Board has ultimate oversight of compliance with modern slavery legislation for the Orica Group.

BOARD AUDIT AND RISK COMMITTEE (BARC)

The BARC is a sub-committee established by the Orica Board to assist with the effective discharge of the Board's responsibilities in relation to the matters set out in its Terms of Reference. This includes reporting to the Board and taking reasonable steps in its oversight of:

- the adequacy of the processes and systems in place across the Orica Group to ensure legal and regulatory compliance
- the effectiveness of the processes and systems in place for detecting, reporting and preventing inappropriate business conduct.

BUSINESS CONDUCT COMMITTEE

The Business Conduct Committee enables management to assist the BARC by overseeing the promotion of our values in our workplace culture, reporting to the BARC and taking reasonable steps to ensure:

- policies (including Our Code), standards and procedures on conduct, ethics and compliance matters, are implemented and effective
- the adequacy and performance of the business conduct program, systems and procedures to enable people to raise concerns confidentially and securely in accordance with the Orica Whistleblower Policy, and
- responses to those concerns, including any investigation processes, are appropriate and commensurate.

WHISTLEBLOWER PROTECTION ADVISOR

Our Whistleblower Protection Advisor:

- provides information and assistance to whistleblowers or people considering reporting
- reviews and provides advice to investigators on how to implement practical steps to protect whistleblowers from detriment
- escalates matters to the Business Conduct Committee where appropriate.

BUSINESS CONDUCT TEAM

Our Business Conduct team receives all reports made through the Speak-Up service and all reports raised internally by our employees involving allegations of non-compliance with Our Code. The Business Conduct team reviews all reports and:

- for those reports where an investigation is required, assigns each report to an appropriate responsible person for investigation and maintains oversight of investigations and any resulting actions
- for reports not requiring investigation, refers the reporter to an appropriate manager, functional contact or alternative source of information to address their concerns, and
- provides ongoing reporting to the Business Conduct Committee.

MODERN SLAVERY WORKING GROUP

Our Modern Slavery Working Group has global, cross-functional representation and comprises senior leaders with accountability for their individual functions. The Working Group includes representatives from Corporate Affairs (Sustainability), Ethics and Compliance, Finance, Global Supply Chain, Human Resources, Legal and Risk and Assurance. Orica's Senior Vice President Discrete Manufacturing and Supply Chain is the Executive sponsor of modern slavery risk.

The Working Group oversees our approach to managing modern slavery risks across the Group and has responsibility for and oversight of day-to-day implementation of our approach within the respective business functions.

In addition to our BARC, our Safety and Sustainability (S&S) Committee oversees our broader sustainability approach. The S&S Committee assists the Board in the discharge of its responsibilities, allowing detailed consideration of health and safety, environment, sustainability, community and security issues.

Managing risk

RISK MANAGEMENT SYSTEM

Our Risk Management System is critical to the delivery of our strategic objectives. The need for a defined Risk Management System is amplified due to the current strategic and operational challenges we face and the increasing degree of scrutiny on risk practices by regulators. Our Risk Management System:

- helps drive alignment between our strategy and business decisions taken
- supports the management of risks in accordance with our risk appetite set by the Board.

Our enterprise Risk Management Framework is applied across all regions and functions and provides for the ongoing identification, assessment and mitigation of material risks. Risks are grouped into the respective profiles which are reviewed and agreed by relevant Executive Leadership teams. An aggregated view of these risk profiles, and any progress on key actions to improve the mitigation of individual risks, are reported to the BARC.

Our Risk Appetite Framework has been approved by the Board, together with a suite of risk appetite statements covering our material risk categories. The approved risk appetite statements include quantitative key risk indicators and risk limits to enable performance to be measured and monitored. Modern slavery risk is covered within our Ethics and Compliance risk appetite statement.

As modern slavery risk forms part of our material operational risk (ethics and compliance), our performance in managing this risk is reviewed by the BARC.

IDENTIFYING POTENTIAL FOR MODERN SLAVERY RISKS IN OUR OPERATIONS

We conduct business activities in countries with a heightened risk of modern slavery and adverse human

rights impacts. Our modern slavery risk profile for operations remains unchanged from FY2020.

Activities that may pose a risk across our operations have been broadly identified (described in Table 2). As part of our future program of work, we will be refining our risk identification methodology to enable activities requiring further due diligence to be prioritised.

Table 2: Profile of modern slavery risk across our operations

Modern slavery risk in operations by type	FY2021 Modern slavery risk profile
Operations and/or offices in countries with heightened human rights risks ³	We have operations and/or offices located in countries with heightened human rights and modern slavery risks, including China, the Democratic Republic of Congo and Papua New Guinea.
Non-operated joint ventures	We have a number of non-operated joint ventures located in high-risk countries.
Equity investments in entities operating in countries with increased human rights risks	We have a number of equity investments globally, and some of those investments are located in high-risk countries.
Customers operating in countries with increased human rights risks	We are a supplier of products and services to customers located in countries with heightened human rights and modern slavery risks. While downstream risks are not included in the scope of the Australian Act, due to the nature of our product, we already have a significant risk assessment and screening process in place for customers as part of our Country Entry procedures.

3. High risk as identified by Orica's country risk score, developed using data from the Global Slavery Index, International Trade Union Confederation Global Rights Index, US Department of States Trafficking in Persons Report and Unicef's Child Labour data.





MANAGING MODERN SLAVERY RISKS IN OUR OPERATIONS

With a large and complex footprint, our operations are supported by robust systems and prudent practices. Due diligence activities occur prior to new business activity, such as entering a new country or engaging with a new business partner.

Strengthening the ongoing due diligence related to identifying and managing the risk of modern slavery and human rights impacts across operational activities will be a focus in FY2022 and addressed as part of our ongoing program of work.

Country entry procedure

Many of our new growth opportunities are in countries with heightened operational, security, compliance and reputational risks, including modern slavery and human rights. Our country entry procedure is the main tool for managing these risks. For countries where the risk can be managed within our defined appetite and we elect to enter and undertake business activities, the procedure ensures risks are identified and mitigating controls are developed to manage those risks.

The country entry procedure is applied prior to:

- entering into customer relationships, either directly or via a third party, in a country where we have not conducted sales in the prior two-year period, or
- establishing a presence in country where we do not currently have a presence, including:
 - creating an entity
 - locating human resources, including contractors, or
 - establishing a new capital investment/facility, such as joint ventures, mergers and acquisitions and capital projects, including customer sponsored capital expenditure.

Under the procedure, a detailed application must be made to an internal endorsement committee where potential risks, including human rights risks, are considered before final approval by the Chief Executive Officer and other relevant Executives.

Business partner screenings

Prior to the engagement of a business partner, defined as “any person or entity which interacts with other parties on behalf of Orica or Orica-controlled entities”, a set of due diligence activities are undertaken to identify critical operational, security, compliance and reputational risks.

This screening process is undertaken internally by the Ethics and Compliance team. Identified high-risk business partners may be subject to additional due diligence.

Engagement with high-risk business partners requires approval from the relevant Regional Ethics and Compliance Manager who will also provide advice on any additional measures required to mitigate identified risks.

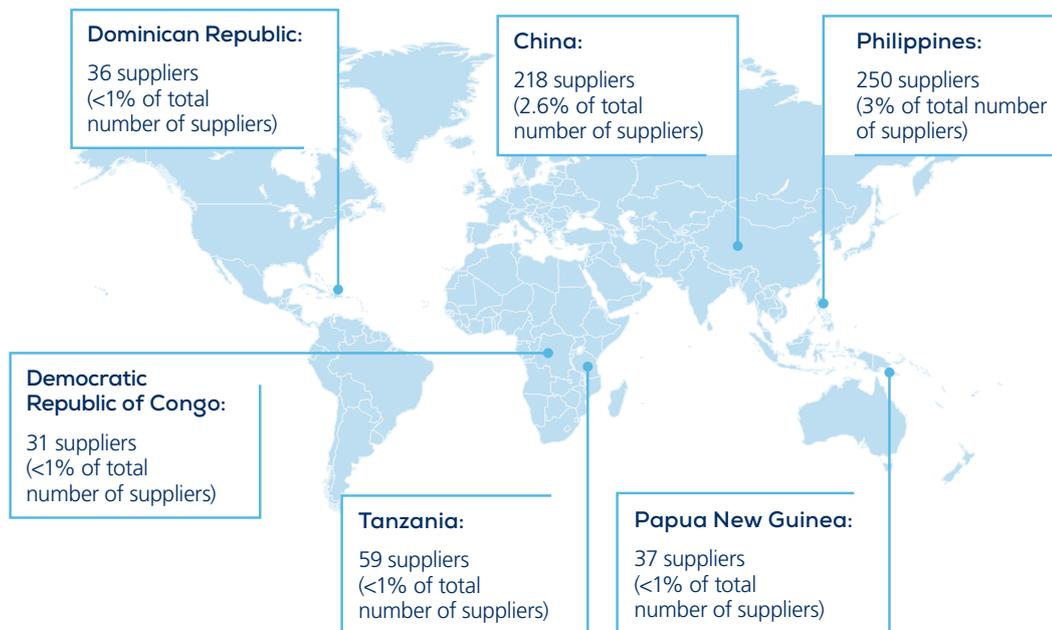
IDENTIFYING POTENTIAL FOR MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

To better understand areas in our supply chain where there is high potential risk of modern slavery, we assess our suppliers against the following risk factors:

- Country of incorporation: we have suppliers located in countries associated with a heightened risk of modern slavery practices (see Figure 1)
- Category of supply: we procure goods and services associated with higher rates of modern slavery being present⁴. These include:
 - Bulk (raw materials, including chemicals)
 - Electronics
 - Component parts and consumables

4. Determined by referencing external indices and data published by the International Labour Organisation, United States Department of Labour, Verite, and Global Slavery Index on modern slavery risks for commodity/products/services, vulnerable worker populations and countries of export.

Figure 1: Orica's high-risk suppliers, by country of incorporation



- Personal protective equipment and safety gear
- Transport and logistics services (including road and sea freight)
- Facilities maintenance services (including cleaning)
- Security services
- High-risk business models: business models that rely on sub-contracted or third-party labour may have a higher risk of modern slavery and introduce complexity into our supply chain. Our risk assessment model considers the use of sub-contracted labour.

MANAGING MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

Our supplier selection process involves qualification procedures to ensure all qualified suppliers meet our safety, sustainability, compliance and performance criteria.

In FY2021, we undertook several activities to improve the due diligence processes in our supply chain. This included the development of our Modern Slavery Risk Management Plan (Risk Management Plan), which provides practical guidance and supporting tools for identifying and managing modern slavery risks through the procurement process. The Risk Management Plan and tools were tested for their effectiveness and practicality with selected suppliers as part of a pilot program. (See 'Testing our Risk Management Plan and Tools – Modern Slavery Risks in Supply Chain Pilot' on page 18)

Supplier self-audit and pre-qualification questionnaires

To support the implementation of the Risk Management Plan, supplier questionnaires were developed for existing suppliers while for prospective suppliers, a prequalification questionnaire was created to be included in the competitive sourcing process.

These questionnaires enable us to better understand specific areas of risk within a supplier's operations and/or supply chain and provide an understanding of whether a supplier:

- operates in high-risk locations
- relies on seasonal, contract, foreign or otherwise vulnerable workers
- has policies and processes in place to address human and labour rights risks through its recruitment processes and workplace practices, including having a confidential grievance mechanism through which workers can raise concerns
- has policies and processes in place to manage risk in its supply chain.

These responses are assessed by our supply chain and procurement teams, with mitigating actions developed and implemented as required by our Risk Management Plan.

Reporting, investigation and remediation

REPORTING CONCERNS AND BREACHES

Incidents or concerns involving suspicions or allegations of modern slavery, or a failure to uphold human rights, as set out in Our Code, can be reported by all stakeholders to a confidential Speak-Up service hosted by an independent third party. Reports can be made at any time and in multiple languages using a hotline or the Speak-Up service webpage. Reporters have the option to remain anonymous.

Our Whistleblower policy sets out the protection provided to reporters and seeks to create an environment where people feel safe and are encouraged to report breaches of Our Code or other wrongdoings. This policy outlines our commitment to ensuring the identity of reporters remains confidential and they do not suffer any detrimental outcomes as a result of making a report. People considering reporting can also discuss confidentiality and legal protections with our Whistleblower Protection Advisor.

Individuals within Orica who are authorised to accept a report can do so in any form and discuss the reporter's concerns with them.

In FY2021, there were no reports received of alleged conduct that would constitute a breach of our Human Rights at Work Policy or the relevant laws (including modern slavery).

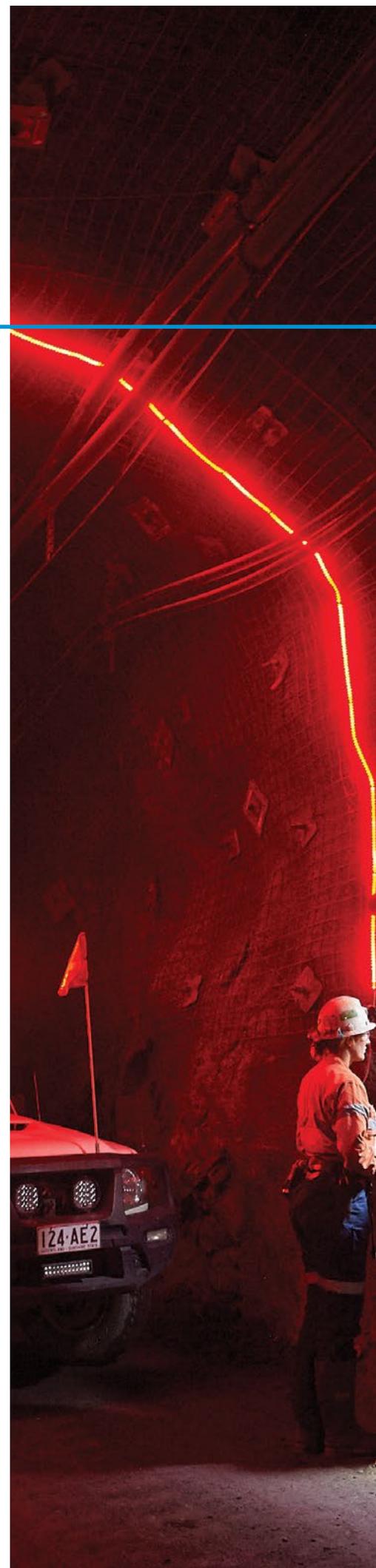
INVESTIGATING POTENTIAL ISSUES AND PROVIDING REMEDY

All reports are taken seriously and are acted upon in accordance with the principles and processes outlined in the Reporting and Investigations procedure of Our Code. When a concern or incident is reported, either through the Speak-Up service or directly, it is assessed and investigated to determine if there has been wrongdoing, a breach of Our Code or illegal activity. Depending on the nature of the report, it may be investigated by an external provider or by an authorised person within Orica.

In all instances, we identify and comply with applicable laws. The following principles are also embedded in our investigation response:

- investigations are thorough and completed in a timely manner
- we act impartially and with objectivity
- we respect confidentiality and privacy
- people reporting concerns are protected from reprisal.

Where we identify a potential situation of modern slavery, we are committed to acting in the best interest of impacted individuals and providing remedy where appropriate.





Training and capability development

Building the awareness and capability of our employees to identify and mitigate modern slavery in our operations and supply chain is vital.

In FY2022, we will complete a modern slavery training needs analysis across our business and further refine our training approach.

As part of our Supply Chain Pilot in FY2021, 26 employees within our supply chain and procurement teams undertook modern slavery training. The training was delivered in two parts:

- an external course, 'Tackling Forced Labour in Businesses', designed to give

our staff an understanding of the issue of modern slavery

- an internal course, 'Managing Modern Slavery Risk in Orica's Supply Chain', which focused on giving our teams confidence in: understanding modern slavery risk, managing modern slavery risk with existing and new suppliers, and ongoing due diligence and tracking of supplier performance.

TRAINING ON OUR CODE OF BUSINESS CONDUCT (OUR CODE)

The way we work is governed by Our Code. All employees and contractors who are subject to the requirements of Our Code complete mandatory training upon joining Orica and complete refresher training every two years. The content of the training varies with each refresh, ensuring our people receive training in all aspects of Our Code, in due course. Content about our reporting mechanisms and protection for reporters remains constant in our training modules.

Training is available online and face-to-face, depending on the degree to which individuals have access to our network systems. For those without access (including some contractors and plant workers in remote locations) training is provided face-to-face by management with the support of regional training leads. Records for employee and contractor completions are retained in their learning profiles.

Assessing effectiveness

Our primary objective this year was to assess our approach to managing modern slavery risk.



A comprehensive gap analysis, commissioned through a leading sustainability consultancy, Point Advisory, identified opportunities for enhancements across our modern slavery risk management approach. This included governance and accountabilities, policies, processes and grievance mechanisms for operations and supply chain.

In addition to the broader gap analysis, our Modern Slavery in Supply Chain Pilot also helped to determine the effectiveness of

our Risk Management Plan. Similarly, while the Risk Management Plan was a step forward in the way we approach modern slavery in our supply chain, the findings indicate opportunities for improvement.

As we work in the coming years to strengthen our foundations by implementing actions to address our gaps, we will continue to review and assess the effectiveness of our policies, processes and procedures in line with emerging best practice.

TESTING OUR RISK MANAGEMENT PLAN AND TOOLS: MODERN SLAVERY RISKS IN SUPPLY CHAIN PILOT

In July 2021, a Modern Slavery Risk in Supply Chain Pilot (Supply Chain Pilot) was launched to test the usability and effectiveness of our newly created Modern Slavery Risk Management Plan (Risk Management Plan) and supporting tools. As part of the pilot, our supply chain and procurement teams received training on modern slavery, including how to identify and manage modern slavery risks.

Suppliers and prospective suppliers operating in high-risk regions (such as Africa and Asia) and/or high-risk product/service categories (such as transport and logistics) were selected to participate in the Supply Chain Pilot with 36 suppliers engaged. This enabled the entire Risk Management Plan to be tested, including the actions required to manage risk through the source to contract process and contract management process.

Of the engaged suppliers, 40 per cent returned their questionnaires in a timely manner. The remaining suppliers provided feedback on why they were unable to complete the questionnaires, which included the questionnaire not being available in local language and inadequate time provided for completion. Some suppliers elected to provide copies of internal policies outlining expectations for responsible and ethical behaviour in their operations and supply chain.

No critical issues relating to labour or modern slavery were identified in the responses received. 85 per cent of suppliers who responded to the questionnaire indicated policies and processes were in place in their businesses to manage modern slavery/human rights risks and evidence provided. Feedback was also received from our employees on how to strengthen the process.

The Supply Chain Pilot provided valuable insight on making our Risk Management Plan and our tools more effective, including:

- providing supplier questionnaires in local languages
- ensuring the questionnaire is streamlined and effective in identifying risks within a suppliers' operations and supply chain
- ensuring those responsible for assessing questionnaires are fully equipped to identify risks and understand how to develop effective risk mitigation actions and controls to address risks.

These findings and actions have been incorporated into our improvement planning and will be addressed as part of ongoing work in FY2022 and beyond.

Looking ahead

Eradicating modern slavery across the world will require ongoing, dedicated and collaborative effort. We are proud of our progress to date but we recognise there is more to do.

We are committed to improving how we protect the people who work within our operations, and across our supply chain, and have identified three future focus areas:

1. STRENGTHENING OUR FOUNDATIONS

We will develop a roadmap to address the gaps and opportunities identified through the gap analysis.

From an operational perspective we will:

- a. explicitly embed modern slavery into key corporate governance documents such as Our Code
- b. strengthen our governance structures by better clarifying responsibilities and

accountabilities to address modern slavery risk

- c. better integrate modern slavery risks into existing risk management processes.

From a supply chain perspective this means:

- a. using supplier and staff feedback to refine the Modern Slavery Risk Management Plan for supply chain, including tools and training
- b. finalising and publishing the Responsible Sourcing Statement
- c. continuing to engage our highest-risk suppliers (existing and prospective) to complete a modern slavery questionnaire and to address any issues that arise.

2. BUILDING TRAINING AND CAPABILITY

We will conduct a modern slavery training needs analysis across all levels and further refine our training approach and program.

3. COLLABORATING

We will do our part in eradicating modern slavery by engaging and working collaboratively with industry partners, customers, peers and government and supporting the work of non-government organisations, where possible as well as leveraging emerging best practice to improve our performance.



CONSULTATION AND APPROVAL PROCESS

Orica operates and is managed as an integrated group with overarching policies, standards, systems and processes designed to be consistently applied to our controlled entities. In accordance with our operating model, our consultation process included engaging:

- our Modern Slavery Working Group which continues to evolve our response to modern slavery. The Working Group includes representatives from Ethics and Compliance, Global Supply Chain, Legal, Risk and Assurance, Finance, Human Resources and Sustainability
- each of the Reporting Entities covered by this Statement to confirm alignment of due diligence processes across the business (noting that some Reporting Entities are part of the Orica Group and operate as a consolidated group supported by various functional teams such as Global Supply Chain)
- regional teams, including regional supply chain teams.

Prior to being put to the Board for review and approval, the Statement was reviewed by each member of the Modern Slavery Working Group, Group General Counsel and Chief Compliance Officer, Chief Communications Officer, Vice President

Supply Chain, Company Secretary and Senior Vice President Discrete Manufacturing and Supply Chain.

This Statement has been approved by the following Boards:

- Orica Limited on behalf of the Reporting Entities other than Orica Mining Services Pilbara Pty Ltd on 10 November 2021, and
- Orica Mining Services Pilbara Pty Ltd on 12 November 2021.

Sanjeev Gandhi
Managing Director
and Chief Executive Officer
Orica Limited

Germán Morales
Chairman of the Board
Orica Mining Services Pilbara Pty Ltd



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