

## Financial Year 2023

### Executive Summary and message from our CEO

This is CR's fourth Modern Slavery Statement to share our understanding of the modern slavery risks and our efforts to address these throughout our value chain. Modern slavery is a global issue and our progress in FY23 continues to ensure that our employees and business partners operate with respect for human rights and reject modern slavery.

Our commitment to respecting and supporting human rights is aligned to the UN Guiding Principles on Business and Human Rights. Our Values of Integrity and Respect empowers us to 'do the right thing', which is in this case, working collaboratively to eradicate the many forms of modern slavery, such as forced labour or child labour, that exist.

Our progress in Financial Year 2023 led us to understand and control modern slavery risks, not only at our business locations and supply chains, but also throughout the wider industry and sectors, and across our regional and country participation.

This statement is for CQMS Razer Pty Ltd (referred as "CR") and applies to our global operations and suppliers of CR which CR has managed during Financial Year 2023. This statement is core to our management systems and is fully supported by the Board of CR.



John Barbagallo

Chief Executive Officer

*This statement has been made with approval of CR's Board of Directors and is endorsed on their behalf by John Barbagallo in his role as Chief Executive Officer of CQMS Razer Pty Ltd*

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## 1. Reporting Entity and Structure

This Modern Slavery Statement is prepared by CQMS Razer Pty Limited (ABN: 11 010 402 990), an Australian Proprietary Company, CR is a global IP, engineering, software, and manufacturing company, delivering innovative, Digital and Productivity Technology to large surface and underground mining operations around the world.

We are a collaborative partner with the many of the global miners, delivering solutions that improve mining productivity, asset availability, and ESG outcomes around the globe.

As a leader in engineering innovation and manufacturing of mining equipment, our product range includes hydraulic excavator cast lip systems, load haul optimization software systems and other digital technology solutions, dragline buckets, ground engaging tools (G.E.T), dragline rigging, conveyor systems and fixed plant wear products.

## 2. Consultation and Approval Process

This Statement has been prepared by members of the CR Group executive management team.

While our Statement has primarily focused on the reporting entities of CQMS Razer Pty Ltd, we are expanding our analysis, reporting, and risk management approach to the broader CR Group, as outlined in Section 3 of this statement.

The Statement has been reviewed and approved by the CR Board of Directors, which oversees the operations of all entities that form part of the CR Group.

## 3. Operations and Supply Chains

### 3.1. Our Business

CR engineers advanced mining products and digital solutions for surface and underground mining equipment, fixed plant, and wear parts. Its advanced physical and digital solutions are designed to help our mining customers unlock productivity, enhance safety, and reduce maintenance requirements.

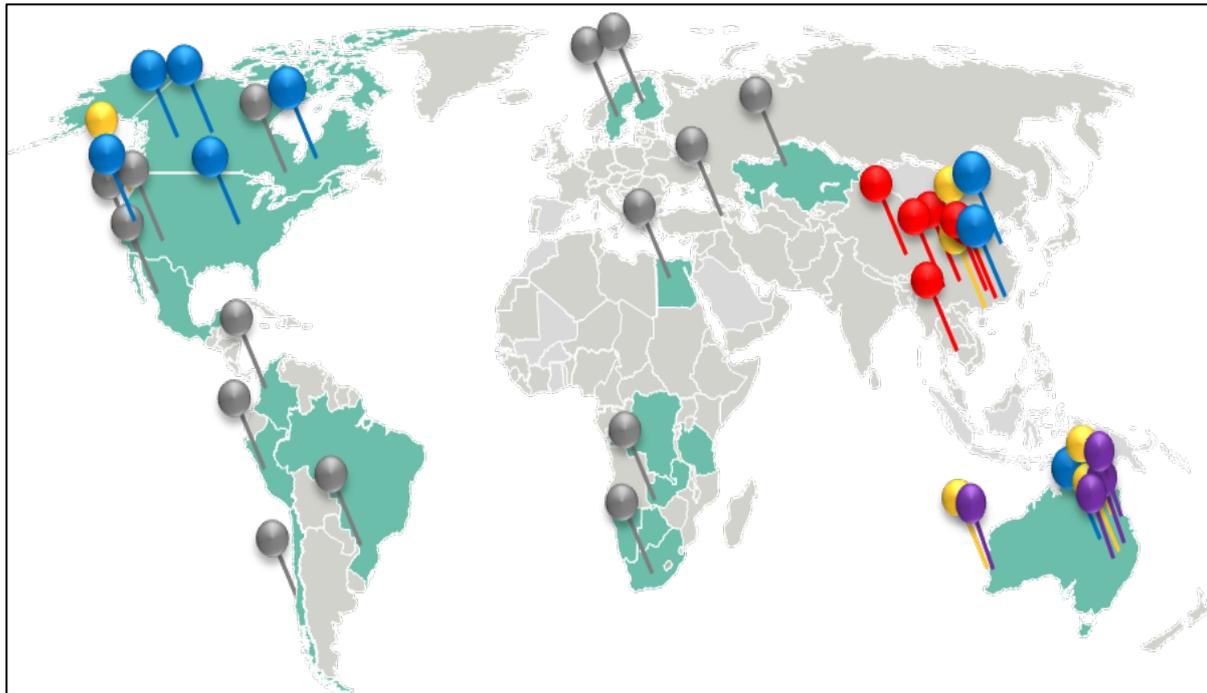
The CR business has a leading range of mining equipment and technology includes lips, GET, dragline buckets and rigging, conveyor systems, fixed plant wear products, plate block and wear, and digital solutions – from payload management to GET monitoring.

CR’s core manufacturing activity is the production of alloy steel castings. Fabrication, assembly, and repairs on equipment are undertaken in CR’s operational facilities.

### 3.2. Locations

We operate globally covering most major mining regions, with our headquarters in Australia. Our owned foundry in Australia, as well as partner manufacturing facilities are distributed throughout China and Vietnam. Our digital solutions team is based in Brisbane and Perth within Australia.

- CR Offices
- CR Facility/Warehouse
- 3PL Providers
- Dealer Partners
- 3<sup>rd</sup> Party Foundries
- CR sales footprint



**Figure 1 : Our Locations**

### 3.3. Our people

CR’s total global workforce is approximately 440 full-time equivalents with offices in Australia, USA and China and representatives across South America and EMEA, and Vietnam.

At CR we have a diverse global workforce of people with broad and diverse capabilities, spanning graduates, corporate support and sales professionals, manufacturing employees through to technology experts. The workforce is comprised mostly of direct employees, with a small number of specialist contractors.

We have a global employment procedure that complies with all local laws as a minimum and covers core employment conditions such as minimum wages, hours of work, and leave entitlements. In many aspects, it also provides conditions and employment processes that go beyond what is required by local law.

We ensure our people are treated fairly in matters that impact their employment and make sure they receive ongoing support during their employment with CR, as described below:

#### 3.3.1. Employee Assistance Program

CR has engaged a Global Employee Assistance provider offering confidential support to team members for emotional and psychological well-being both in the workplace and in their personal lives. At CR we strive to adopt a more proactive, preventative approach to workplace mental health and assist in creating a culture of care and engagement.

#### 3.3.2. Engagement Surveys

The CR engagement survey is an important opportunity for our team members to have their say about how they feel about working at CR. It is important that as an organisation we gain an understanding from our employees of their perceptions of CR and an opportunity to provide their ideas and feedback on how we can improve our workplace.

This engagement survey is conducted every two years and team members provide their views in a guaranteed confidential setting.

### 3.3.3. Whistle-blower Hotline

At CR we strongly encourage employees, contractors, and other stakeholders to speak up about their issues and concerns through management, human resources, or our anonymous feedback hotline.

Our Global Speak Up confidential hotline is available to applicants, volunteers, trainees, CR employees, contractors, suppliers, and customers. It offers an avenue for sharing concerns anonymously about the business or an individual's behaviour.

### 3.4. Our Supply Chain

By supplier, CR means any entity that supplies goods or services to CR or its related companies anywhere in the world.

Our supply chain is centred in Australia, China, North and South America and in Vietnam. CR's Procurement function manages our supplier relationships in partnership with our subsidiaries as required.

Our largest category of supplier spend is finished product purchases. These items are produced in CR owned facilities, managed, and run by CR and through contract manufacturing, where production is undertaken to detailed CR specifications.

## 4. Modern Slavery Risks

To identify and understand our modern slavery risks, CR referred to the 'Guidance for Reporting Entities' prepared by Australian Border Force, as well as other important resources as follows:

- a. 2018 Global Slavery Index by Walk Free Foundation
- b. IBISWorld Industry Research
- c. Modern Slavery Risks, Rights & Responsibilities by ACSI
- d. US Department of Labour List of Goods Produced by Child or Forced Labour

### 4.1. Risks in Sector and Industry

CR Mining delivers innovative products and services that support the productivity objectives of the global mining and resources sector. Our leading range of mining equipment and technology includes lips, GET, dragline buckets and rigging, conveyor systems, fixed plant wear products, plate block and wear, and digital solutions. In saying so, we operate in two sectors: Manufacturing and Technology, within industries pertaining to Iron and Steel Casting, and Software respectively.

Referring to the Modern Slavery Key Facts and Figures by Australian Border Force, we acknowledge that modern slavery risks are linked to certain sectors such as hospitality, agriculture, textiles production and some types of manufacturing because of their characteristics and processes, such as low skilled labour or dependency on outsourcing.

While we supply to the mining industry, CR does not directly operate in the mining and resources sector. We also acknowledge that this sector has intrinsic modern slavery risks. According to Modern Slavery Risks, Rights & Responsibilities by ACSI, Mining was one of the five ASX200 sectors considered to be high-risk for modern slavery.

### 4.2. Risk in Operations and Supply Chains

Many of our products are proudly manufactured at our foundry in Maryborough, Australia. Also, our two fabrication centres in Mackay and Newcastle, both located in Australia, offer a range of fabrication and remediation services. Our digital solutions are developed by our in-house engineering team largely based in Brisbane, Australia.

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The remainder of our products are manufactured as per our contractual agreements with external suppliers based in China and Vietnam who provide us with finished products as per our specifications.

CR operated steel casting foundry and fabrication centres require operational staff for manufacturing and process maintenance, as well as external contractors for activities such as cleaning and waste management. CR implements a consistent recruitment procedure for all employees and across all geographic regions. This recruitment procedure is further described in the next section, but is essentially a process shaped by our values, and has formal approval gates to ensure our policies and procedures are followed, hence is structured to address modern slavery risks by design.

We, however, acknowledge that the following products and services that we purchase may have higher risk of modern slavery, as we do not have direct control over all aspects of these supply chains:

Product / Service Category	Summary of Utilization and Risks
Raw Materials and Consumables	Raw materials and consumables are required for the manufacture of our products such as steel scrap, chromite sand, binders and catalysts, electrodes, bricks, paint and washes, timber, tungsten. Some of these materials are imported from China, Vietnam, South Africa, and India, USA, Germany, South Korea, Taiwan, Mexico, Czech Republic, France, Finland, which are ranked 111, 77, 110, 53, 158, 134, 137, 165, 114, 108, 136 and 149 respectively as per the Prevalence Index Rank for Modern Slavery Risks (Global Slavery Index 2018).
Capital Goods	Goods such as rubber used at our operational facilities to manufacture products may be linked to modern slavery because of the way it is produced or supplied to us.
Contracted Services	Contracted services are required for activities such as cleaning and waste management at our offices and operational facilities. Although these contractors are employed in Australia, USA and Canada which are low risk countries, they may not abide by local labour laws and are also high-risk industries for modern slavery prevalence.
Operations and Office Equipment	Equipment such as electronics which are a key part of our offices may be manufactured in China which ranks 111 out of 167 as per the Prevalence Index Rank. Electronics import from China and Malaysia is among the top 5 imported products in Australia at risk of modern slavery as per the Global Slavery Index 2018. Equipment such as PPE and uniforms may be produced or contain cotton fibres from high-risk countries like India and Vietnam.
Logistics	CR uses air, land, and sea freight to move our products between our manufacturing facilities and warehouses. There is a risk that these logistics companies in managing their own workforce, may not abide by the local laws and contribute to modern slavery.

We employed a holistic approach to identify modern slavery risks throughout our supply chain, including our contract suppliers in China and Vietnam. We acknowledge the presence of modern slavery risks at these supplier facilities who may serve multiple clients apart from us and may not have stringent and robust employment policies and procedures in place like CR's, as we do not fully control these facilities. Due to this reason, risks due to ill-practices such as forced labour and child labour may be present at these facilities.

### 4.3. Geographic Risks

Our operational facilities, offices and warehouses are in Australia, USA, Canada, and China. While Australia, USA and Canada are among the low-risk countries in terms of modern slavery risks, we acknowledge that not a single country is devoid of them as they are deeply rooted in supply chains. However, as per US Department of Labour List of Goods Produced by Child or Forced Labour, we acknowledge that China is one of the prevalent countries for using child or forced labour in certain industries and sectors, including electronics, textiles, and construction materials. Our suppliers do not operate in these industries, but we acknowledge the risks in the country.

## 5. Addressing Modern Slavery Risks

### 5.1. Due Diligence

CR's supply chain have different modern slavery risks depending on various factors, including the level of human rights protection and enforcement within the jurisdiction they are located. We use certain risk assessment tools to assess and monitor our exposure to such risks so we can proactively manage and respond quickly. Some of the tools we use include 3<sup>rd</sup> party supplier audits covering modern slavery and social and labour responsibility, internal yearly social and labour responsibility auditing within our supply chain, Supplier Code of Conduct policy and training, and mutual Supply Agreements which include the provision of Anti-Slavery Laws.

#### 5.1.1. Recruitment and labour-hire

We have a recruitment process to help ensure:

- All recruitment decisions are consistent with the CR company values
- The process is consistently and fairly applied
- We act in accordance with the principles in our diversity and inclusion policy.

We have a formal recruitment procedure for both our permanent and contingent workforce that all recruiters (including agencies) are required to follow.

To enable our leaders to build a more diverse and inclusive workplace, we have updated our recruitment procedures to support our goal of greater gender, age, and cultural balances.

Our recruitment procedure has formal approval gates to ensure our policies and procedures are correctly followed. This includes verifying candidates' identity and evidence to confirm their right to work status and generating contracts that comply with these policies and procedures.

#### 5.1.2. Our Supply Chain

CR supports human rights as defined in the Universal Declaration of Human Rights as well as commits to comply with the UN Global Compact.

Our commitment includes providing a fair, safe, and healthy working environment and not tolerating or supporting the use of child labour, forced, or compulsory labour throughout our supply chain.

The contract manufacturing facilities are closely monitored by CR and are supported by CR employees physically located at each facility. They not only report on operational compliance of the suppliers, but also potential Modern Slavery related risks.

The challenge of ensuring we avoid any involvement in modern slavery throughout our Supply Chain is significant, and we are pleased to advise we do not source any products out of the top 10 countries (reference to 2018 Global

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Slavery Index) with the highest prevalence of modern slavery. We are committed to continuing to evolve and improving our approach to reject modern slavery within our supply chain and mitigate any developing risks. According to the 2018 Global Slavery Index, the 10 countries with the highest prevalence of modern slavery are North Korea, Eritrea, Burundi, the Central African Republic, Afghanistan, Mauritania, South Sudan, Pakistan, Cambodia, and Iran.

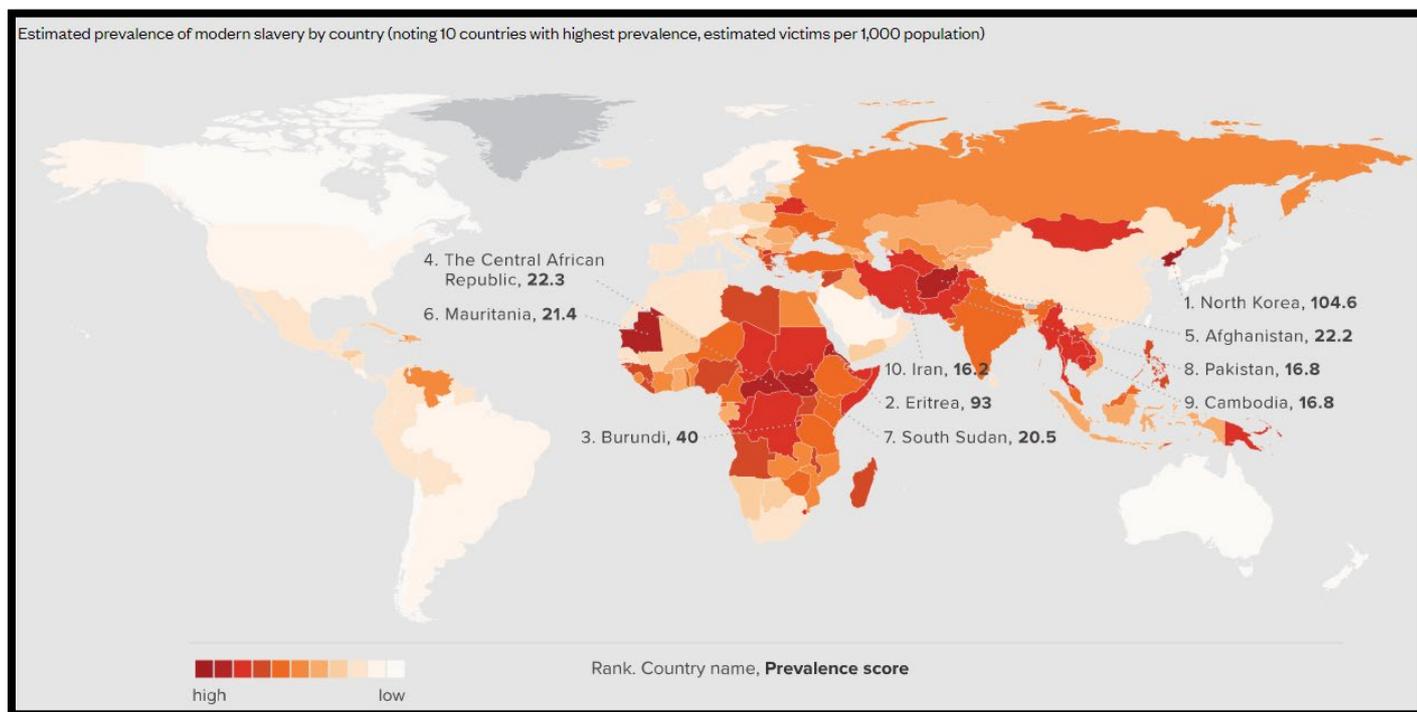


Figure 2 : Top 10 countries with highest prevalence of modern slavery (Modern Slavery Index 2018)

### 5.1.3. Supplier Governance

CR’s supplier governance covers all Supplier risk types (listed below) to ensure business continuity, driving compliance to ethical and regulatory standards. This framework is supported by a range of indicators and our policies, including Company Code of Conduct, OH&S, HR, Environment, Quality, Privacy, etc.



Figure 3: Supplier risk types

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Under this, we will work through structured audit and review processes with our suppliers to assess whether they are meeting our standards. Where we identify concerns about supplier performance, we will engage with the supplier, seeking constructive dialogue and remediation of non-compliance with our standards.

We require our suppliers to have processes in place for managing their own risks and are expected to work with us to meet our minimum standards. Where suppliers are unable to satisfy us that they have appropriate risk management controls in place, or are unwilling to share this information, we may take further action, such as engaging supplier senior management to implement a remediation plan or terminating the contract.

#### 5.1.4. Supplier Code of Conduct

We proactively communicate CR's and Epiroc's Values and Epiroc's Company Code of Conduct to our employees and supply chain business partners to ensure the behavioural standards for everyone who works for or on behalf of CR complies to the highest ethical standard. To drive a stronger focus on supplier behaviours, our Supplier Code of Conduct (SCOC) sets out the minimum standards of behaviour that CR expects its suppliers to meet in the areas of labour and human rights, health and safety, environment, business integrity, privacy, and diversity.

The SCOC is aligned with the United Nations (UN) Global Compact ten universally accepted principles, Responsible Business Alliance (RBA) Code of Conduct, and other internationally recognised standards. The SCOC also reflects our commitment to support the UN's Sustainable Development Goals.

CR expects suppliers to read, understand and ensure that their business and supply chain meet the standards outlined in the SCOC. Suppliers should communicate the SCOC to related entities, suppliers and subcontractors who support them in supplying to CR, so that they are aware of, understand and comply with the SCOC too.

Suppliers' ability to meet or exceed standards detailed in the SCOC will be considered by CR when making procurement decisions. This will happen regardless of whether the SCOC has been formally incorporated into a particular contract with the supplier.

By supplier, CR means any entity that supplies goods or services to CR or its related companies anywhere in the world. Where the SCOC refers to workers, this includes employees, contractors, agency, migrant, student, and temporary staff of the supplier and its related entities.

CR works with our suppliers to positively influence their environmental, social, and ethical performance. With the introduction of the Supplier Governance, it will include assessing potential modern slavery risk and we will devote effort to deepen our understanding of the specific types of human rights risks associated with areas we do business in. Based on our supplier risk analysis, we will prioritise our assessments of our suppliers' performance, including human rights performance based on risk.

#### 5.1.5. Child Labour and Young Worker Policy

Although all our previously mentioned actions to address modern slavery risks covered all types of modern slavery, we identified child labour to be the biggest issue across sectors and industries and one of the most common forms of modern slavery. Hence, this policy was released as a declaration to our commitment and responsibilities towards prohibition of child labour, protecting Young Workers and ensuring compliance with the United Nations International Labour Organisation (ILO) Conventions 138 and 182 pertaining to Child Labour, and compliance with child labour related requirements set out in national laws wherever applicable.

### 5.2. Remediation

#### 5.2.1. Grievance Mechanism

We encourage everyone to speak up and act if they have any concerns about unethical, illegal, or improper behaviour through the processes documented in the CR Grievance Procedure. Confidential and anonymous reporting is handled internally through our Whistle-blower Hotline independently managed by the Human Resources Department, or alternatively, reporting may be made via our Global Speak Up-Line, where all communication and follow-up will be handled at Group level and persons appointed by Group Compliance.

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## 6. Monitoring the effectiveness of actions

This statement outlines our steps to ensure modern slavery is not taking place in our business and supply chains. We are not suggesting we have solved all challenges to drive compliance. Instead, we believe our existing policies and processes provide important measures to help drive progression. The Supplier Code of Conduct reflects our commitment to support the Modern Slavery Act. We have ensured all relevant front line group supply employees have read and signed to acknowledge their understanding and commitment to compliance. Since we have introduced the inclusion of the Supplier Code of Conduct into the CR Supply Agreement template, we have been progressively implementing this revised Supply Agreement on new and due-for-renewal contracts throughout the CR supply chain.

### 6.1. Assessment, Effectiveness and Accomplishments in FY23

#### 6.1.1. Modern Slavery training in Learning Management System

During FY23 CR Mining was acquired by Epiroc. As part of commencement of integration into the Epiroc processes, all CR employees have now completed the Epiroc Code of Conduct training which includes training on Modern Slavery aspects.

In FY23, we are not aware of any Modern Slavery complaints through our complaints processes, whistleblower hotline and management review processes. We will continue to monitor, manage, and report on a range of internal indicators which are used to assess the effectiveness of our responsible business programs and performance.

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## 7. Future Work

### 7.1. Business Partner Reporting

CR will work towards implementing our parent company Business Partner Reporting processes, including:

- Aligning with the Epiroc Business Partner Code of Conduct
- Performing onsite and digital audits and
- Determination of Significant Suppliers.