

# IPL MODERN SLAVERY STATEMENT 2022





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# A MESSAGE FROM OUR MANAGING DIRECTOR & CEO

Each and every year throughout Incitec Pivot Limited's global operations and supply chain we reaffirm our commitment to respecting human rights and addressing modern slavery risks in our operations and supply chain.

This year I'm pleased to present our third Modern Slavery Statement. This Statement provides details of the risks of modern slavery in our operations and supply chain, the actions we are taking to address these risks, as well as our future plans.

IPL is a leader in supplying the resources and agriculture sectors with a footprint in many countries on different continents – and it is our responsibility to ensure that modern slavery has no place in our business and has no presence in our supply chain. Our company values signify the standards we hold and reject any notion of modern slavery.

We need to continue to work with our stakeholders and this year has seen a marked increase in our collaboration and engagement with third parties. Being aware of what others are doing is crucial to ensure we are staying on top of new and emerging issues.

One key initiative this year was the establishment of a cross-functional Human Rights Working Group to promote a collaborative and holistic approach to managing human rights and modern slavery risks across the IPL Group. The Working Group will lead the ongoing development and delivery of this important program of work. They will also provide advocacy and support for business units and functions to increase ongoing awareness and adoption.

Another important development across the business was building the capacity and capability within our organisation to understand, identify and manage modern slavery risks. To this end, we have rolled-out a new modern slavery general awareness e-learning module across our global operations. We have also commenced delivering specialised training to our procurement and supply chain teams.

Being our third reporting year, it was also an opportune time to review the maturity and effectiveness of our approach to managing human rights and modern slavery risks. To support this, we engaged a specialist consultancy to conduct an independent review of our program and a risk assessment of our operations and supply chain. The recommendations from this review will form the basis for a roadmap which will guide our activities for the next three years.

I am extremely proud of the efforts of our teams to strengthen our approach throughout the past year amidst the backdrop of a constantly changing local and international environment.

This is a global problem with a constant need for evolution. The changing landscape includes new and amended legislative and regulatory requirements that our teams not only need to be in step with but also ensure that any practical applications are implemented across the business.

I encourage you to read our Modern Slavery Statement as we continue to make progress on this important issue.



**Jeanne Johns**  
Managing Director & CEO



## FY22 HIGHLIGHTS



**Global roll-out of e-learning module**



**Delivered specialised training**



**Established Human Rights Working Group**



**Conducted external program review**



**Completed risk assessment & segmentation for 4,886 suppliers**



**Joined United Nations Global Compact**

## REPORTING ENTITIES

This joint statement is made by Incitec Pivot Limited (ACN 004 080 264) (IPL) and its wholly-owned subsidiaries Dyno Nobel Asia Pacific Pty Limited (ACN 003 269 010), Dyno Nobel Moranbah Pty Ltd (ACN 115 650 649), Incitec Fertilisers Operations Pty Ltd (formerly Incitec Fertilizers Pty Limited) (ACN 103 709 155), Incitec Pivot Fertilisers Limited (formerly Southern Cross Fertilisers Pty Ltd) (ACN 004 936 850), Incitec Pivot Explosives Holdings Pty Limited (ACN 124 351 328), Incitec Pivot Investments 1 Pty Ltd (ACN 130 242 090), Incitec Pivot Investments 2 Pty Ltd (ACN 130 242 045), and Dyno Nobel Pty Limited (ACN 117 733 463) (together with other controlled entities of IPL) in respect of the reporting period ended 30 September 2022.

IPL is an Australian Security Exchange listed company. During the reporting period, each reporting entity listed (other than Incitec Pivot Limited) was an Australian private company and a wholly-owned subsidiary of IPL. IPL also has equity interests in several joint ventures, including a 50% interest in a manufacturer of ammonium nitrate in Australia, Queensland Nitrates Pty Ltd (ACN 079 889 268), and manufacturers of initiating systems, Sasol Dyno Nobel (Pty) Ltd and DetNet South Africa (Pty) Ltd (DetNet), both in South Africa.

A full list of controlled entities of IPL is provided in Note 15 in Incitec Pivot Limited's Annual Report for the year ended 30 September 2022.

This Modern Slavery Statement (Statement) sets out the actions taken to identify and address modern slavery risks across our supply chain and operations during our third reporting year.

This Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (the Act).

## OUR APPROACH

Across all parts of the business, IPL takes its human rights obligations and responsibilities seriously and is committed to operating consistently with the United Nations Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

IPL's aim is to ensure the importance it places on upholding human rights is reciprocated across its business partners and suppliers throughout the value chain.

IPL takes a 'whole of company' approach to reviewing and addressing these obligations. Unless specified, references in this Statement to IPL, or to "we", "our" or "us" includes a reference to both non-reporting entities as well as reporting entities and each of the entities owned or controlled by each reporting entity.

# WHO WE ARE

## Group Overview

IPL is a leading supplier in the resources and agricultural sectors with an unrelenting focus on Zero Harm. With a team of 5800 plus dedicated employees, the Company adds value to its customers through manufacturing excellence, leading technology solutions, innovation and world class services focused on the needs of its customers. Sustainability is interlinked with IPL's strategy which is aimed at delivering sustainable growth and shareholder returns, while proactively managing those issues most material to the long-term sustainability of our business, the broader environment, and the communities in which we operate. IPL has an ambition of achieving Net Zero greenhouse gas emissions by 2050 or sooner if practical.

IPL operates through three business units, details of which are set out below:

- » Dyno Nobel Americas;
- » Dyno Nobel Asia Pacific; and
- » Fertilisers Asia Pacific.

Through Dyno Nobel, the Company plays a critical role in releasing the world's natural resources, to help build infrastructure and generate the energy we need to live in a modern world.

Through Incitec Pivot Fertilisers' 100-year heritage in Australian agriculture, IPL plays an important role in enabling sustainable food production to meet the rapidly rising demand for food around the world.

IPL leverages its nitrogen manufacturing expertise with a global approach to standards and processes, complemented and enhanced by regional oversight and operational discipline.

The Company has operations in Australia, North America, Europe, Asia, Latin America and Africa.

## Dyno Nobel Americas

The Dyno Nobel Americas business comprises three businesses:

- » Explosives;
- » Agriculture & Industrial Chemicals; and
- » Waggaman operations.

### Explosives

Dyno Nobel is the second largest industrial explosives distributor in North America by volume. It provides ammonium nitrate, initiating systems and services to the Quarry & Construction sector across the US; the Base & Precious Metals sector in the US mid-West, US West and Canada; and to the Coal sector in the Powder River Basin, Illinois Basin and Appalachia.

In North America, Dyno Nobel manufactures ammonium nitrate at its Cheyenne, Wyoming and Louisiana, Missouri plants. The Cheyenne, Wyoming plant is adjacent to the Powder River Basin, North America's most competitive thermal coal mining region and is well positioned to service Base & Precious Metals in Western US. The Louisiana, Missouri plant has a competitive logistic footprint from which to support mining in both the Illinois Basin and Appalachia, as well as Quarry & Construction in the US mid-West.

Initiating systems are manufactured at Dyno Nobel's facilities in Connecticut, Kentucky, Illinois, Missouri, Chile and Mexico, and are also sourced from DetNet South Africa (Pty) Ltd (DetNet), an IPL electronics joint venture.

### Agriculture & Industrial Chemicals

The Dyno Nobel Americas business manufactures and distributes nitrogen-based fertilisers in the United States from its St Helens, Oregon and Cheyenne, Wyoming plants.

## Waggaman Operations

The Dyno Nobel Americas business manufactures and distributes ammonia at its Waggaman, Louisiana plant in the United States. Ammonia produced at Waggaman is used in Dyno Nobel's manufacturing process and is also sold to third parties under long term contractual arrangements.

## Dyno Nobel Asia Pacific

Through Dyno Nobel Asia Pacific, IPL provides ammonium nitrate based industrial explosives, initiating systems and services to the Metallurgical Coal and Base & Precious Metals sectors in Australia, and internationally to a number of countries including Indonesia, France, Papua New Guinea and Turkey through its subsidiaries and joint ventures. Ammonium nitrate is often sold in conjunction with proprietary initiating systems and services.

Dyno Nobel is the second largest industrial explosives distributor in Australia by volume, which in turn is the world's third largest industrial explosives market. In Australia, Dyno Nobel primarily supplies its products to metallurgical coal mines in the east and to iron ore mines in the west.

In Australia, Dyno Nobel manufactures ammonium nitrate at its Moranbah ammonium nitrate plant, which is located in the Bowen Basin, the world's premier metallurgical coal region. It also sources third party ammonium nitrate including in Western Australia to service the Iron ore and Underground sectors.

Initiating systems are manufactured in Australia at Dyno Nobel's Helidon, Queensland facility and are also sourced from IPL facilities in the Americas and from DetNet (South African joint venture).

In FY22, the Group acquired 100% of Titanobel, a business which is highly complementary to Dyno Nobel's existing operations and provides access to new markets where Dyno Nobel can leverage its premium technology offering. Titanobel is a leading industrial explosives manufacturer and drilling, blasting and technical services provider based in France.

## Fertilisers Asia Pacific

IPL's Fertilisers business in Australia is the largest domestic manufacturer and supplier of fertilisers by volume.

Internationally, the Fertilisers business sells to major offshore agricultural markets in Asia Pacific, the Indian subcontinent, Brazil and the United States. It also procures fertilisers from overseas manufacturers to meet domestic seasonal peaks.

The Fertilisers business manufactures the following fertilisers at three locations:

- » Phosphate Hill: Di/Mono-ammonium phosphate (DAP/MAP);
- » Gibson Island: Ammonia (Big N), Granulated ammonium sulphate (GranAm) and Urea (noting planned manufacturing closure in early FY23); and
- » Geelong: Single Super Phosphate (SSP).

In FY22, IPL completed the purchase of the Easy Liquids (formerly Yara Nipro) liquid fertiliser business in Australia and acquired a majority stake in Australian Bio Fert Pty Ltd with the intent to construct a large scale plant and develop and deliver a new category of sustainable fertiliser. Each acquisition is aligned to the strategy of the business to be a soil health leader.

## Supporting functions

Our businesses are supported by functions covering various disciplines including health, safety & environment, human resources, risk management, sustainability, finance, procurement and supply chain, information technology, sales and marketing, legal and corporate affairs.

# Our Workforce

As at 30 September 2022, IPL's global workforce was comprised of 5,822 employees<sup>(1)</sup> and 930 contingent labour workers.

Country	No. of Employees <sup>(1)</sup>	% of Total	No. of Contingent Workers	% of Total	GSI 2018 Estimated Vulnerability to Modern Slavery (Overall Weighted Average (x/100))
Australia	2,052	35.2%	811	87.2%	4.3
Cameroon	4	0.1%	-	-	69.6
Canada	426	7.3%	33	3.5%	10.2
Chile	75	1.3%	-	-	25.6
France	377	6.5%	-	-	15.3
Indonesia	228	3.9%	-	-	50.5
Mexico	389	6.7%	19	2.1%	57.3
Papua New Guinea	45	0.8%	-	-	61.9
Senegal	34	0.6%	-	-	46.2
Singapore	6	0.1%	-	-	13.4
Turkey	248	4.3%	-	-	51.6
United States of America	1,938	33.3%	67	7.2%	15.9
<b>Totals</b>	<b>5,822</b>		<b>930</b>		

Our workforce performs a broad range of roles in both site- and office-based environments. These roles include engineers, project managers, administration officers, customer relations personnel, process technicians, site operators, and maintenance and warehouse personnel.



## Diversity, Equity and Inclusion

Our workforce is comprised of people from a diverse range of backgrounds including different cultures, ages and genders. We are committed to improving the diversity, equity and inclusion of our business and have retained a stretch target of improving female diversity by 10% year-on-year as well as a target of 3% Indigenous Australian employee representation. While these targets are specific to female and Indigenous Australian representation, IPL will also continue its focus on improving its workforce representation across the broader range of diverse characteristics in the 2023 financial year.

IPL's representation of women and Indigenous Australians across the organisation as at 30 September 2022 is reflected in the table below:

	FY22	FY21
Women on our Board	42.9%	42.9%
Women on our Executive Team	30.0%	37.5%
Women in Senior Management	21.0%	20.5%
Women in Management	20.1%	19.0%
Women in Professional Roles	23.7%	21.1%
Women in our Global Workforce*	18.5%	17.7%
Indigenous Australians in our Australian Workforce	2.9%	2.5%

\*includes all IPL's geographies

(1) Directly employed by entities which are 100% owned by IPL.



# Key Operations

## Incitec Pivot Limited

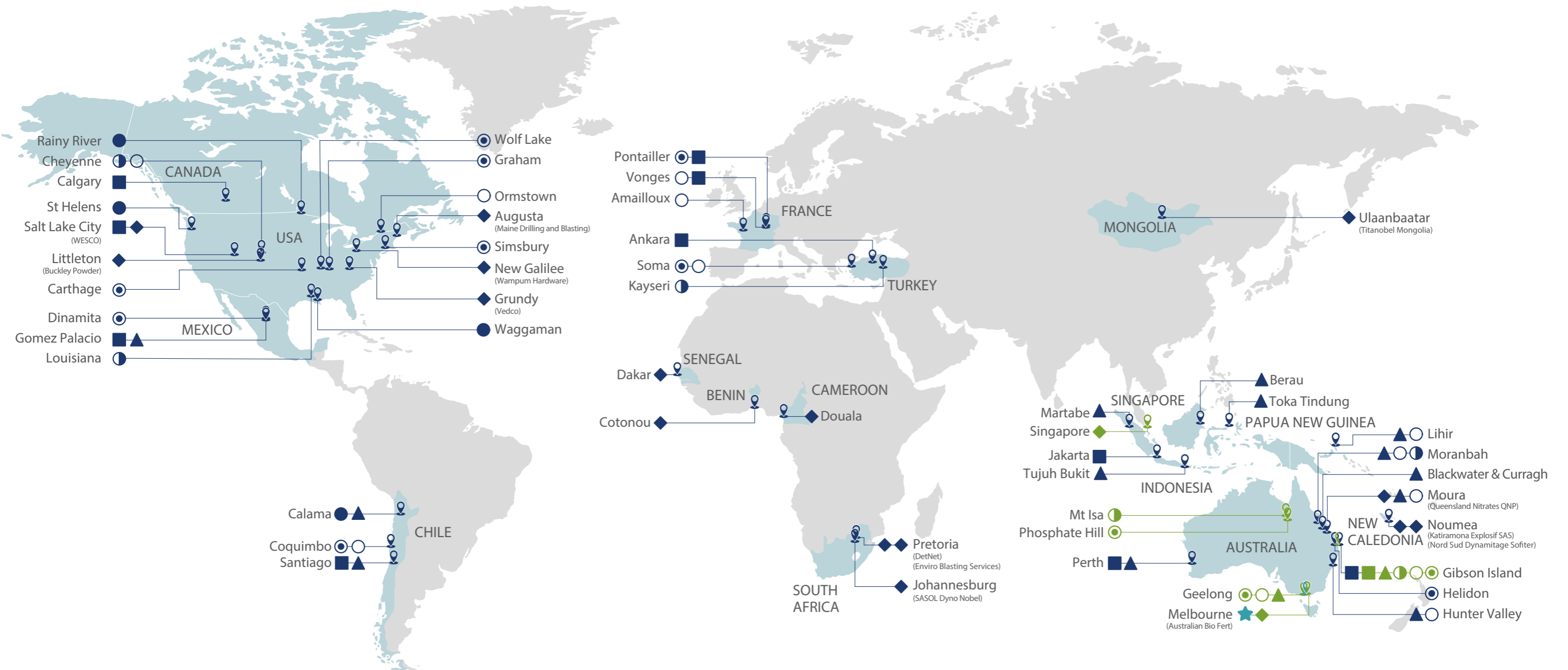
★ Company Headquarters

## Dyno Nobel

- Corporate Office
- Manufacturing/Distribution
- Emulsions
- ⊙ Initiation Systems
- ⦿ Ammonium Nitrate
- ▲ Explosive Services
- ◆ Joint Ventures/Investments

## Incitec Pivot Fertilisers

- Corporate Office
- Manufacturing/Distribution
- Industrial Chemicals
- ⊙ Agricultural Products
- ⦿ Feedstock
- ▲ Fertiliser Services
- ◆ Joint Ventures/Investments



1.4 million tonnes ammonium nitrate sold

2.5 million tonnes fertiliser sold

Operations across 6 continents

5,822 employees worldwide

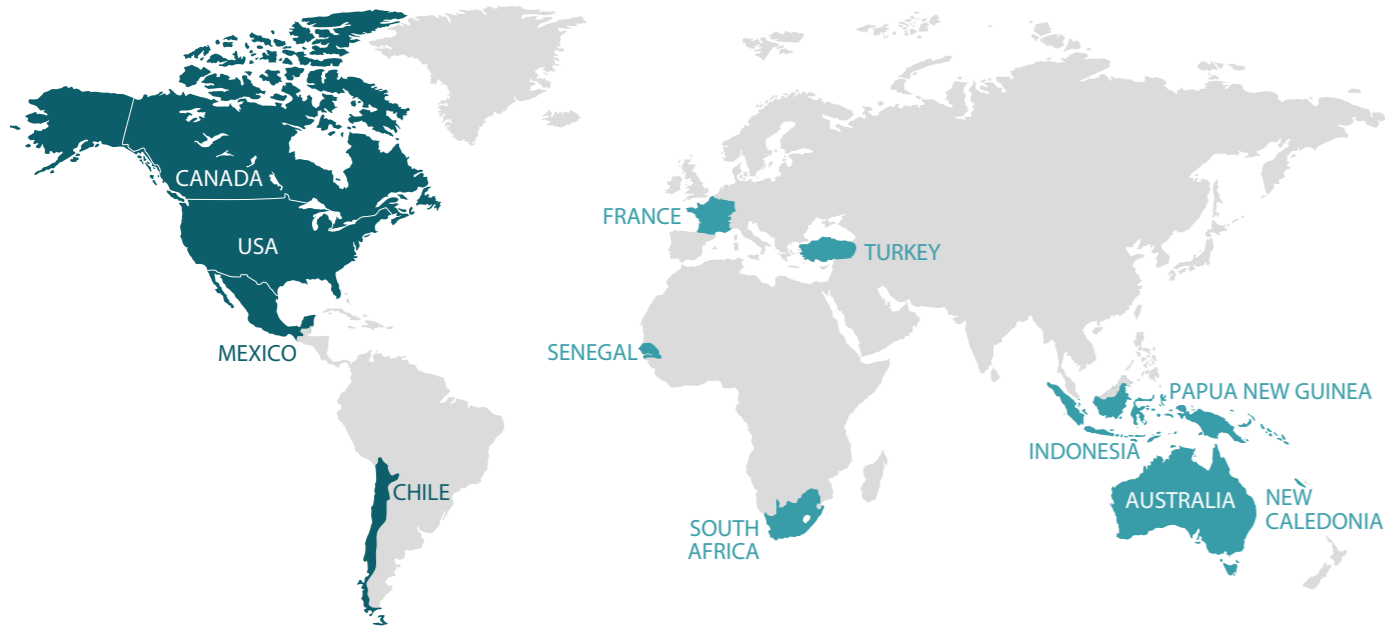
42.9% women on our Board

2.9% Indigenous Australians in our workforce



## OUR SUPPLY CHAIN

In FY22, IPL's regional procurement and supply chain teams engaged with organisations to supply goods and services to IPL across Asia Pacific and the Americas.



### AMERICAS REGION

**Total Spend US\$1.1b**  
**Total Suppliers 4,194**

#### Key spend categories

- Electricity, Gas & Water
- Catalysts
- Site Services
- Transport
- Explosives & Initiating Systems

**71% of suppliers are based in the USA,**

with other key suppliers being domiciled in Canada, Mexico, Chile, and Australia.

### ASIA PACIFIC REGION\*

**Total Spend A\$3b**  
**Total Suppliers 3,891**

#### Key spend categories

- Fertilisers
- Gas
- Transport
- Ammonium Nitrate
- Corporate

**65% of suppliers are based in Australia,**

with other key suppliers being domiciled in Indonesia, USA, Turkey, and France.

\*Includes Europe, Middle East and Africa (EMEA)





# Our Governance

## Corporate Governance

We are committed to doing business ethically and in accordance with high standards of corporate governance – which is fundamental to the continued growth and success of IPL, for our shareholders and other stakeholders.

### Corporate Governance Framework

IPL's Board of Directors is responsible for charting the direction, policies, strategies and financial objectives of the Company. The Board serves the interests of IPL and its shareholders, as well as other stakeholders such as employees, customers and the community, in a manner designed to create and continue to build sustainable value.

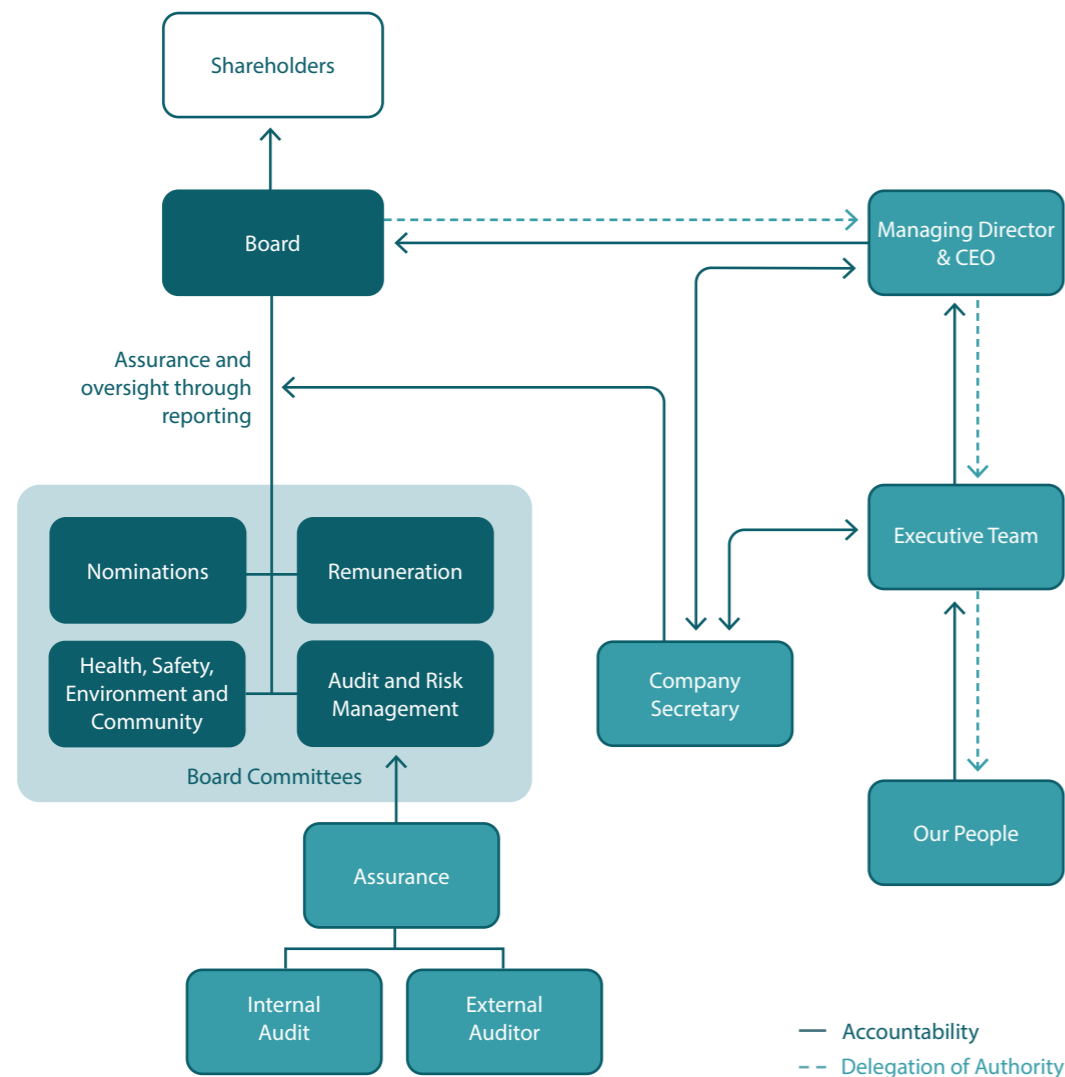
IPL's Board operates in accordance with its charter and has reserved certain powers for itself. The Board has established four standing Committees to assist the Board with effectively discharging its responsibilities:

- » Audit and Risk Management Committee;
- » Nominations Committee;
- » Remuneration Committee; and
- » Health, Safety, Environment and Community Committee.

The Board has delegated the day-to-day management of IPL, and the implementation of approved business plans and corporate strategies, to the Managing Director & CEO, who in turn may further delegate to senior management.

IPL's governance framework:

- » plays an integral role in helping the business deliver on its strategy;
- » provides the structure through which strategy and business objectives are set, performance is monitored, and risks are managed;
- » provides guidance on the standards of behaviour that IPL expects of people; and
- » aligns the flow of information and accountability from our people, through the management levels, to the Board and ultimately our shareholders and key stakeholders.



— Accountability  
 - - Delegation of Authority

In addition, we have two executive management committees which have oversight of ethical matters and sustainability which incorporates human rights and modern slavery.

## Ethics Committee

IPL's internal Ethics Committee is comprised of senior leaders, including the Managing Director & CEO (Chair), Chief Financial Officer, Chief People Officer, Chief Risk Officer and Group General Counsel.

The Ethics Committee has authority to provide oversight, advice, and direction on ethical matters across the IPL Group. In this capacity, the Ethics Committee is responsible for:

- » ensuring ethical policies and practices are implemented across the IPL Group as a standardised practice;
- » proposing, discussing and endorsing, as appropriate, changes to IPL Group policies or standards related to ethical behaviour;
- » reviewing and approving training materials and monitoring the training needs of the Group to ensure there is adequate understanding and competence with respect to ethical standards and behaviour expectations across IPL; and
- » satisfying itself that adequate controls and systems are in place to ensure compliance with ethical standards and that appropriate practices are in place to monitor and report on compliance with ethical standards.

The Ethics Committee meet at a minimum on a quarterly basis, approximately one month prior to the Audit and Risk Management Committee meeting. Modern slavery is a standing item on the Ethics Committee agenda and at each meeting a dashboard is updated reflecting progress against key performance indicators.

## Sustainability Steering Committee

IPL's Sustainability Steering Committee (SSC) was established in FY21. Chaired by our Managing Director and CEO and comprising executive management members, the committee provides executive oversight of the sustainability strategy and direction on the management of non-financial (ESG) issues material to the long-term financial sustainability of the IPL Group. This includes driving change across our business, enhancing our sustainability monitoring, as well as exploring trends and opportunities for improvement.





## Our policies

As part of our commitment to operating to the highest standards of ethical behaviour, we have a range of policies and practices that establish the expected ethical standards for directors, employees, contractors and third parties. These policies describe core principles designed to ensure ethical conduct is maintained in the interests of shareholders and other key stakeholders.

Key documents relating to our approach to human rights and the management of modern slavery risks are highlighted below:

IPL Anti-discrimination and Harassment Policy	This policy covers discrimination, workplace harassment and bullying, sexual harassment, and retaliation. IPL is an equal opportunity employer committed to the development of a diverse workforce where every employee is treated fairly and with respect, and individuals are recognised and rewarded for outstanding performance and given the opportunity to reach their full potential. An environment free of discrimination and harassment is an important factor in meeting these objectives and in providing a safe environment for our workforce.
IPL Code of Conduct	IPL's Code of Conduct sets out the Company's global code of business conduct. It sets out how we work and behave with one another and our stakeholders. IPL commits to upholding ethical business practices and to working within the law.  The Code applies to all directors, officers and employees of IPL. It also applies to each subsidiary and agents and contractors who work for IPL or act on our behalf.
IPL Diversity Policy	IPL's Diversity Policy outlines our commitment to being an inclusive and accessible organisation through the development of a culture that embraces diversity.  The Policy provides guidance for the development of the Group's Diversity Strategy and its relevant policies, programs and initiatives to promote and embrace diversity, within such strategy and the policies, programs and initiatives to be consistent with, and respectful of, local laws, practices and customs of the many countries in which the Group operates.
IPL Human Rights Policy	IPL's Human Rights Policy articulates the fundamental elements of IPL's approach to human rights and how IPL demonstrates its commitment to respect human rights in line with the Universal Declaration of Human Rights and other international frameworks.
IPL Modern Slavery Policy	IPL's Modern Slavery Policy defines the processes that identify and address modern slavery risks in IPL's supply chain and within IPL's own operations.
IPL Supplier Code of Conduct	IPL's Supplier Code of Conduct sets out the minimum requirements and expectations IPL has of its suppliers, to ensure they are operating safely, ethically, and in compliance with all applicable laws, regulations, and internationally recognised standards.  This includes expectations that IPL's suppliers will respect the human rights of their employees, provide safe working environments, ensure work is chosen freely without the use of forced labour or other forms of modern slavery, and respect employees' rights to freedom of association.
IPL Sustainable Communities Policy	This Policy guides our approach to community engagement, social investment, cultural heritage and working with Indigenous communities.
IPL Whistleblower Protection Policy (Global)	IPL's Group Whistleblower Protection Policy encourages IPL directors, employees and contractors to confidentially report unethical or illegal conduct and raise concerns regarding actual or suspected contraventions of ethical or legal standards, without fear of victimisation, reprisal or harassment.
IPL Whistleblower Protection Policy (Australia)	Due to the specific obligations and protections available under Australian law in relation to whistleblowers, IPL has also adopted an Australian Whistleblower Protection Policy as a supplement to the Group Whistleblower Protection Policy.
IPL Health, Safety, Environment & Community Policy	IPL's Health, Safety, Environment & Community Policy sets out our commitment to our Values of "Zero Harm for Everyone Everywhere" and "Care for the Community and our Environment".

These documents are accessible internally on IPL's intranet as well as externally on the [IPL website](#).

We also provide various training programs to raise awareness and support embedding our policies and procedures within the organisation. For instance, as part of the onboarding process all new IPL employees are introduced to the Code of Conduct and associated workplace behaviour policies through mandatory training within the first 30 days of employment and refreshed periodically. In Australia, the mandatory workplace behaviour training is also assigned to contingent labour, where appropriate.

IPL has prioritised our global safety leadership program – SafeTEAMS which underpins our commitments to Zero Harm with a refreshed approach to include Psychological Safety. This program commenced roll-out in FY21, along with a newly developed APAC Frontline Leadership Program which amongst other systems guides our leaders on the HSEC Management System, tools and procedures. We address specific awareness of the environmental impact and obligations of our sites through this program in addition to other targeted training.

Modern slavery-specific training is covered in the [Training & Capability](#) section.

## Our Values

The IPL Values were developed with input from employees across our Company and are endorsed by the Managing Director & CEO and the Group Executive Team.

Our values guide our attitudes, decisions and actions every day.

### Zero Harm for Everyone Everywhere

### Value people – Respect, Recognise & Reward

### Think Customer. Everyone. Every day.

### Treat the Business as our Own

### Challenge & Improve the Status Quo

### Deliver on our Promises

### Care for the Community & our Environment

## Code of Conduct

During 2022, IPL's updated Code of Conduct was released and rolled-out across the Group. The new Code provides a clearer picture of the company's expectations around ethical behaviours that we want to see in our dealings with each other, our employees, suppliers, customers and the communities in which we operate.

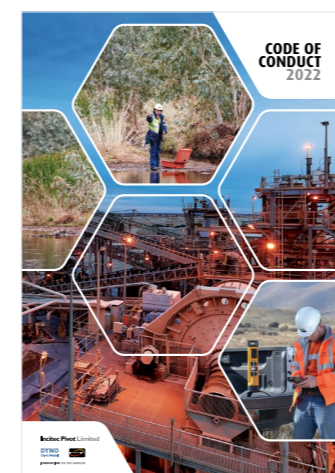
The Code is designed to demonstrate how the Company's Values and Guiding Principles should inform decision making across the Group to ensure the highest ethical standards are maintained. It sets out how IPL's Leadership supports the Code of Conduct and encourages our people to **Speak Up** if they experience behaviours in conflict with this Code or our Values.

The Code sets out in clear, simple language the Company's expectations and standards in relation to:

- » Caring for our People - We are driven by a belief in 'Zero Harm for Everyone, Everywhere'. We value the benefits of a diverse and inclusive company, which encourages and supports the contribution, ideas and perspectives of all;
- » Caring about our Community - We care for the environment and respect the local and Indigenous communities in which we operate. We respect the rights and dignity of our people working throughout our operations. We oppose forced child labour, slavery, and human trafficking;
- » Working with Others - We build trusted relationships with our suppliers and business partners through our reputation, governance, and commitment to the highest standards. Our personal and business interests never compromise our ability to make objective and responsible decisions;
- » Sharing Information - We value our personal and corporate security, to protect our assets, technology, and information. When we handle commercially sensitive and proprietary information, we behave ethically and responsibly; and
- » Protecting our Company - Make sure that our personal and business interests never interfere with our ability to make sound and objective decisions. We disclose information in an accurate and timely way, and respect and safeguard personal data.

The Code was launched by IPL's Managing Director and CEO and cascaded through the Group's Human Resources networks to all employees globally. A global online learning course has also been issued to all employees to help them understand the requirements of the Code and acknowledge their commitment to upholding its requirements.

The Code applies to all directors, officers, and employees of IPL. It also applies to each subsidiary, partnership, venture, and business association. This includes agents and contractors who work for IPL, or act on our behalf.







# RISKS

## Operations and Supply Chain

To build on our previous work and to deepen our understanding of salient human rights risks in our supply chain and operations, we conducted a comprehensive risk assessment of our global supplier base and operations. This assessment was conducted using a proprietary ESG analytics tool. Titanobel was not included in the assessment due to timing of the acquisition and subsequent onboarding activities.

IPL's overall geographic risk is considered medium to low as most of our own sites and our Tier 1 (direct) suppliers are based in Australia and the United States\*. There is a higher likelihood of IPL causing, contributing to, or being directly linked to modern slavery in geographies with a higher inherent risk, such as Indonesia, Turkey, Mexico, and Papua New Guinea.

Labour-related risks represent the area with the highest potential exposure for IPL. Based on existing policies, procedures, and other controls which are described in further detail in [Workplace relations](#), IPL considers the overall risk of modern slavery within our direct workforce to be relatively low.

In addition to our own labour force, areas of potential risk in our operations include partners, customers, and business development activities, including acquisitions and expansion into new jurisdictions. As our geographic footprint expands to new territories, so does our commitment to ensuring we are appropriately identifying and managing potential modern slavery risks and sharing best practice across our operations.

When IPL is considering acquisitions in new jurisdictions, we have conducted country risk assessments to compare any identified risks against IPL's current operating risks and risk appetite statement, and has commissioned ESG studies where appropriate.

IPL recognises that low risk does not equal no risk. The *2021 Global Slavery Estimates of Modern Slavery: Forced Labour and Forced Marriage* report released by the International Labour Organisation, the Walk Free Foundation, and the International Organisation for Migration in September 2022, found more than half of all forced labour occurring in either upper-middle income or high-income countries and 63% of forced labour cases occurring in the private economy (excluding commercial sexual exploitation).

## Dyno Nobel

As noted earlier, Dyno Nobel's operations are primarily engaged in the manufacture of explosives (including intermediate products such as emulsions), mining services, and distribution centres. The production of explosives has higher social compliance and environmental risks, with key drivers being health and safety, and risks of forced and child labour. Distribution services also carry higher social compliance risks due to the presence of temporary workers operating in this sector. This is an inherent risk in the transport and logistics industry.

Over 90% of Dyno Nobel's sites are in medium- or low-risk countries, such as Australia, the United States and Canada. Sites with higher risks are located in Indonesia, Turkey, Mexico, and Papua New Guinea.

Dyno Nobel's global supply chain spans 37 countries. 56% of these suppliers are located in Australia, 26% are in the United States, with the remaining 18% being spread across 35 other countries. In total, 63% of suppliers are in low risk countries, with 27% in medium and 10% in high risk countries.

Suppliers with a higher inherent risk fall within two main categories:

- » Provision of mined and manufactured products, such as compounds and mixtures, explosive materials, fuels, packaging materials, and manufacturing equipment
- » Provision of services that are labour intensive and/or which have relatively high health and safety risks. These include transport services, construction services, maintenance services, and mining services

## Incitec Pivot Fertilisers

Incitec Pivot Fertilisers' (IPF) sites are predominantly engaged in the manufacture of fertilisers, as well as corporate offices and distribution centres. The production of fertilisers has medium inherent social and environmental compliance risks. These risks primarily relate to health and safety issues, wages payment and environmental pollution. Distribution services may have higher inherent social compliance risks due to the relatively high percentage of temporary workers in the sector.

IPF's overall geographic risk is considered low, with all its own sites and over 90% of its suppliers being based in Australia - a country with relatively low social and environmental compliance risks. Approximately 1% of IPF's suppliers are in high risk countries, such as China, Malaysia, Vietnam, Morocco and Togo. These high-risk suppliers are primarily involved in the production of fertilisers and compounds, as well as the provision of services which are labour intensive and/or have higher inherent health and safety risks, such as transport services. The profile of workers (manual labour, lower skilled, temporary workers) and the use of temporary labour agents are other risk factors.

\* Supplier locations for both Dyno Nobel and Incitec Pivot Fertilisers are based on supplier information in our corporate procurement systems. These may reflect the locations of corporate and administrative offices, rather than the location/s from which products are sourced or produced and/or services are delivered. As such, we have also considered inherent risk of the products and services as well as the industry sector in assessing our risk exposure.



# ACTIONS

This section sets out IPL's actions to identify and address modern slavery risks during the reporting period. These actions are underpinned by our governance framework and policies which set out IPL's commitment to operating in an ethical, safe and sustainable manner.

## Human Rights Working Group

During FY22, IPL established a cross functional, multi-jurisdictional human rights working group (HRWG) to provide oversight, advice, and direction on IPL's approach to human rights and the management of modern slavery risks across the IPL Group. This includes:

- » overseeing the development and delivery of a group-wide program of work to promote human rights and identify opportunities to continually improve our management of human rights risks;
- » ensuring IPL has a consistent, transparent, collaborative, organisation-wide approach to identifying and managing modern slavery risks in its operations and supply chain in compliance with legislative and regulatory requirements;
- » providing a forum for thought leadership, guidance, and advice on human rights risk management within IPL; and
- » ensuring appropriate measures are in place to track, monitor and report on progress and the effectiveness of actions taken.

The Executive Sponsor is the Chief Strategy & Sustainability Officer. Members of the HRWG represent our business units as well as corporate functions including Corporate Sustainability, Group Risk, Procurement, Supply Chain, Human Resources, Strategy & Business Development & Major Projects, and Group Legal.

## Program review

IPL engaged a specialist consultancy to review the maturity and effectiveness of our existing approach to managing human rights, and to assess how this aligned with the expectations of the UN Guiding Principles on Business and Human Rights (UNGPs), IPL's strategic ambitions, and stakeholder expectations.

The process consisted of a comprehensive review of documents and management systems, as well as a series of stakeholder interviews to determine what is currently in place and how this has been adopted in practice. This encompassed both corporate and functional policies, procedures, and other relevant materials, as well as regional and business unit-specific items.

Upon completion of the work, findings and recommendations were presented to the HRWG and other key stakeholders, before being presented to members of the Executive Team. These recommendations have been used to develop a revised three-year roadmap and implementation plan of prioritised activities. The HRWG will oversee the delivery of this program of work, with progress being tracked and reported to relevant internal stakeholders and forums.

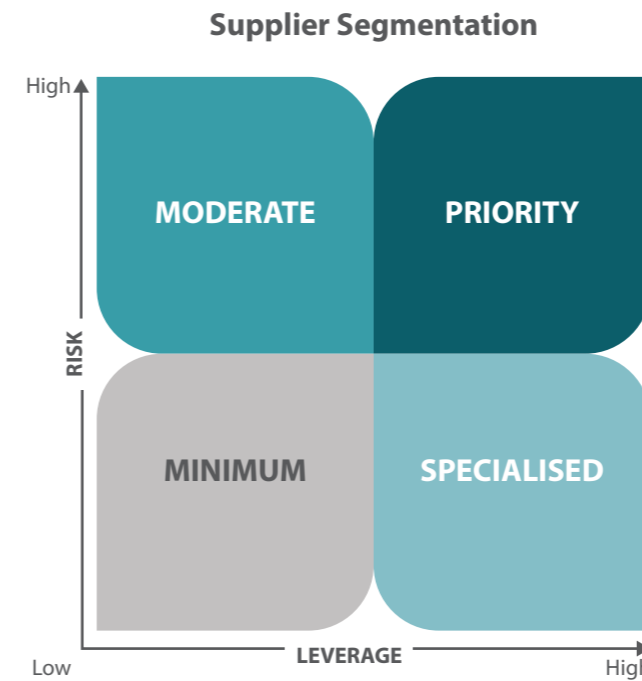


## Supplier Due Diligence

Throughout FY22, we continued to utilise existing risk assessment and supplier due diligence processes to identify, assess and manage modern slavery and human rights risks throughout the procurement lifecycle. These processes are supported by the use of third-party platforms, including Dow Jones Risk Centre, RightShip, and PurpleTRAC.

As part of the program review, we assessed the maturity and effectiveness of our supplier due diligence processes. The review highlighted various opportunities for improvement. These will be incorporated into the three-year roadmap and action plan which will be overseen by the HRWG.

Another output of the program review was a supplier risk assessment and segmentation exercise. As part of this, 4,886 suppliers were assessed based on their inherent risk, taking into consideration various factors including location and product risk, as well as spend profile and the nature and duration of the relationship. A proprietary tool which contains data from a range of ESG indices was used to support the assessment. Based on the results, suppliers have been segmented into four categories and prioritised accordingly for further due diligence activities. These activities will be tailored to each segment, consistent with our risk-based approach.



In conjunction with the overarching program review, we also evaluated the data, tools, and platforms being utilised to identify, assess and manage modern slavery and other ESG risks within our supply chain. We identified some limitations in how effectively two of these tools supported our current and future needs. To address these gaps, we have conducted a market review to identify alternative solutions which may be better aligned with our requirements. A trial of a third-party risk and analytics platform commenced in Q4 FY22. We will report on the outcomes of this trial in FY23.

## Third Party Audits

During FY22, we engaged an independent audit partner to conduct audits as part of our ongoing due diligence and risk management activities. These audits will be performed on our own operations as well as organisations within our supply chain. We will prioritise those sites which represent the highest risk.

The first audit of a supplier site was conducted in September 2022. The audit covered five key areas: Labour, Health & Safety, Environment, Business Ethics, and Management Systems. There was one Health & Safety finding where it was noted a Material Safety Data Sheet was not provided for a substance stored at the facility. A corrective action was raised with the supplier. The corrective action was completed in September 2022.

## Supply Chain Mapping

We recognise potential risks and issues are likely to exist in the lower tiers of our supply chain. This highlights the need to increase our visibility beyond our direct (tier one) suppliers.

To assist in better understanding the supply chain for the products and services we procure, APAC Procurement has commenced mapping products in the supply chain for our explosives category. We will undertake supply chain product mapping activities on a continuing basis.

## Contractual Terms & Conditions

With the exception of Titanobel, IPL's regional procurement contract templates contain modern slavery clauses. These templates also include obligations for suppliers to comply with other key requirements such as health, safety and environment, and applicable laws and regulations. Titanobel will commence updating its procurement contract templates to include modern slavery-related clauses in FY23.

## Other reviews and improvements

In addition to the overarching program review and risk assessment activities, we reviewed existing processes and documentation to ensure these were aligned to our approach.

During FY22, the *Procurement Policy* which applies to IPL's Australian incorporated companies underwent a major review. The revised policy was issued in July 2022. APAC Procurement also reviewed the suite of documents and templates which form part of its procurement framework. Some documents were amended to reflect modern slavery-related provisions.

In response to findings from an internal review in FY21, APAC Procurement also developed a *Procurement Risk Management Guideline*. Released in May 2022, this document provides guidance for team members in analysing and controlling risk exposures in the procurement of goods and services. This includes the risk of harm to people.



## Training and capability

A key focus area for FY22 has been building the capacity and capability of our personnel to identify and manage modern slavery risks in our supply chain and operations, and to integrate this into their ways of working.

### General awareness

To expand the reach of our general awareness training, we developed an in-house training package which is available in the native languages of the regions in which IPL operates. With the global roll-out of the new module, the training has been extended to a wider audience which includes, but is not limited to, regional and functional business leaders, human resources team members, site and operations managers, and project managers. In FY22, 459 people completed the e-learning module. This represents an 87% completion rate.

### FY22 Training Completions by Country

209	Australia
22	Canada
27	Indonesia
5	Chile
7	Mexico
164	United States of America
25	Turkey
459	TOTAL COMPLETIONS

In future, we plan to make a version of the module available to organisations in our supply chain to support their ability to identify, assess, and manage the risks of modern slavery in their operations and supply chain.

### Specialised training

During FY22, we engaged an external provider to develop and deliver a series of interactive workshops to provide more specialised training for our Procurement and Supply Chain teams due to their high interface with suppliers and ability to influence improved modern slavery risk management. These workshops will cover a range of topics, including:

- » ESG, human rights and modern slavery;
- » Responsible purchasing practices;
- » Supply chain mapping;
- » Supplier engagement and due diligence; and
- » Responding to and remediating incidents of modern slavery or exploitation.

The first workshop was delivered to procurement and supply chain teams in the Asia Pacific region in FY22, with the remaining workshops to be delivered in FY23. Workshops for procurement and supply chain team members based in the Americas will commence in early FY23.

Targeted training will also be delivered to our Human Rights Working Group in FY23.

### Training effectiveness

To ascertain the effectiveness of the new e-learning module and the targeted training for our procurement and supply chain personnel, we will be using Kirkpatrick Model Level 3 evaluations to analyse behavioural changes following completion of the training.

Assessing these changes will assist in identifying if the knowledge and skills taught in the training are being applied in the workplace. The responses will also assist in identifying any opportunities for improvement which may be required to further support our personnel.

## Chartered Vessels

IPL's Shipping Department has robust processes and controls to ensure it chartered vessels from reputable Ship Owners.

IPL performs various due diligence checks as part of its vessel selection and vetting processes to ensure compliance with global shipping regulations and standards, as well as a range of other parameters, including health, safety, and environment, reputation, operational performance, and financial performance. Crew well-being is a particular focus, particularly given the heightened risk to seafarers resulting from the impacts of the COVID-19 pandemic on the shipping industry.

IPL utilises various third-party platforms to support its vetting and ongoing monitoring processes. For instance, RightShip is utilised to review safety and performance of both Ship Owners and Management companies and enables IPL to put restrictions on Owners and Managers in the event of any adverse press in relation to incidents involving ships performance or poor treatment of crew. Other platforms used include PurpleTRAC, Dow Jones' Risk Centre, and Infospectrum.

When selecting vessels, IPL reviews current crew lists to identify where issues may arise due to excessive timeframes that crew have been onboard the vessel. Any such issues or potential issues are then raised with the Ship Owner to determine if a crew change prior to arrival in Australia is workable. If we are dissatisfied for any reason, we will not charter the ship.

In addition, chartered vessels are contractually required to have an International Transport Workers' Federation (ITF) agreement (or equivalent). The ITF works to improve conditions for seafarers and to ensure adequate regulation of the shipping industry to protect the rights and interests of workers. This includes the protection of human rights and payment of fair wages. Modern slavery provisions are also included in all contracts.

To date, no IPL ships have been detained by the Australian Maritime Safety Authority (AMSA) for crew non-payments or other issues.

## Workplace Relations

### Employees

All IPL employees' employment terms and conditions are set out in employment contracts governed by the laws and applicable industrial instruments of the jurisdiction in which we operate. IPL also has its own high standards that all employees are expected to abide by, that are at least as robust as government standards. Underpinning these in the APAC region, we have 19 Enterprise Agreements covering 41% of employees. In the Americas region, we have 11 Collective Bargaining Agreements covering sites in the United States, Canada, and Chile, with a few organising drives being conducted at the time of this Statement's compilation.

IPL engages in good faith bargaining and understands employees' right to appoint a third-party representative to enter into negotiations on their behalf, (i.e., unions). Our policies and procedures demonstrate support for the right to freedom of association and an environment free of discrimination and harassment in providing a safe environment for our people. As an equal opportunity employer, we are committed to the development of a diverse workforce where every employee is treated fairly and with respect.

IPL's human resources procedures across its operations contain controls to ensure risks of human rights abuses, including child labour and forced labour, are managed, having regard to the jurisdiction specific requirements and risks. These controls include proof of age, the requirement to provide security clearances in certain jurisdictions, and conducting right to work checks.

For third party contractor labour, minimum age and education requirements are stipulated with third party providers. For example, in Indonesia, the minimum age for recruitment of employees and labour hire contractors is 20 years old, with minimum education requirements set as senior high school for all direct employment positions, supported by copies of the candidate's ID and education certificate registered on the human resources records system.

IPL understands modern slavery exists at the extreme end of a continuum of exploitative practices, and substandard working conditions, such as the underpayment or non-payment of wages, may represent an indicator of modern slavery. IPL has robust processes in place to ensure employees are correctly paid.

Globally, these processes include rigorous checks and data validation for each pay run to ensure each employee's conditions of employment and entitlements are correctly reflected within the payroll system. Anomalies identified during the various checks are investigated, reported upon and addressed as appropriate.

Annual compensation reviews and external market comparisons are also conducted, and our US operations are fully compliant with Office of Federal Contract Compliance Programs compensation and Affirmative Action Plan requirements. In the APAC and Americas regions, IPL utilises a global grading team who are trained in the Korn Ferry Job Evaluation method. The tool serves as a mitigating control to ensure that employees are not underpaid, and are paid at competitive market rates.

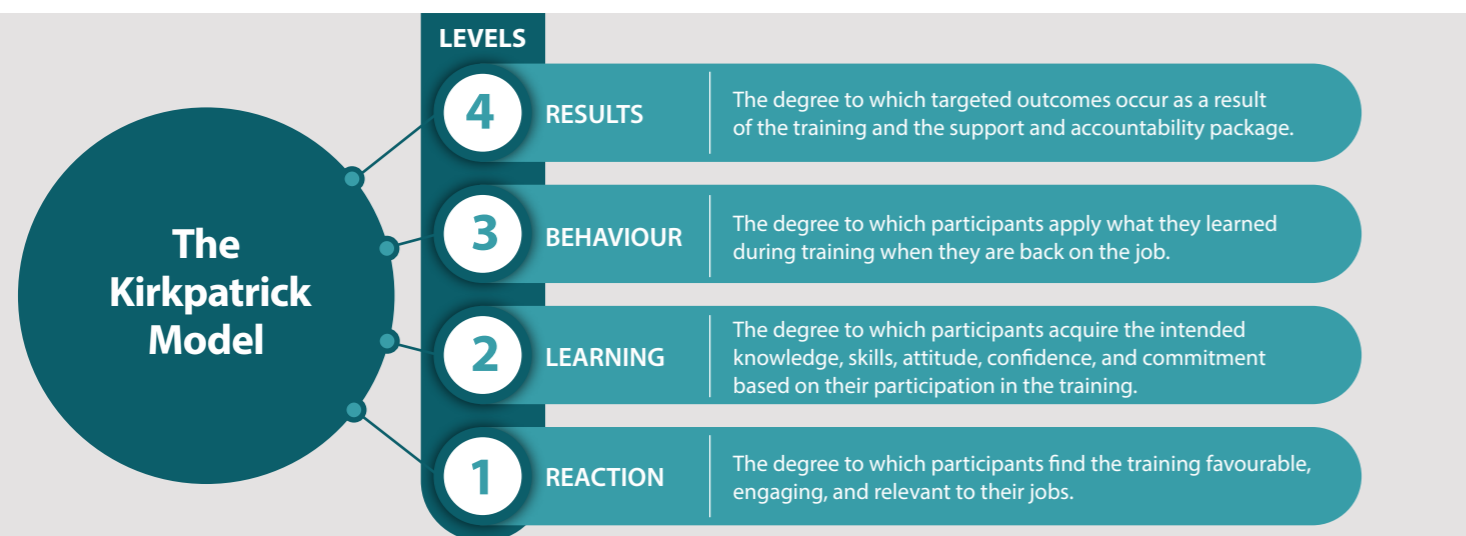
In Papua New Guinea, a pay restructure project is being undertaken where positions will be clearly defined to assist in ensuring compensation is reflective of an employee's role. This project will be running with an external provider to identify career pathways and training opportunities, and will establish equitable compensation ranges for positions. A large portion of the project was undertaken in FY22, and is expected to be completed in early FY23.

### Keeping Everyone Safe From COVID-19

Throughout FY22, we continued to operate in a COVID-19 environment with a key focus on both the physical and mental health and safety of our people.

This included the development of strategies to support our employees transition safely back to the office as lockdowns were lifted, ensuring business continuity, and supporting and encouraging vaccination of our workforce.

As we have been operating in a COVID-19 environment over the last two years, all required systems have been well integrated across our organisation. All reporting is now integrated into our standard HSE reporting protocols and monitored. The COVID-19 Crisis Management Team (CMT) was stood down in March 2022 and has the ability to be quickly re-instated if required.



Source: [www.kirkpatrickpartners.com/the-kirkpatrick-model](http://www.kirkpatrickpartners.com/the-kirkpatrick-model)



## Contingent Labour

IPL engages contractor and labour hire resources to supplement seasonal, maintenance and productivity demands which fluctuate to meet business requirements. These resources are used to perform a wide range of roles in both office- and site-based environments. The contingent labour portion of this supplemental workforce is categorised by non-specialised and non-specified requirements. There is minimal use of indirect/contingent labour in IPL's operations outside of Australia and North America. In compliance with local labour laws, no indirect labour is engaged in Turkey.

Our contingent labour workforce is engaged through third parties, which are responsible for sourcing, contracting, onboarding, and payrolling activities in compliance with the law.

In Australia and the Americas, contingent labour is managed through a panel of reputable pre-approved providers based in each respective region. IPL manages these suppliers as part of its ongoing contract management and supplier relationship management activities.

Contingent labour engaged by PT DNX Indonesia (DNX) is primarily base non-skill labour. DNX's human resources team is responsible for sourcing and screening candidates for these roles.

All identification and education documentation provided to DNX during the recruitment process is returned to the candidates. During the interview process, candidates are also asked if they have been required to pay recruitment fees to any third parties. Once successful candidates have been identified, they sign employment contracts with external labour hire agencies, which are responsible for ongoing administration and payrolling functions. DNX is responsible for the payment of all recruitment and management fees to the labour hire agencies. No instances of recruitment fees being paid by contingent workers were identified in FY22.

As noted in our FY21 statement, IPL will be implementing a global Contractor Management System (CMS) to enable improved onboarding and monitoring of contingent labour. The implementation was scheduled for Q4 FY22; however, this has been delayed. The implementation of the CMS will be rescheduled in conjunction with a proposed separation of the company's IT systems and infrastructure, ahead of a proposed demerger which is subject to final Board approval and shareholder and third party approvals.



## Dinamita Collective Bargaining Agreement

Dyno Nobel's Dinamita manufacturing plant has been operating since 1936. In the longstanding Collective Bargaining Agreement (CBA) governing the relationship between the plant and the labor union, it was stated that women were not allowed to be part of the union and therefore not permitted to work in the plant.

In September 2022, 86 years later, that finally changed when the CBA was negotiated to allow both men and women to be part of the union. In October 2022, the first group of women underwent induction and onboarding, to be ready and form part of the temporal workers used when production demand increases. We commit to affording women full equality in the plant.

The history of participation of women in the Mexico labor market is a complex situation for diversity and inclusion, not only at Dinamita, but also in all of Mexico. Longstanding cultural ideas and gender stereotypes often hold women back from full participation. To combat this, Dyno Nobel has undertaken a number of measures, including:

- » raising awareness and training managers and employees about equal opportunities and non-discrimination;
- » reviewing procedures for selection, hiring and promotion of personnel to eliminate all forms of discrimination;
- » reviewing eligibility criteria for benefits, such as promotions and pay raises; and
- » establishing rapid hotlines and regulated procedures to avoid discriminatory practices and workplace violence, including sexual harassment.

Encouragingly, this has resulted in an improved experience for female employees in Mexico, where 30% of the workforce is women. The Dyno Nobel Mexico Leadership Team has three women (out of eight members) and, of the seven managerial positions found in the Dinamita plant, four are filled by women.

## Grievance Management & Remediation

IPL is committed to a culture of compliance, ethical behaviour and good corporate governance that encourages the reporting of improper, illegal and unethical behaviour.

IPL Leadership encourages employees and contractors to speak up if they experience behaviours that conflict with the Code of Conduct or Company Values. If they feel safe and are comfortable doing so, employees and contractors are encouraged to calmly tell the other person that they object to their behaviour, if they are not aware that it is causing them concern. The following internal reporting channels are also in place:


- » Talking to their Line Manager, or a Line Manager they are comfortable to approach
- » Speaking to a Human Resources Business Partner or the regional Legal Team
- » Sending an email to the IPL Ethics Committee mailbox at [ethical@incitepivot.com.au](mailto:ethical@incitepivot.com.au)

## Whistleblower System


In addition to our internal reporting channels, IPL provides an externally managed whistleblower system which is available to both employees and external third parties. It has not yet been rolled out for Titanobel (which was acquired during 2022). This system is confidential, and reports may remain anonymous if they wish. The system is available 24/7 and able to take reports in all countries in which IPL operates, and in all our major operating languages, being English, French, Spanish, Chinese, Turkish and Bahasa. Posters advertising the whistleblower system are made available in local operating languages within each region.

Where a matter has been reported to the hotline, a Whistleblower Protection Officer will review the report and determine how it should be handled.

The whistleblower system can be accessed through the following channels:

 **Online**  
<https://incitepivot.tnwreports.com/>

 **From a mobile device using a QR Code**  

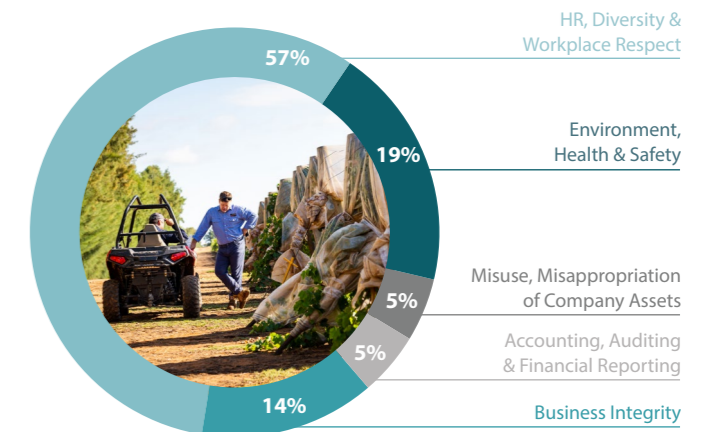

 **By phone**

Country	Phone Number
Australia	1800 743 483 or 1800 452 415
Canada	866 908 7235 or 866 251 0211
Singapore	800 852 3055
Indonesia	001 803 1 002 2573
Papua New Guinea	00 086 1198
United States of America	866 908 7235 or 866 251 0211
Chile	Dial 800 360 312 first At the prompt, dial 866 251 0211
Mexico	001 844 485 3113
Turkey	Dial 0811 288 0001 first At the prompt, dial 866 251 0211

To increase awareness and accessibility of this service by external parties, details of IPL's Whistleblower System were also added to the Contact Us page of IPL's corporate website in Q1 FY22.

In FY22, we received 37 reports through the whistleblower system. None of these reports related to modern slavery. As at 30 September 2022, 28 reports had been investigated and closed. The remaining 9 reports were under investigation.

These reports were across a range of categories, as shown below.



## Remediation

IPL's Modern Slavery Remediation Procedure provides guidance on what to do when the risk (actual or perceived) of modern slavery becomes apparent within IPL's operations or supply chain. This procedure defines the roles and responsibilities of those involved in the remediation process, including communication procedures, investigatory steps, and actions that must be followed if an incidence of modern slavery is reported or identified and/or substantiated.

For supply chain-related issues, IPL's preferred position is to leverage the existing business relationship and work with the entity that caused the impact, to help them improve their procedures and practices to prevent or mitigate the harm and its recurrence.



## Collaboration

IPL recognises the importance of collaborating and engaging with internal and external stakeholders to advance our progress and deliver change. This can be achieved through activities such as information and knowledge sharing and promoting and sharing good practice. The establishment of our Human Rights Working Group, and engagement of external expertise to support our program review, due diligence, and training activities are examples of our internal and external collaboration.

### United Nations Global Compact

As part of our commitment to corporate sustainability, IPL also became a participant in the United Nations Global Compact (UNGC) in August 2022. The UNGC is the world's largest corporate sustainability initiative. We are committed to the UNGC's Ten Principles on human rights, labour, environment and anti-corruption, and will be reporting annually on our progress towards implementing these:

We are committed to the UNGC's 10 Principles:

#### HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

#### LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

#### ENVIRONMENT

Principle 7: Business should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

#### ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

**WE SUPPORT**



As part of our membership, we will be participating in the Global Compact Network Australia's (UNGCA) Modern Slavery Community of Practice (MSCoP). The MSCoP aims to provide opportunities for participating members to promote leading practice and build common capability in modern slavery-related concepts, as these relate to the Act, global developments, and broader human rights risk management. Our representative participated in two MSCoP meetings in FY22.

In September 2022, IPL also participated in a consultation event the UNGCA facilitated with Professor John McMillan AO, who is leading the official Australian Government review of the Act. The session provided an opportunity for attendees to participate in a discussion on the Australian Government's *Review of Australia's Modern Slavery Act 2018 Issues Paper*.





# ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

## Internal

IPL utilises a range of metrics to monitor and assess the effectiveness of the processes and procedures used to address modern slavery risks in our operations and supply chain.

Key metrics are highlighted below:

FOCUS AREA	MEASURES
TRAINING	<ul style="list-style-type: none"> <li>» Number and percentage of employees trained – e-learning and targeted training</li> <li>» Kirkpatrick Model Level 3 (Behaviour) evaluation scores – e-learning and targeted training</li> </ul>
DUE DILIGENCE AND RISK MANAGEMENT	<ul style="list-style-type: none"> <li>» Number and percentage of Supplier Due Diligence Questionnaires issued, completed and assessed</li> <li>» Number of Suppliers by Risk Level</li> <li>» Number of Supplier Audits and Site Visits planned and conducted</li> <li>» Number of Corrective Action Plans &amp; Corrective Actions by status</li> </ul>
GRIEVANCE MANAGEMENT	<ul style="list-style-type: none"> <li>» Number of grievances reported by reporting channel</li> <li>» Number of investigations by status</li> <li>» Number of substantiated reports</li> <li>» Number of substantiated instances of modern slavery remediated</li> <li>» Aged analysis of grievances</li> </ul>

These measures will be reviewed in future reporting periods to assess the effectiveness of our approach and to identify opportunities for improvement.

We will also continue to undertake assurance activities to assess compliance with relevant policies and processes, and to ensure these are fit for purpose. Any gaps and non-compliances identified during these reviews will be addressed, as appropriate.

## External

As part of our commitment to transparent reporting, IPL's sustainability performance is assessed against several leading indices. This gives us the opportunity to benchmark our performance against other organisations in our sector, provides insight into areas for improvement, and provides investors and other stakeholders with an objective measure of our environmental, social and governance (ESG) risk management and business practices.

The Dow Jones Sustainability Index (DJSI) is widely recognised as the leading reference point in the growing field of sustainability investing due to the robustness of its assessment process. IPL has been a member of the Dow Jones Sustainability Index (DJSI) since 2010. Selection for the index is made after a review of IPL's sustainability reporting. IPL's performance is benchmarked against peers in the global Chemicals sector.

Results from 2017 to 2021 are represented below, including the average scores for companies in our sector. The increase in our scores in the Social Dimension from 58 to 69 between 2020 and 2022 reflects our work on human rights in the supply chain, as well as our continued focus on safety and human capital development.

Dimension	2017	2018	2019	2020	2021	2022
Economic	73	71	72	78	81	78
Environmental	61	64	73	71	69	72
Social	68	57	60	58	65	69
<b>Total for IPL</b>	<b>68</b>	<b>65</b>	<b>69</b>	<b>69</b>	<b>72</b>	<b>73</b>
Chemicals sector average	53	44	47	36	30	26



FTSE4Good

FTSE4Good Member since 2014

In 2022, the FTSE Group confirmed that IPL has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to remain constituent of the FTSE4Good Index Series for the ninth year running. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria.



EcoVadis Member since 2015

EcoVadis is assessed biennially.

IPL has also been an EcoVadis Member since 2015. IPL's EcoVadis Sustainability Rating was upgraded from Bronze to Silver in the most recent biennial assessment in 2021. This rating increase included scores of 60% in both the Labour and Human Rights and Sustainable Procurement themes, which are two of the four EcoVadis themes. IPL saw a 10-percentage point increase in our EcoVadis Labour and Human Rights score between this most recent assessment and our previous EcoVadis Assessment. This is 15 percentage points higher than the average company rated by EcoVadis in our industry.

## LOOKING FORWARD

IPL remains committed to continually improving our approach to identifying and managing modern slavery risks in our operations and supply chain. In the next reporting period, IPL will be focused on:

- » Delivering our human rights roadmap and action plan;
- » Conducting due diligence activities for our operations and supply chain;
- » Ongoing delivery of general awareness and specialised training to support our personnel to identify, assess and manage modern slavery risks; and
- » Continued participation in the UNGCNA's Modern Slavery Community of Practice.

## CONSULTATION WITH CONTROLLED ENTITIES

We engaged and consulted with the relevant entities we own or control in the development of this Statement. The Statement was provided to the Executive Team of Incitec Pivot Limited and the Board of each reporting entity for review and approval before being submitted to the Board of Incitec Pivot Limited for review and approval.

## APPROVAL

This statement for Incitec Pivot Limited was approved by the Board of Incitec Pivot Limited as the parent entity on 19 December 2022.

Jeanne Johns  
Managing Director & CEO

19 December 2022



