



Modern Slavery Statement FY2022

ABN 85 008 902 841

About this Statement

Iwatani Australia Pty Ltd's (Iwatani) Modern Slavery Statement (Statement) outlines the Company's commitment and actions taken to identify, manage and respond to modern slavery risks in our operations and supply chain.

The Statement has been prepared in accordance with Australia's Modern Slavery Act 2018 (Cth) (Modern Slavery Act) and relates to Iwatani Australia's financial year ending 31 December 2022 (FY2022, the 'reporting period'). This is Iwatani's third Statement in response (FY2020 voluntary) to the Commonwealth Modern Slavery Act.

We recognise that modern slavery presents one of the most complex challenges across the globe, resulting in serious human exploitation. We take seriously our responsibility to respect human rights and oppose all forms of slavery in our operations and supply chain.

Iwatani is submitting this statement on behalf of Iwatani and its entities. All references to our, we, us, the Group, the Company, Doral, Iwatani Australia, refers to Iwatani Australia Pty Ltd (ABN 85 008 902 841) and its entities Doral Fused Materials Pty Ltd (ABN 62 009 415 025), Doral Mineral Sands Pty Ltd (ABN 18 096 342 451) Keysbrook Leucoxene Pty Ltd (ABN 49 137 091 297) and the recently formed Iwatani Forests Pty Ltd (ABN 39 663 138 047).

This Statement outlines the steps taken in 2022 to assess and address our operations and supply chain management for modern slavery risks. Through this process, we did not find any evidence of modern slavery in our supply chain. We will continue to work with identified 'at risk' suppliers, to further strengthen our controls to manage this risk.

The Iwatani Australia Pty Ltd Board of Directors is committed to fostering a culture of compliance, ethical behaviour and good corporate governance. This Statement has been developed with contributions from core business functions, assisted by its Executive Team, to fulfil the oversight of Iwatani Australia's management of modern slavery risks. This Statement was approved by Iwatani's Board of Directors on 2 June 2023 on behalf of all reporting entities.

Feedback

We value all feedback on the content of this Statement, please visit the Doral website, www.doral.com.au Contacts Page to provide feedback or request additional information.

Kan Ueda

**Managing Director
Iwatani Australia Pty Ltd**

Reporting Entity

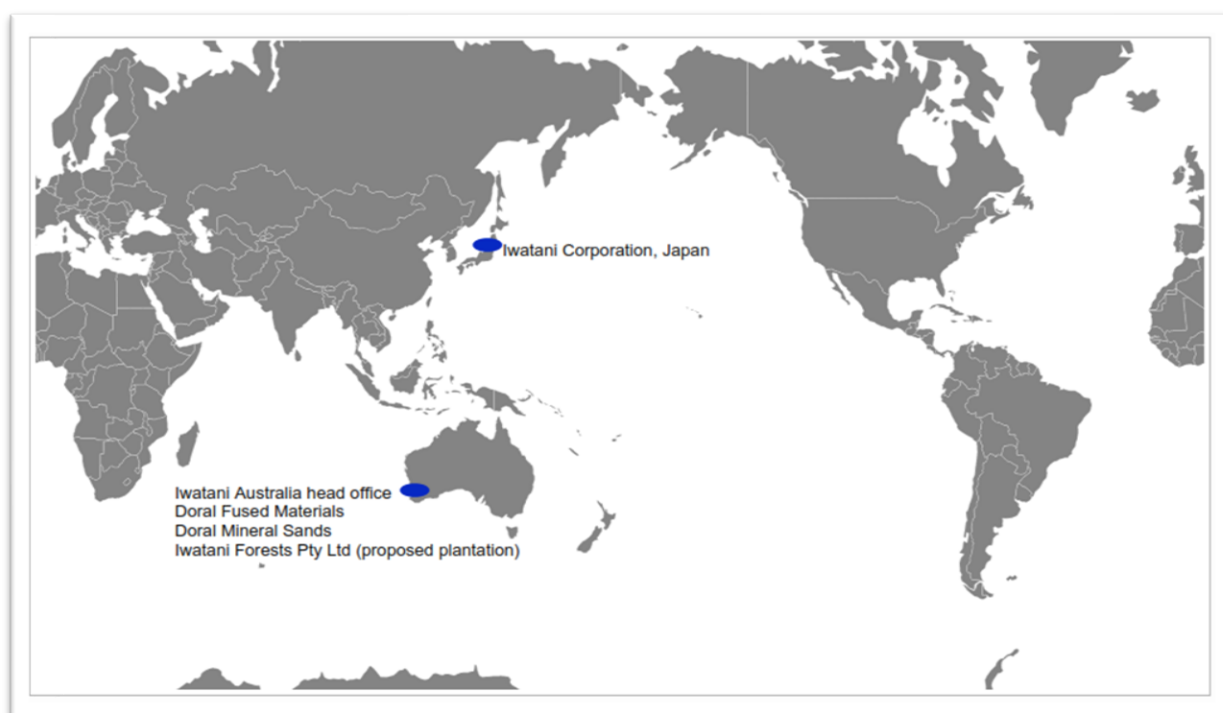
This Statement is submitted on behalf of Iwatani Australia (IWA) (ABN 85 008 902 841) and its subsidiary entities, employing approximately 136 employees and 30 contractors with its head office located in East Rockingham, Western Australia.

Iwatani Australia Pty Ltd (IWA) is wholly owned by Iwatani Corporation of Japan (Tokyo stock exchange listing 8088) with full operational control of its subsidiaries being: Doral Fused Materials Pty Ltd (ABN 62 009 415 025), Doral Mineral Sands Pty Ltd (ABN 18 096 342 451), Keysbrook Leucoxene Pty Ltd (ABN 49 137 091 297) and Iwatani Forests Pty Ltd (ABN 39 663 138 047).

IWA and its subsidiary entities are not publicly listed in Australia and operate in accordance with being privately owned companies.

This Statement was prepared in consultation with key personnel from the entities whom IWA has operational control, being general managers, marketing, corporate affairs and company and secretariat functions.

Asset Map – Australia and Japan



Structure, Operations and Supply Chain

Our Structure

Iwatani Australia Pty Ltd (IWA) (ABN 85 008 902 841) is wholly owned by Iwatani Corporation of Japan (Tokyo stock exchange listing 8088) and operated subsidiaries being: Doral Fused Materials Pty Ltd (ABN 62 009 415 025), Doral Mineral Sands Pty Ltd (ABN 18 096 342 451), Keysbrook Leucosene Pty Ltd (ABN 49 137 091 297) and Iwatani Forests Pty Ltd (ABN 39 663 138 047).

IWA's registered head office is located in East Rockingham, Western Australia.

Our Operations and People

IWA has mining and processing assets located in Western Australia and has been operating since 1990 with a total work force of 136 personnel and 30 contractors.

IWA's subsidiaries, located in Western Australia, is as follows:

- Doral Fused Materials (DFM), located in **East Rockingham**, (Perth metro);
- Keysbrook Leucosene Pty Ltd (KLPL), **Keysbrook mine** located in Keysbrook (Peel region);
- Doral Mineral Sands (DMS), **Mineral Separation plant**, located in Picton (South-West region);
- Doral Mineral Sands (DMS), **Yalyalup mine** located near Busselton (South-West region); and
- Iwatani Forests Pty Ltd (IWF), head office located in **East Rockingham**, a 60 ha pine plantation proposal located in Nannup (South West region).

DFM's East Rockingham operation is an integrated zirconia producer with downstream processing operations, transforming zircon sand to high value zirconia products utilised in ceramics, colours and industrial refractories.

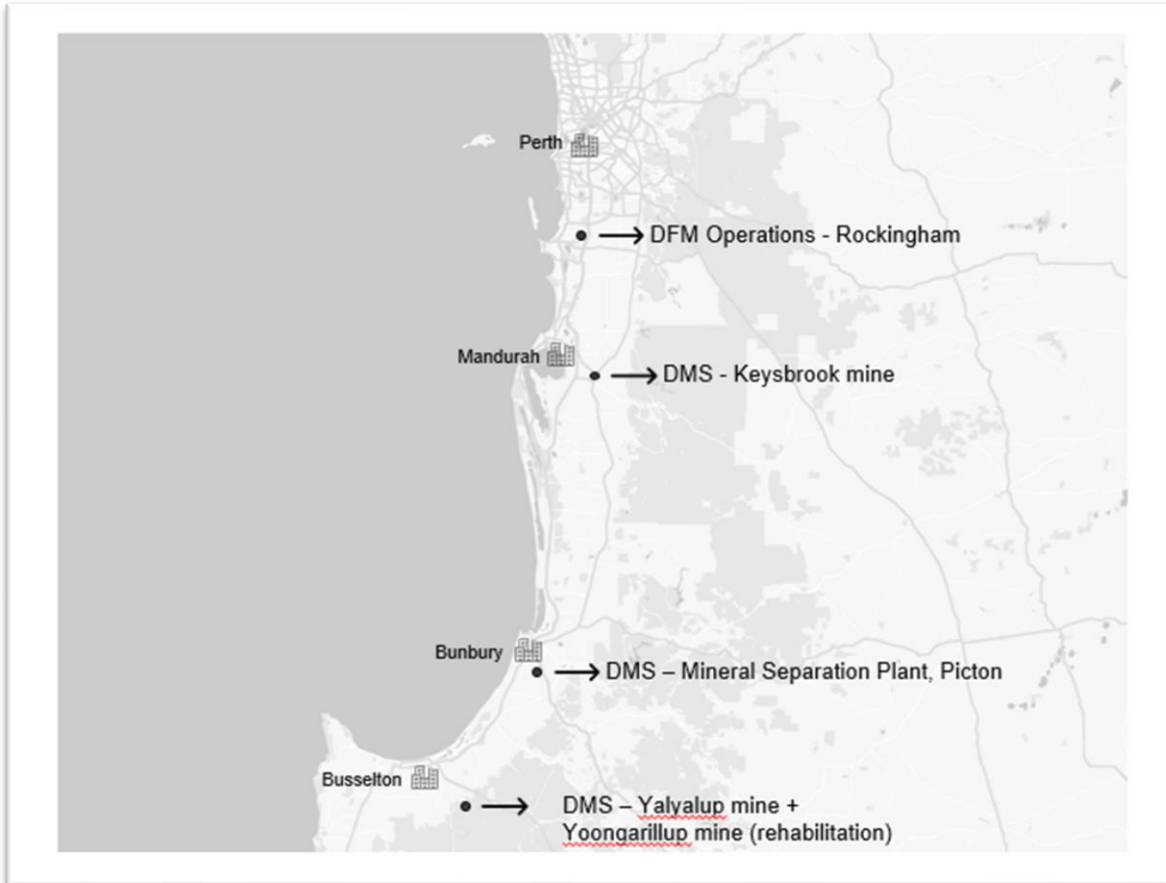
DMS produces titanium minerals and zircon sand products at its mineral sands' operations in Western Australia's South-West and Peel regions. Heavy mineral concentrate (HMC) produced from Doral's mines are transported via road to its Mineral Separation Plant (MSP) located in Picton, for processing into final product and exported through the Bunbury or Fremantle Ports. The final product is used in the manufacture of paint, titanium metal, welding rods, ceramics, refractory and foundry applications.

Doral's mineral sands' operations include Yalyalup, located 20km south-east of Busselton and Keysbrook located 70kms south of Perth.

Our exploration activities cover the South-West and Peel region of Western Australia.

IWA's workforce is directly employed through Employment Agreements or a permanent contract arrangement. Casual labour is managed through a reputable local recruitment / labour firm based on a longstanding commercial partnership. The operational sites prioritise local employment where possible.

Asset Map – Western Australia



Our Supply Chain

Iwatani Australia values the mutually beneficial relationship between the Company and its suppliers and aims to create economic opportunities in the areas where we operate through our commitment to local supply, evidenced by the high number of suppliers predominantly based in Western Australia.

Our supply chain extends from the early exploration phase through to mine closure. Our supply chain activities across all business divisions include the following:



Exploration

Drilling and Laboratory services



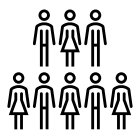
Mining and Processing

earth moving contractors, processing feed and consumables, equipment purchase, labour hire for shut-downs and equipment hire



Transport

mine to processing plant via road, port to customers via port services and shipping



Administrative Support

labour, PPE equipment and clothing, agent fees, training providers, power, information technology, administration, new projects



Purchase of Equipment / Materials

Parts, mining equipment, vehicles, electrical, electronics

In FY2022, Iwatani engaged ~ 968 suppliers, of which 19 were located overseas, representing 97.96% located in Australia, and predominantly Western Australia.

Of the 2.04% of suppliers based overseas, four (4) suppliers were identified as high risk, based on spend and location, being Africa and China.

Identifying Risks in our Operations and Supply Chain

Operations

Our operations are based in the Perth metro, Peel and South West regions of Western Australia, with the majority of spend within Western Australia, which has a low prevalence of modern slavery according to the Minderero Foundation's 2023 Global Slavery Index ¹.

IWA is committed to respecting the human rights of all our stakeholders and the communities in which we live and operate, with the aim of continuing our social licence to operate with respectful and transparent engagement. Our commitment to human rights is embedded in our policies and procedures, which can be found on the company's website, www.doral.com.au.

Supply Chain Assessment

During 2022, we continued to assess modern slavery risks through ongoing review of internal systems and processes with the focus remaining on Tier 1 and Tier 2 suppliers and identified as higher risk based on country of origin or product sector. This internal assessment remains ongoing, with further review to be undertaken to ensure our Supplier Code of Conduct sets clear expectations in regard to minimum standards, and to build a better understanding of suppliers' exposure to modern slavery.

The FY2022 review identified 4 suppliers considered at risk based on the country location and 10 suppliers considered at risk with regards to the nature of supply which may cause, contribute or be directly linked to modern slavery.

As a medium sized corporation, IWA's management team has direct contact with those 14 suppliers deemed most 'at risk' and were prioritised for specific communications around the completion of a Supplier Self-Assessment Questionnaire (attached with Supplier Code of Conduct), and personalised letter explaining the Company's requirement to assess and comply with the Modern Slavery Act.

¹<https://www.walkfree.org/global-slavery-index/>

Actions to Assess and Address Risks

Iwatani seeks to identify any potential human rights risk associated with the procurement of goods and services which is outlined in the Supplier Code of Conduct. We will continue to work with those suppliers, to better understand their risks associated with modern slavery and our role to support and educate on the legislative requirements where required.

In FY2022, letters were sent to all 14 suppliers, identified as 'at risk' with an attached **Supplier Self-Assessment Questionnaire (SAQ)** and **Supplier Code of Conduct** requesting an assessment of their supply chains to determine any potential modern slavery risks and if so, how would they be addressed.

All Supplier Questionnaires were completed and returned stating **no evidence of Modern Slavery was evident in their supply chain**. Our focus for FY2023 will be to conduct further due diligence of those suppliers and report the outcomes in the next Statement, with consideration of utilising a third party to review the Company's auditing system of higher risk suppliers.

To support the Company's corporate governance framework, IWA developed a **Human Rights Policy**, found on the Company's website, with all entities within the Iwatani group governed by the following policies and procedures:

- ✓ Supplier contract, updated Terms and Conditions to include Modern Slavery
- ✓ Sustainable Procurement Policy
- ✓ Supplier Code of Conduct
- ✓ Whistleblower Policy
- ✓ Human Rights Policy
- ✓ Employee Code of Conduct (an internal document to manage internal / external grievances)
- ✓ Anti-Bribery and Corruption Policy
- ✓ People and Employment Policy

We acknowledge there remains work to be undertaken to ensure that our systems and processes are sufficient to identify and address evidence of modern slavery risks and we will review our current grievance and whistleblower mechanisms and implement improvements where required.

In addition, Iwatani Australia through the Doral Mineral Sands and Doral Fused Materials operations participated in the **Ecovadis Corporate Social Responsibility (CSR)** survey, requested on behalf of the Company's major customers. This survey addresses Labor & Human Rights policies and actions within the business which comprises Modern Slavery Risks. IWA received a Silver Medal for both operations, being in the top 25% of businesses surveyed in the Manufacturer of Basic Precious and Other Non-ferrous Metals.

IWA also participates in the Zircon Industry Association's (ZIA), annual Environmental and Social Governance (ESG) Reporting and Key Performance Indicators (KPIs) Benchmarking, which will in 2023 launch a new online portal for data uploading, analysis and reporting.

Given the medium sized nature of the IWA organisation, we will explore if additional expertise in this field is required for ongoing development and reporting of modern slavery prevention controls.

Effectiveness of Actions to address Modern Slavery Risks

FY2022 represents the third year of reporting on the Modern Slavery Act for Iwatani Australia, 2020 being a voluntary statement.

We recognise the value of continuous improvement and the importance of assessing the effectiveness of our actions taken to address our modern slavery risks. We are committed to exploring a recognised external provider to audit our assessments and provide further guidance on improving our processes and procedures in line with our established policies.

We will continue to engage with our most at-risk suppliers and explore benchmarking our performance against similar sized organisations. In addition, we will seek feedback from both internal and external stakeholders to ascertain the knowledge and explore opportunities to improve upon our established systems. This will include reviewing our new supplier and procurement procedures.

No concerns were raised or communications received for the FY2022 via the Company’s whistleblower contact details of any incident of modern slavery within our supply chain.

The Company aims to build upon its key actions for 2023 to further strengthen and develop our processes, in consultation with all subsidiaries, to continually improve our modern slavery management practices and mitigate any human rights risks.



No instances of modern slavery identified within the supply chain during FY22



Review and assessment of 14 completed Self-Assessment Questionnaires



No grievances of modern slavery reported during FY2022



Ecovadis Silver Medal awarded



Human Rights Policy developed

Consultation

During the reporting period of 2022, Iwatani actively consulted with the subsidiaries it owns and controls in the development of this Statement. Details of the Modern Slavery Act Statement and its requirements were presented to the Group's Executive Team, with input from management from each business entity in regard to those suppliers at risk. Agreement was reached on the requirements to comply with the mandatory reporting criteria and the plan for further engagement to strengthen our supply chain practices. Letters to those suppliers identified 'at risk' were sent by each business manager responsible for that commercial relationship.

Looking Ahead for 2023

IWA is committed to the continuous development of its management activities and acknowledge this will take consistent action to continue to identify and address modern slavery risks.

Key actions for FY2023 Modern Slavery Plan

- ✓ Review existing Policies to ensure Modern Slavery risks are appropriately captured
- ✓ Re-evaluate current controls for modern slavery risk and management
- ✓ Develop ESG Reporting Framework, incorporate human rights and modern slavery as a material topic
- ✓ Training for key personnel utilising Ecovadis and Tfs Academy Modern Slavery
- ✓ Continued participation in the Ecovadis ESG Survey
- ✓ Broaden the Grievance Mechanism / Whistleblower Policy (in progress)
- ✓ Consider additional expertise in this field and/or third party review of Company's modern slavery prevention controls.

Contact

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www.doral.com.au

ANNEXURE A

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

Iwatani Australia Pty Ltd

as defined by the *Modern Slavery Act 2018 (Cth)*¹ ("the Act") on 2 June 2023

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

Iwatani Australia Pty Ltd, Kan Ueda, Managing Director

as defined by the Act²:

Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	3
b) Describe the reporting entity's structure, operations and supply chains.	4 - 5
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	7
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	8
e) Describe how the reporting entity assesses the effectiveness of these actions.	9
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	9 - 10
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	-

* If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

1. Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.

2. Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the *Corporations Act 2001*—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.