

# Modern Slavery Statement

April 2023 – March 2024

## Message from our CEO

As a global organisation, Bradken gets to witness more nations take on Modern Slavery risk management and reporting. We commend the governments of those nations for doing so. This, our fourth Modern Slavery Statement, specifically addresses the Modern Slavery Act 2018 (Australia) and the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada).

As we focus on growing our mining business, we know our extensive supply chain poses the biggest challenge for us to manage. Our growth increases the complexity of our operations, but our commitment to minimising risk only strengthens.

Our job is to continue to protect people impacted by Bradken's business operations from Modern Slavery risks. Meeting the requirements of our operating areas with honesty, transparency and a commitment to continuously improving is the first step, and the right thing to do.

During this reporting period, we articulated our purpose as an organisation - to equip the resource sector to sustainably advance society. Being able to support our customers and our employees in a way that promotes responsible and sustainable practices is key to our future as a business, the future of the planet and the current and future protection of the human rights for anyone impacted by our business.

I am proud to lead the team at Bradken and continue to build on our understanding of the impact we have on people around the world, both directly through employment and indirectly through our supply chains.

I am pleased to present Bradken's fourth Modern Slavery Statement.



**Sean Winstone**  
Chief Executive Officer

This statement has been made with approval of Bradken's Board of Directors and is endorsed on their behalf by Sean Winstone in his role as Chief Executive Officer of Bradken.

## Attestation

"In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

- Sean Winstone
- Chief Executive Officer 31 May 2024
- Signature, accompanied by the statement "I have the authority to bind 'Bradken Pty Limited.'"



## Reporting Entity and Structure

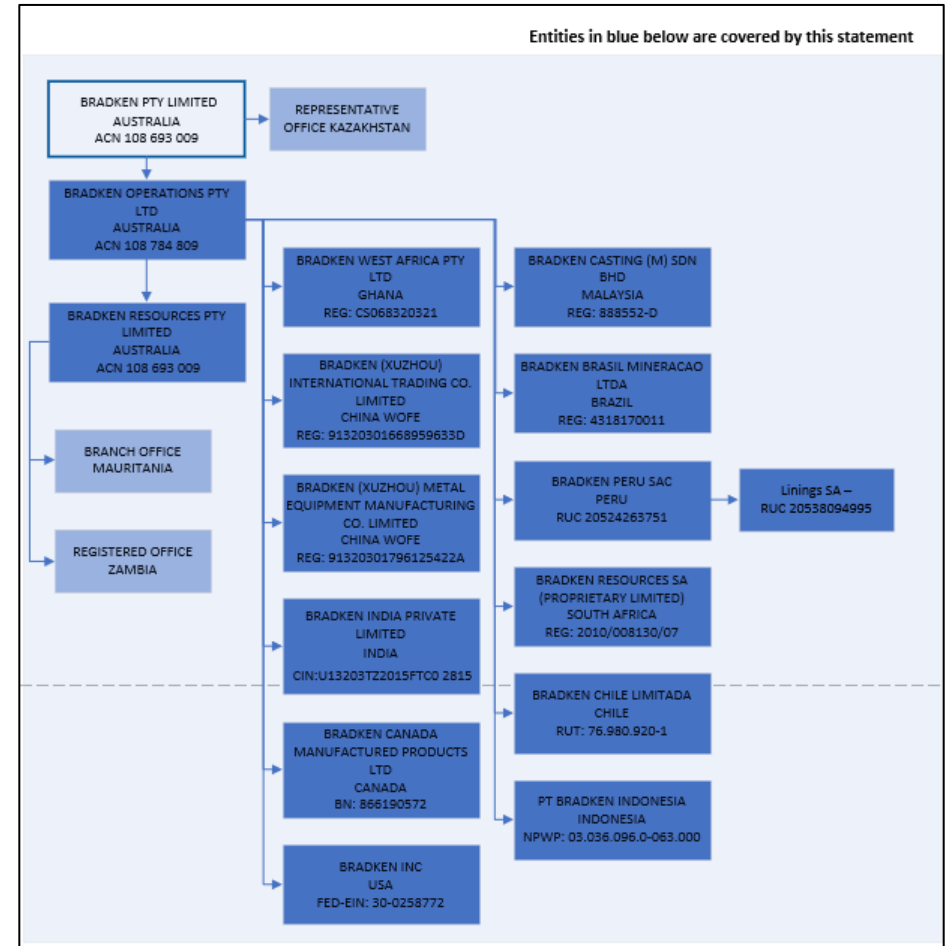
This statement is made by Bradken Pty Limited (ACN 108 693 009), an Australian Proprietary Company and a wholly owned subsidiary of Hitachi Construction Machinery. Bradken operates under the Japanese financial year and the current reporting period is 1 April 2023 to 31 March 2024.

In this statement, the terms ‘Bradken’, ‘us’, ‘we’ and ‘our’ are intended to include Bradken Pty Limited and all wholly owned subsidiaries (as illustrated in Figure 1. Organisation Structure).

Bradken is a global company with our head office in Newcastle, Australia. During the reporting period, our operations were structured into specific businesses, Mining and Specialty Products North America (SPNAM), each dedicated to meeting the needs of the industry sectors they serve.

While the subsidiaries of Bradken Pty Limited are separate legal entities, they operate collectively under a matrix structure as ‘One Bradken’, sharing one Executive Leadership Team and centre led functions for: Corporate, Finance, Marketing & Technology, Operations – Manufacturing, Operations – Supply Chain, including Procurement, People & Culture Safety, Sustainability & Quality, Sales, and SPNAM with all corporate policies and procedures applying to all Bradken entities.

Figure 1 – Organisation Structure



## Our Business

Bradken is a solutions provider primarily for the global mining sector, backed by extensive in-house engineering and manufacturing capabilities, with foundries, fabrication and machine shops, sales and corporate offices located around the world. We work mainly with mining companies, helping them overcome operational challenges with innovative solutions across their value chain; predominately wear parts for mobile plant, fixed assets and mineral processing applications.

The core production activity within our foundries is melting and pouring metals to produce castings. Fabrication, welding and assembly of castings and repairs and maintenance on machinery and equipment are undertaken in our Fabrication and Machine Shops. As mining customers evolve, we continually strive to meet their needs with investment in Product Development, Research and Development, and Innovation – we know our customers are looking for smarter ways to run their operations, incorporating the latest in technology and digital IoT solutions. Our focus on Research and Development supports the exploration of product and service developments in this space to develop market inspired, future focused solutions.

As a socially responsible organisation, Bradken demonstrates concern for the wellbeing of people and communities. We conduct business fairly and ethically, we respect human rights, comply with all laws and regulations, and follow a rigorous Code of Conduct.

## Locations

Bradken has manufacturing facilities located in Australia, Canada, United States, India, China, Peru, and Malaysia. We have corporate offices in Newcastle and Brisbane, Australia, and Kansas City, United States. To be close to our customers, we also have smaller sales offices in many different regions.

**Figure 2 – Bradken’s Global Footprint**



## Our People

At Bradken, we believe people are our greatest asset and keeping them safe and healthy both physically and mentally is our top priority. From our Executive Leadership Team through to individual employees working on site, we are committed to the health and wellbeing of all our people.

We work hard to provide a diverse, inclusive, engaging and flexible environment because we believe great things happen when individuals are given the opportunity to bring themselves into their work. We believe everyone has the right to feel safe, included, valued, and respected, and empower our people to be courageous in addressing any situation that compromises that. Bradken reinforces this, not only through our codes of conduct and other policies but also with several initiatives to address Employee Safety and Wellbeing such as: the Rules We Live By for addressing critical safety risks, monthly Team Safe discussions for all employees, our Inclusion and Diversity program, Employee Engagement Survey and access for all employees to our Employee Assistance program.

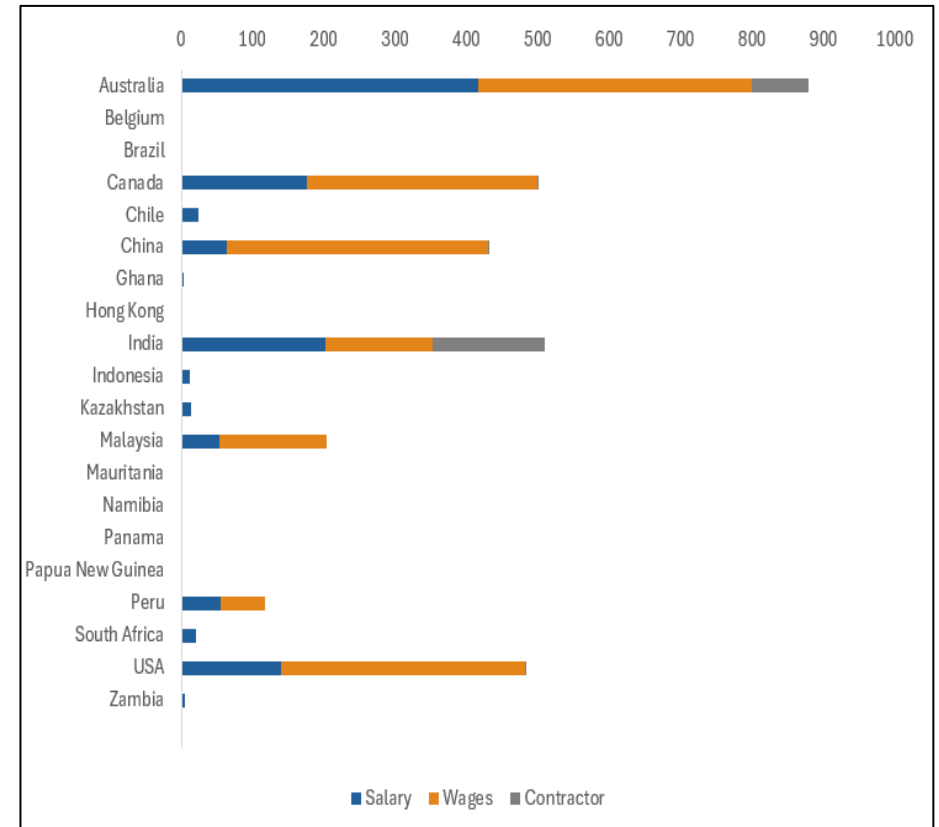
Our goal is to provide:

- A safe and healthy work environment
- Practical tools and techniques for the assessment and consideration of health and wellbeing issues
- Access to expertise and resources to implement and maintain our health and wellbeing policies, standards, and procedures.

As at March 2024, Bradken employed 3201 people globally with most based in Australia and North America. Team members who are paid through wages represent the majority of our overall numbers at 56%, and salaried team members at 37% and 7% of contractors.

There are 88.8% male employees and 11.2% female employees.

**Figure 3 – Employee Numbers/Types Globally**



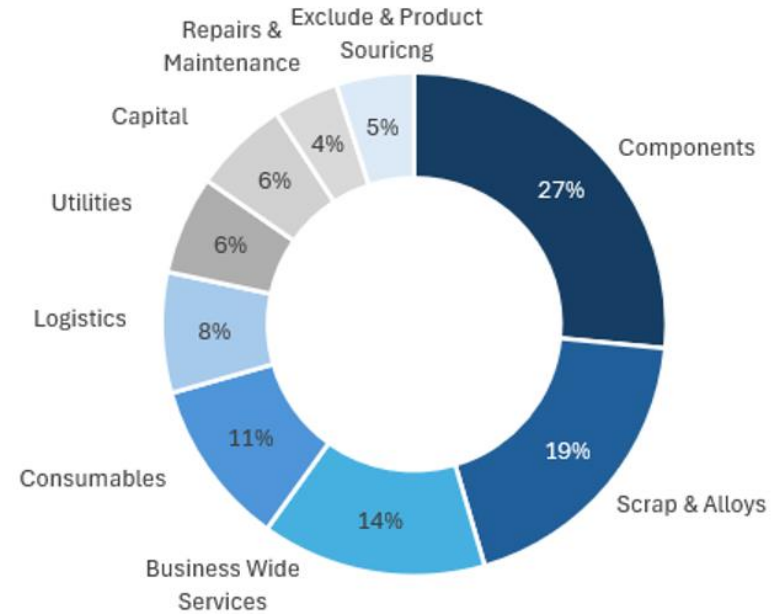
## Our Supply Chain

Given the geographic reach of our operations, identifying Modern Slavery in our supply chain is an ongoing priority. We are committed to continually improving our own processes and practices internally, and how we work with our suppliers to meet our moral and ethical obligation to combat Modern Slavery. We want to make sure we do not cause or contribute to Modern Slavery or are linked with instances of Modern Slavery through our interactions.

At the end of March 2024 Bradken's supply chain included 5238 active suppliers globally (those we purchase goods and services directly from). Since our first Modern Slavery Statement, Bradken has been working to reduce our number of active suppliers. The Procurement team has focused on consolidating spend under Supplier Agreements (contracts), reducing the volume of suppliers we deal with and improving the relationships and communication we have with them. We undertake regular reviews and deactivation of dormant suppliers in our system.

Approximately 71% of Bradken spend during the reporting period was on Components, Consumables, Scrap and Alloys, and Business Wide Services, with the balance under Logistics, Repairs & Maintenance, Utilities and Capital Expense categories. Figure 4 shows the breakdown of spend and Figure 5 lists the types of products and services we purchase in these spend categories.

Figure 4 – Spend Breakdown by Category



**Figure 5 – Main Products and Services Purchased**

Category	Products/Services
<b>Components</b>	Forging and castings, steel plate, steel bars, bolts, pins, ceramic tiles, and machining services and outsourcing services that go into producing finished castings
<b>Scrap and Alloys</b>	Various metals (either produced from raw materials or sourced from scrap materials) that are used in the melting process to manufacture our castings
<b>Consumables</b>	Catalysts and binders, ceramic shapes, sands, graphite electrodes, grinding media, welding materials, paints and washes; refractories, thermocouples and timber that are used as part of the process of manufacturing castings
<b>Business Wide Services</b>	Equipment rental, printing and stationery, travel and entertainment, personal protective equipment, testing services, cleaning and gardening, clothing (uniforms), computer software and hardware and temporary personnel services

## Bradken’s Modern Slavery Journey So Far

As a global organisation we are primarily focused on the mining sector and are committed to addressing Modern Slavery, including forced labour and/or child labour, within our operations. As a requirement from the Modern Slavery Act, 2018 and the Fighting Against Forced Labour and Child Labour in Supply Chains Act, we have been generating an annual statement to reflect our endeavours towards addressing human exploitation within our supply chain. Over the years, we have taken several steps to address and acknowledge the gravity of Modern Slavery. We have engaged with a third party subject matter expert on Modern Slavery to identify risks in our supply chain. This is a joint statement for **Australia and Canada** to meet our reporting obligations. Below is our Modern Slavery journey over the years:

Modern Slavery Statement Apr 2019 – Mar 2020	Modern Slavery Statement Apr 2020 – Mar 2021	Modern Slavery Statement Apr 2021 – Mar 2022	Modern Slavery Statement Apr 2022 – Mar 2023
Bradken recognized that we were at the beginning of our journey and pledged to prioritize this issue. We recognized the gravity of modern slavery and committed to incorporating risk considerations. Our commitment extends beyond compliance, we aim to create positive change and protect human rights throughout our supply chain.	Bradken acknowledges the seriousness of Modern Slavery and we are committed to incorporating risk considerations into our practices. Bradken’s extensive global footprint necessitates a long and complex path, but we are dedicated to continuous improvement.	Bradken continues to review and assess our operations, procurement, manufacturing, social responsibility and sales activities to make sure human rights issues are addressed and the welfare of workers in our supply chains is protected. We aim to find opportunities for improvement and take action to prevent or address modern slavery in our supply chain.	Bradken intensified its commitment to managing Modern Slavery risks. Bradken emphasized the importance of managing growth while considering its impact on people’s lives. We broadened discussions about modern slavery risks, particularly with suppliers, to protect and enhance the lives of those affected by our operations. This statement marks our fourth step on this journey.

## Modern Slavery Risks

In considering our Modern Slavery Risk, Bradken refers to Guidance for Reporting Entities, issued by the Attorney General’s Office, Australia and Minister of Public Safety and Emergency Preparedness, in Canada, as well as the research, recommendations and risk factors outlined in the below publications:

- Global Slavery Index 2023, Minderoo Foundation’s Walk Free initiative.
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third Edition OECD (2016).

## Sector and Industry Risk Considerations

Bradken is one of the world’s leading solutions providers for mining equipment wear parts and services. We specialise in the innovative design and manufacture of product and service solutions for the mining and resources sector, and we also expertly serve rail and transit, energy, structural and industrial casting and defence markets. While we supply to the mining sector, Bradken does not directly operate in the extractives sector itself or in any of the other sectors which are generally recognised as at high risk for Modern Slavery due to their characteristics, products and processes (i.e., textiles and fashion, fishing, electronics, cleaning, and agriculture).

## Products and Services Risk Considerations

The core raw materials and inputs to our manufacturing (the products we spend the most on) are not products considered high risk according to the Global Slavery Index. However, Bradken has identified some classes of products and services which we purchase as potentially at risk of Modern Slavery. Our engagement with suppliers of these items (listed in Figure 6) was to raise awareness and to verify Modern Slavery practices are not occurring in their operations. It should be noted that most of the items are purchased in limited amounts.

One area identified as a potential risk, where we can have a significant impact, is in the outsourcing of our product manufacture – refer to our ‘Actions taken to Address Modern Slavery Risk’ section to see what we’re doing in this space.

Figure 6 – High Risk Products/Services Identified

Product / Service	Usage
<b>Outsourcing of Manufacturing</b>	Varying market demand has led to increased requirement to outsource production of selected castings and components
<b>Temporary Labour Personnel</b>	Engaged at our sites through recruitment agencies
<b>Cleaning Services</b>	Engaged at our sites and offices which may employ low skilled or migrant workers
<b>Refractory Bricks</b>	Used for lining our furnaces
<b>PPE /Garments</b>	Personal protective equipment (masks/gloves, etc.) corporate uniforms and protective clothing (pants and shirts) for shopfloor workers (and the cotton contained in these garments)
<b>Timber</b>	Used in making moulds for castings and purchased indirectly in the form of pallets and other packaging
<b>Rubber</b>	Used as a backing material on wear plates for chutes and mill liners manufactured
<b>Electronics</b>	Laptops, computers, & mobile phones and other electronic equipment purchased for use within our business
<b>Tungsten</b>	(In small quantities) Purchased either in components or purchased for application to castings wear faces to increase hardness and durability

## Migrant Workers

Bradken employs a small number of migrant workers on a long-standing basis in our Malaysian facility. This cohort of workers have been with us since around 2019 and began their employment in the very early stages of Bradken building its awareness of its Modern Slavery Risk. During the previous reporting period, Bradken allowed a third-party to conduct an audit of our Malaysian facility. As part of the audit, some of these workers indicated they had been charged fees by the external recruitment agency who engaged them in 2019. Bradken undertook an extensive investigation and interviewed all employees to ensure everyone had an opportunity to voice any concerns around recruitment fees. Since then, the recruitment agency has been informed that no fees are to be charged to the migrant workers and all recruitment fees have been repaid to the workers. In addition to that, our policies and procedures around recruitment have been updated and further strengthened to ensure this issue does not occur again.

## Geographical Risk Considerations

Bradken recognises that Mauritania has a high vulnerability to Modern Slavery (based on the Global Slavery Index 2023). Bradken maintains a Branch Office of Bradken Resources Pty Ltd, which provides a legal presence in Mauritania to support one of our key customers. Bradken has one salaried employee in Mauritania who is there to meet our customer's requirements regarding Bradken products (produced in

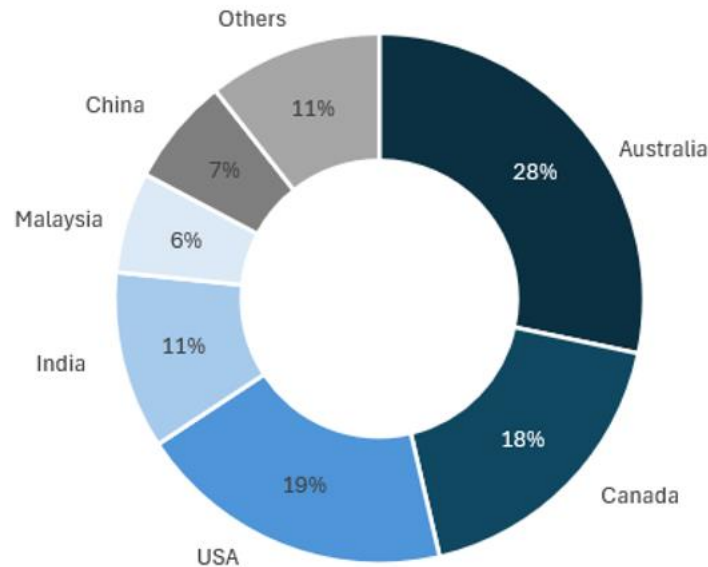
other regions) on their site. Given the employee is protected by our global procedures and policies, and there is no actual facility or supply chain for this legal entity, we consider the risk of Modern Slavery in this situation to be low. If the Branch Office were to expand in the future, to develop an actual physical presence, with increased employee numbers or to develop a local supply chain, we recognise the need to implement further due diligence based on the risk factors of the geographic location.

Apart from the situation outlined in Mauritania, Bradken does not currently operate or have any tier 1 suppliers in the countries with the highest prevalence of Modern Slavery based on Global Slavery Index 2023 (North Korea, Eritrea, Saudi Arabia, Türkiye, Tajikistan, United Arab Emirates, Russia, Afghanistan, and Kuwait).

We recognise that there is the possibility that suppliers further down our supply chain may be connected to these countries and that the risk of Modern Slavery is not limited to these countries and still exists in other highly developed countries.

We currently have active suppliers based in 45 different countries but the majority, 65%, of our suppliers are in Australia, Canada and the United States (where our biggest operations are based), 24% in India, China and Malaysia, supplying locally to our operations there, and only 11% in other regions.

Figure 7 – Supplier locations globally



### Asia Pacific Risk Considerations

According to the Global Slavery Index, the Asia Pacific region has a high prevalence of Forced Labour, and this is taken into consideration in our assessment of risks for our operations in India, China, Malaysia, and Indonesia.

We know that our workers in our own operations are protected and have grievance mechanisms for reporting, and we do not operate in any high-risk sectors. However, our operations in the Asia Pacific region do source products and services locally, and there is the potential that instances of Modern Slavery may be present in these local supply chains, given the regions in which they operate. Our focus for our actions has been, and will continue to be, to best address any potential risk in these regions.

### North America Considerations

According to the 2023 Global Slavery Index, 69,000 people experienced forced labour or forced marriage in Canada during that year. In terms of prevalence of Modern Slavery, Canada ranks 144th globally and 25th within the Americas. While Canada ranks low in terms of prevalence, it still faces challenges related to forced labour and child labour.

We collectively are in the process to combat Modern Slavery and Forced Labour and Child Labour. We are consciously making an effort to promote transparency in our supply chain. Site visits and annual training are a few of the efforts to mitigate the risks of Modern Slavery within our operations and supply networks.

## Actions taken to Assess and Address Modern Slavery Risk

Building on action from previous years, Bradken has undertaken several initiatives during the reporting period to address the potential risk of Modern Slavery.

### Supplier Questionnaires

During the previous reporting period, Bradken engaged Centrl to provide an online platform for our Procurement team to distribute Modern Slavery and Forced Labour and Child Labour questionnaires and assess risks among our suppliers. The platform has a Modern Slavery questionnaire, developed by subject matter experts, that considers suppliers' practices, policies and procedures about Modern Slavery and Forced Labour and Child Labour as potential exposure and interactions through their supply chains.

During the current reporting period, and in addition to the online platform, Bradken engaged a leading third-party Risk Management provider, Information Services Group (ISG). This brought Modern Slavery subject matter expertise and experience in identifying and assessing Modern Slavery risks to Bradken's Modern Slavery processes. For the suppliers in scope, ISG also undertook extensive research into secondary sources such as Code of Conduct, Ethical Sourcing, Whistleblower Policies, responses to Human Exploitation

legislation outside Australia, news and alerts, including adverse media, as well as any other information which may be used to mitigate Modern Slavery risk to ensure that any ambiguous finding was thoroughly investigated.

985 questionnaires were sent out to a range of suppliers in Indonesia, Chile, Peru, Canada and Australia based on products, services or regions that could be considered at high risk for Modern Slavery.

At the time of compiling this statement, 220 suppliers have responded to the questionnaires. Following the autoscoring by the Centrl platform, ISG performed their analysis, including raising of any issues which were subsequently discussed with and reviewed by the Bradken Procurement Team.

The assessments not only included suppliers' actions and practices regarding Modern Slavery and Forced Labour and Child Labour but also how proactive suppliers are and their level of awareness and incorporation of Modern Slavery and Forced Labour and Child Labour Risk into their internal processes and procedures.

This methodology enables Bradken to continuously review and monitor supplier risk and if necessary, raise issues if a supplier's risk posture regarding Modern Slavery changes due to internal or external factors.

As a result of this comprehensive assessment methodology, Bradken has thoroughly assessed its operations and supply chain and found no evidence of Modern Slavery identified during this reporting period.

Detailed analysis of the suppliers' responses indicates the following trends:

- No evidence of slavery or human trafficking in Bradken's business or supply chain.
- Many suppliers have policies in place to ensure no forced work or child labour occurs and acceptable working conditions are provided.
- Suppliers confirmed that they periodically check for red flags indicating that Modern Slavery practices may be present.
- Large Suppliers have confirmed that they have training regarding Modern Slavery and Human Trafficking available to increase the awareness and share ways of identifying it within the organisation or supply chain.
- Small to medium enterprises may not necessarily have the same level of corporate policies in place as larger organisations.
- Several suppliers confirmed they have engaged in due diligence that allows them to assess the potential risk inherent in their operations and supply chain.
- In some regions, especially in areas where no Modern Slavery legislation is present, the concept of Modern Slavery is still an emerging topic and they have not previously been aware of the issue.
- Suppliers confirmed that they have engaged in due diligence that analyse and mitigate risk from a business or investment decision.

## Increasing Awareness of Modern Slavery and Forced Labour and Child Labour Risks

To ensure that awareness of Modern Slavery and Forced Labour and Child Labour risk is increased among Bradken's current and new suppliers, topics to highlight the risks have been added to the agenda of regular Supplier Relationship meetings.

Bradken has seen an increase in the awareness of Modern Slavery risks, not only in our immediate supplier base but also in our wider supply chain. This was illustrated during the reporting period by several examples such as one of Bradken's direct suppliers, based in Australia, promoting the awareness among its own suppliers, based in Italy. Hence, Bradken's supply chain gained a much better understanding of what Modern Slavery is, why it is important to overcome human exploitation anywhere in the world and the controls which can be put in place to overcome Modern Slavery globally.

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### What's next?

Our supplier assessments have continued to provide insights into the level of awareness and potential risks relating to selection of our suppliers (identified as high-risk products, services, or regions). We have confirmed that sending out questionnaires, combined with a deep dive into secondary sources of information, is continuing to raise awareness of Modern Slavery issues in our supply chain.

To further improve visibility, Bradken will continue to assess a significant number of suppliers during the next reporting period. This reporting period focused primarily on assessment of suppliers in Indonesia, Chile, Canada, and Peru, including Peru Linings and Australia.

In addition to these target regions, Bradken will continue to monitor all suppliers, through its onboarding due diligence process as well as regular site audits, to ensure any risk of Modern Slavery is identified and mitigated in a timely manner. All employees have access to the Bradken Procedure, “Assessing Modern Slavery Risk” which includes Bradken’s commitment and expectation as well as how to address suspected instances of Modern Slavery Forced Labour and Child Labour.

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### Supplier Code of Conduct – Mandatory Agreement

During the 2020-2021 reporting period, Bradken introduced a Supplier Code of Conduct which was communicated to new suppliers via email. The Supplier Code of Conduct sets out Bradken’s expectations of suppliers for areas such as ethical standards and behaviours, compliance with laws, health, safety and environment, treatment of employees and covers Modern Slavery and prohibits use of forced or child labour. To ensure we reach as many suppliers as possible, we updated our supplier onboarding process to a digital platform, the Bradken Supply Hub. This enabled us to provide a copy of the Supplier Code of Conduct to potential suppliers during their online registration

process, requiring them to confirm agreement to abide by it before they are approved as an active supplier. Bradken continues to review and update its policies, including the Supplier Code of Conduct, on a regular basis.

The Supplier Code of Conduct is available in English, French Canadian, Spanish and Chinese, representing the majority of the languages, spoken by our supplier base.

### Annual Training

We continue to focus on our annual employee training on Modern Slavery issues and risks, offering training, in English, Simplified Chinese, Malay, Spanish and French Canadian, making sure more of our people develop an understanding of the topic. The employees in our recently acquired entity in Peru, Linings S.A, were provided with training as well as a handbook in Spanish during their first week following the acquisition.

In addition to Modern Slavery training, Bradken engaged International SOS to conduct a Workplace Psychosocial Hazard Assessment Survey for all Australia-based employees. The survey’s aim was to understand and treat mental health hazards and risks in the same manner as physical hazards and risks are understood. During the next reporting period, the survey will be rolled out to all global employees to ensure that mental health hazards and risks, including any potential risks of exploitation, are addressed for all Bradken employees.

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## What's next?

In the coming year we intend on further raising awareness of Modern Slavery issues throughout our business via the annual training to keep Modern Slavery risks front of mind.

All new employees will receive the training when they are assigned a Bradken email address. In future we plan to develop awareness materials that can be shared with our suppliers, to increase awareness in our global supply chain.

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## Supplier Site Visits/Audits

Visiting supplier sites to undertake Modern Slavery audits continues to be a part of our plan to address Modern Slavery. This year we conducted 24 site visits and spoke with suppliers face-to-face about the risks of Modern Slavery in our (and their) supply chains and to view their premises and speak with their workers firsthand. While there were no red flags for Modern Slavery at the suppliers we visited, we took the

opportunity to review their premises from a safety perspective as well, providing improvement recommendations for housekeeping and employee wellbeing.

These visits highlighted that there is a growing awareness of Modern Slavery, however further improvements can be made in many regions we operate in. Discussions were received very positively by our suppliers who were keen to cooperate to proactively address any issues. It's clear these visits are a worthwhile action in building relationships and continue to assist with raising awareness of the risks of Modern Slavery amongst our suppliers.

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## What's next?

Supplier site visits for Modern Slavery audits will continue to be part of our actions to address Modern Slavery risk. Our Procurement team will continue to increase the number of site visits during the next reporting period as part of team members' personal KPI goals as we can see the value in these visits as an opportunity to build relationships with our suppliers while raising awareness of issues.

## Supplier Site Visit/Modern Slavery Audit

*As part of efforts to assess risk and raise awareness in our Supply Chain, Bradken representatives visited sites, including to a Scrap and Alloy Recycling facility based in Canada and Copper State facility in China.*

During our site visit to GMR, Globe Metal Recycling Inc., the Procurement Business Partner engaged in a general discussion with management regarding the understanding of Modern Slavery and Forced Labour and Child Labour Risks. The discussions included the implications of the new Canadian legislation and Modern Slavery obligations, why the audits are important and what Bradken is trying to achieve.



Hazardous and dangerous goods were well marked, stored safely and labelled. Equipment seemed well maintained and with sufficient guarding/safety precautions (Rad detector on scale).



Based on our site visit, Bradken suggested the importance of conducting regular risk assessments to identify potential areas of vulnerability within the supply chain. Implementing robust policies and procedures to prevent, detect, and address instances of Modern Slavery and Forced labour and Child Labour. Providing training to employees and suppliers on recognising and reporting signs of Modern Slavery and Forced Labour and Child Labour and engaging with suppliers to promote transparency and accountability throughout the supply chain.



**Our procurement team spent a few days with Copper State's leadership team and their regional agent 'Atlas' conducting final due diligence on their supply chain in China.**



Our procurement Business Partners identified that although automation, quality and governance were at high levels, adherence to PPE was considered low – particularly regarding eye and ear protection. Such site audits allow for evolving dialogue, and this was no different. We raised our concern with lack of PPE and apparent laissez-faire approach as a barrier to our commitment. We make no separation in standards for contract manufacturing versus our own Bradken standards. As a result, several complex conversations were held with the suppliers where firm commitments were negotiated, and road maps were put in place to make improvements.

## Management of Outsourcing Risk

Bradken has an increasing need to outsource components and castings manufacturing as we continue to grow the supply base in India. We have recognised that as this is one of our largest areas of spend in the products and services which has been identified as a higher risk, however this is also an area that we can influence.

Bradken takes a balanced position when choosing outsourcing suppliers, and consideration of commercial, technical, safety, quality, corporate social responsibility (CSR), and sustainability factors all play a part. Bradken wants to work with good corporate citizens who share our values, so our due diligence processes for new outsourcing suppliers looks at not just the supplier's own operations, but also the external CSR activities which they are proactively engaged in or contributing to. We understand that investing in the local community and education helps provide opportunities and can break the cycle of poverty, creating better family wealth which, in turn, reduces the risk of Modern Slavery. The level of contribution to their local community is an influencing factor in our decision to partner with a supplier or not.

We also leverage the support of our Product Sourcing team who identify and engage with suppliers in India to support our manufacturing process, using a rigorous review of potential suppliers to meet our outsourcing needs.

Bradken engages a third-party in India to undertake preliminary due diligence on potential outsourcing suppliers on our behalf. An initial desktop review is conducted, and a recommended short list presented to the Product Sourcing team. Following Bradken's approval, the third-party undertakes physical site visits. The purpose of these initial visits is to assess capability and capacity and inspect the working conditions of the supplier's foundry with consideration to employee conditions, safety and Modern Slavery red flags. A SWOT analysis is undertaken on the whole operation to highlight weaknesses or potential issues with

regards to the supplier's practices and to provide recommendations on improvements required to develop a partnership with Bradken. The supplier's willingness to cooperate with initial recommendations is a good indicator of a positive approach to our potential working relationship and a reduction in the risk of Modern Slavery occurring.

All suppliers who pass the preliminary site visit from the third-party are then visited by Bradken personnel to verify their suitability before we consider entering into a supply agreement with them. At this stage there is an opportunity to:

- View progress of implementation of any recommendations from the third-party.
- Conduct further screening including analysis of financial reports and wages and salaries data to ensure proper legal wages are being paid to workers.
- Require completion of and talk about the Modern Slavery questionnaire.
- Reinforce Bradken's expectations of Corporate Social Responsibility including the Supplier Code of Conduct; and
- Consider the supplier's own Corporate Social Responsibility efforts and engagement with their community.

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## Due Diligence Process – Components Business

Our due diligence process for our Components Business has focused heavily on its outsourcing suppliers.

During the reporting period, Bradken changed the way we select and conduct due diligence. Today we:

- No longer make decisions on cost or capability of a supplier in isolation.

- Decide on the suitability of the supplier only after the premises have been physically inspected and are fully audited after a review of their initial statements.
  - Complete a full suite of requirements from technical maturity, CSR, safety, economics (value for money), Modern Slavery and company ownership.
  - Apply the same criteria when assessing existing vendors during our annual audits.
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### Supporting Communities Where We Live and Work

At Bradken, we recognise that Modern Slavery is a deeply gendered issue with an estimated 71% of victims likely to be women and girls, according to the Global Estimates of Modern Slavery report by the Walk Free Foundation, the International Labor Organization and the International Organization for Migration.

We focus on providing a brighter future for women and girls through STEM (Science Technology Engineering and Mathematics) based education opportunities. We partner with recognised educational organisations to deliver three programs, and each year about 150 girls participate in these positive educational experiences.

#### Puthri, Coimbatore INDIA



**Puthri** is India's first developmental project seeking career intentionality amongst underprivileged females. Bradken has a five-year partnership with Puthri (2020-2025) to sponsor 100 girls between grades 8 to 12 at the Government Higher Secondary School, Chettipalayam, just 4km from our foundry in Coimbatore. The purpose is to assist girls in understanding their own capabilities, encourage them to stay in school and maintain their studies including STEM subjects, while developing skills for a successful career.

We recognise the role companies like ours can play in supporting the communities in which we operate, and we demonstrate our commitment to playing our part to empower young girls through educational partnerships with organisations in Peru, India and Australia.

### STEAM Girls, Moquegua PERU



Steam Girls Moquegua launched in March 2022, funded by Bradken and run by UNESCO Award winning City Makers. It's an after-school program run through the Santa Fortunata school in Moquegua, in Southern Peru, aimed at providing enhanced STEAM (Science, Technology, Engineering, the Arts and Mathematics) learning experiences for high school aged girls.

Through these partnerships we provide opportunities for young women so they can learn and develop their skills and ultimately use them to make a difference in their community and in their own lives.

### HunterWiSE, Newcastle AUSTRALIA



On Australia's east coast, we partner with HunterWiSE – through the University of Newcastle (UoN) - to support future female STEM professionals through a 10-week High School Outreach program. The program provides female Year 8 students, the opportunity to work with STEM academics and mentors and engage with industry sponsors, to identify and develop creative solutions for local community issues.

## Assessing the Effectiveness of our Actions

Modern Slavery is an ongoing agenda item in Bradken's Export Control Committee (ECC) meetings to ensure executive level involvement and oversight of the actions being taken to address Modern Slavery issues and the effectiveness of these actions. The Committee meets quarterly and includes representatives from our Executive Leadership Team, Governance and Legal Compliance, Supply Chain, Sales and Procurement functions, who review Modern Slavery actions and issues on a regular and ongoing basis.

### Percentage of awareness training completed and number of employees reached

The ECC oversees the Modern Slavery training to ensure that the training is available to as many Bradken's staff as possible; that staff complete the available training and that the completion rate is within the expected range. For this reporting period, the training completion rate was 100%. The ECC will also review plans for expansion of Modern Slavery training.

### Ongoing Supplier Questionnaire Responses

The number of suppliers we can reach via Supplier Questionnaires, as well as the risk rating of suppliers and issues addressed will be monitored and reported to the ECC as a measure of effectiveness of our actions. With the introduction of Modern Slavery and Forced Labour and Child Labour assessment subject matter expert, our response rate has not only more than doubled during this reporting period but the comprehensiveness of the assessments has increased significantly through assessment of responses as well as secondary sources.

## Onsite Modern Slavery Audits/Supplier Visits

As described on page 14 we have continued to undertake physical visits to our suppliers to conduct Modern Slavery Audits. During this reporting period, we have completed 24 site visits.

### Uplift of Whistleblower Policy and Reporting

We take seriously, any claims that human rights are not properly respected and investigate all allegations thoroughly.

Our Addressing Modern Slavery Risk procedure sets out our approach to dealing with suspected or actual cases of Modern Slavery.

Under Bradken's Whistleblower Policy, employees, and any other parties, acting in good faith, can confidentially report any behaviour that is believed to be: dishonest; fraudulent; corrupt; illegal; in breach of legislation; unethical and any other serious improper behaviour or unsafe work practice. Access to the Bradken whistleblower facility is available for both employees and external parties to report activity inconsistent with worker welfare standards, without fear of retaliation. The ECC oversee the monitoring of the effectiveness of our actions via a number of performance measures as listed below.

Bradken's Whistleblower Policy allows individuals who report or seek to report unlawful or unethical behaviour shall have their identity protected (if anonymity is desired by them), subject to any legal requirements which may require disclosure of the identity of the individual. The information disclosed will be limited to the person to whom the information is disclosed. Any files created or reports will be kept secure.

We see this as providing a comprehensive and user-friendly method for our people and suppliers to report concerns. We believe that improving our policy and platform may lead to an increase in reports – which we view as a good thing as it gives us better visibility of areas for improvement. Reports can be made via our third-party platform Ethicspoint either online or by phone.

During the current reporting period there were no whistleblower matters related to Modern Slavery.

Details of how to make a whistleblower report are provided to employees on induction and published on our intranet and on posters around our sites.

### Consultation with Subsidiaries

The legal entities covered by this statement operate as ‘One Bradken’, and the policies, approaches and actions outlined in this statement apply to all. Bradken’s centre led functions of People & Culture, Safety Sustainability and Quality, Legal and Operations have all worked collaboratively with our Sales teams in Bradken’s efforts to address.

### Additional Information

#### Impacts of COVID-19

This reporting period saw significantly less impact of COVID-19 to our operations with no site closures reported.

## Conclusion

In 2024 Bradken celebrated 102 years of operation. During this time, we’ve seen significant change. We will continue to focus on growing our support for the resource sector globally. We will also continue to respond to changing circumstances with a people focus, making sure we are a partner of choice for innovative solutions for our customers, while building our support for the global community along the way.

We continue to evolve the way we review and assess our operations, procurement, manufacturing, social responsibility, and sales activities to make sure human rights issues are addressed and the welfare of workers in our supply chains is protected.

Our teams will continue to work with our suppliers to ensure the awareness of Modern Slavery continues to be at the forefront of the relationship with Bradken and that Modern Slavery Awareness is extended to Bradken’s supply chain. This includes our site visits to our suppliers.

We will continue to assess our supply chain for any sign of any human exploitation by engaging the latest technology as well as Modern Slavery subject matter experts to play our part in eradicating human exploitation.

## Appendix

### Addressing the Mandatory Criteria set out in the Act.

Mandatory Criteria		Relevant Page Number
a)	Identify the reporting entity	Page 2
b)	Describe the reporting entity's structure, operations and supply chains.	Page 2 – 6
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.	Page 2 – 10
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.	Page 11 – 21
e)	Describe how the reporting entity assesses the effectiveness of these actions.	Page 20-21
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).	Page 7
g)	Any other information that the reporting entity, or the entity giving the statement, considers relevant (optional)	Page 15 – 19