

MODERN SLAVERY POLICY

1. INTRODUCTION

- 1.1 Engenco Ltd and its subsidiaries (**Engenco**) is committed to conducting its operations and business activities with integrity, in compliance with all applicable laws and in accordance with the highest standards of ethical behaviour.
- 1.2 The *Modern Slavery Act 2018* (Cth) (the **Act**) took effect on 1 January 2019 and has created an annual reporting requirement for large businesses in Australia, including Engenco, to report publicly on the actions they have taken to address modern slavery risks in their operations and supply chains.
- 1.3 Engenco recognises that modern slavery is a complex issue that affects workers, individuals and communities globally on an enormous scale. We are determined to work collaboratively with our suppliers and other stakeholders to play our part in ending modern slavery.

2. PURPOSE

- 2.1 The purpose of this modern slavery policy is to ensure Engenco:
 - (a) complies with its obligations under the Act and other applicable laws;
 - (b) utilises effective systems and controls to safeguard against any form of modern slavery within our business operations and to limit its occurrence as much as possible within our supply chain;
 - (c) engages with our suppliers to ensure they meet our expectations and to encourage them to improve their own social procurement practices; and
 - (d) acts to prevent, mitigate and if necessary remedy modern slavery within our operations and supply chains.

3. SCOPE

- 3.1 This policy applies to all Engenco directors, employees and any temporary or contract staff.
- 3.2 This policy should be read in conjunction with Engenco's Code of Conduct, Anti-Bribery and Corruption Policy, Whistleblower Policy and other company-wide policies.

4. WHAT IS MODERN SLAVERY?

- 4.1 'Modern slavery' broadly refers to exploitative situations where people cannot refuse or leave work due to threats, violence, coercion, abuse of power or deception. The Act's definition of modern slavery encompasses slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services.

5. MODERN SLAVERY STATEMENT

- 5.1 The Act requires Engenco to prepare and submit to the Department of Home Affairs for online publication an annual modern slavery statement by 31 December each year. The Chief Financial Officer, with assistance from the Senior Legal Counsel, is responsible for the preparation of the statement. The Board of Directors will approve the statement and a Director will sign it.

6. ADDRESSING MODERN SLAVERY

- 6.1 Engenco has also implemented a *Procurement Policy* to ensure that it is addressing modern slavery and ethical sourcing risks in its operations and supply chain.
- 6.2 Key modern slavery mitigation activities to be undertaken by Engenco include:
- (a) conducting risk assessments to determine which parts of its business and supply chain are most at risk from modern slavery;
 - (b) implementing, monitoring and reviewing the effectiveness of the *Procurement Policy* and other initiatives to address modern slavery; and
 - (c) engaging with suppliers to understand the measures that suppliers have in place to ensure that modern slavery is not present within their businesses.
- 6.3 Additionally, Engenco's *General Conditions of Purchase* will be amended to require suppliers to:
- (a) comply with the Act;
 - (b) ensure that they investigate, assess and address risks regarding modern slavery in their own supply chains;
 - (c) notify Engenco as soon as they become aware of modern slavery within their supply chains;
 - (d) have in place processes, procedures, investigation and compliance systems to address modern slavery; and
 - (e) comply with Engenco's *Supplier Code of Conduct* (see section 7),

and Engenco reserves the right to terminate contractual arrangements if there is a breach of those obligations.

7. SUPPLIER CODE OF CONDUCT

- 7.1 Engenco has adopted a *Supplier Code of Conduct*, attached to this policy as Annexure 1.
- 7.2 Engenco requires all of its suppliers to adhere to the *Supplier Code of Conduct* and will periodically review and audit the operations of its suppliers to ensure compliance.

- 7.3 Engenco also expects that its employees commit to the standards of conduct outlined in the *Supplier Code of Conduct*.

8. REVIEW OF POLICY

- 8.1 This policy will be reviewed in December 2021 and every 2 years thereafter and will not be amended without the approval of Engenco's Board of Directors.

9. QUESTIONS

- 9.1 Please direct any questions about this policy to the Chief Financial Officer or Senior Legal Counsel.

ANNEXURE 1 – SUPPLIER CODE OF CONDUCT

SUPPLIER CODE OF CONDUCT

1. INTRODUCTION

- 1.1 Engenco Ltd and its subsidiaries (**Engenco**) are committed to ethical, sustainable and socially responsible procurement. As an important part of this commitment, we endeavour to align ourselves with suppliers who display high ethical standards and share similar values to us.
- 1.2 We expect that our suppliers operate in full compliance with all laws, rules and regulations of the jurisdictions in which they do business. However, we seek more than mere legal compliance from both ourselves and our suppliers. We expect all of our suppliers to commit to the standards of conduct outlined in this Supplier Code of Conduct (**Code**).

2. PURPOSE

- 2.1 The Code sets out Engenco’s minimum expectations of its suppliers in the following areas:
 - (a) workplace health and safety;
 - (b) labour and human rights;
 - (c) integrity, ethics, anti-corruption and competition;
 - (d) diversity and inclusion; and
 - (e) environmental management.
- 2.2 Suppliers to Engenco are advised to review the Code and ensure that relevant areas of their businesses and supply chains meet the Code’s standards.

3. SCOPE

- 3.1 The Code applies to all suppliers to Engenco.

4. MINIMUM STANDARDS FOR SUPPLIERS

- 4.1 The following table sets out the minimum standards expected of all suppliers.

| Area of Compliance | Minimum requirement |
|------------------------------------|--|
| Workplace health and safety | Suppliers must provide a healthy and safe work environment and comply with all applicable laws relating to workplace health and safety including: <ul style="list-style-type: none"> • managing occupational health and safety hazards; • implementing systems for the prevention of occupational injury and illness; • standards for fire safety; • emergency preparedness and response plans; • occupational or industrial hygiene standards; • appropriate lighting and ventilation; • reporting and investigation of occupational injuries and illness; and |

| Area of Compliance | Minimum requirement |
|---|--|
| | <ul style="list-style-type: none"> assigning responsibility for health and safety to a management representative. |
| Labour and human rights | <p>Suppliers must comply with all applicable laws relating to wages, employment conditions, working hours, legally mandated benefits, health and safety, and anti-discrimination.</p> <p>Suppliers must not use, and must ensure to the extent possible that any supplier to it does not use, any form of child, forced or involuntary labour and must comply with international standards and domestic regulations relating to the employment of children.</p> <p>Suppliers must not engage or be complicit in any practices of Modern Slavery, as defined in the <i>Modern Slavery Act 2018</i> (Cth). Suppliers must investigate and assess risks of Modern Slavery within their operations and supply chain and notify Engenco as soon as possible of any suspected or confirmed cases of Modern Slavery within their operations or supply chain.</p> <p>Suppliers must only employ workers with a legal right to work in the relevant jurisdiction, including workers engaged through a labour hire or employment agency.</p> |
| Integrity, ethics, anti-corruption and competition | <p>Suppliers are expected to be ethical in their business activities, including relationships, practices, sourcing and operations, including:</p> <ul style="list-style-type: none"> compliance with applicable anti-corruption laws relating to bribery, corruption, money laundering, fraud, tax evasion or similar activities; refraining from making or allowing facilitation payments when undertaking work for or on behalf of Engenco; compliance with all competition and consumer protection laws; identifying and reporting any conflicts of interest they have in their dealings with Engenco; and maintaining policies and practices to allow misconduct or grievances to be reported and addressed without fear of retaliation. |
| Diversity and inclusion | <p>Suppliers should value and support diversity and inclusion in their businesses. Suppliers understand and embrace the principle that a workforce containing a diversity of skills, experiences and backgrounds enhances business outcomes.</p> |
| Environmental management | <p>Suppliers must comply with all applicable environmental laws and continually strive to improve their sustainability performance, including focusing on reduction of waste,</p> |

| Area of Compliance | Minimum requirement |
|--------------------|--|
| | carbon emissions, water and natural resources consumption. Suppliers must maintain an appropriate environmental management system that identifies and manages environmental impacts. |

5. COMPLIANCE AND BREACH

- 5.1 The Code contains Engenco’s minimum standards for its suppliers. Suppliers must comply with the letter and intent of all laws and regulations relating to their business. If the local law allows an activity, practice or standard that is not permitted under this Code then the supplier must comply with the Code.
- 5.2 We require our suppliers to meet the Code’s expectations and to share these expectations with their personnel, suppliers and subcontractors so that they are communicated through suppliers’ organisations and supply chains. We encourage our suppliers to develop the necessary tools, record-keeping and management systems to support this compliance.
- 5.3 Engenco may require suppliers to conduct self-assessments and Engenco reserves the right to take necessary steps to verify compliance with the Code.
- 5.4 Suppliers must co-operate with any verification processes and in addition must notify Engenco of any breaches and take reasonable steps to address, remedy and prevent reoccurrence of any breach of the Code.
- 5.5 A breach of this Code may result in Engenco terminating our supply agreement or relationship with you.
- 5.6 Suppliers to Engenco have access to our Whistleblower Policy, which creates a confidential and safe way to report illegal, unethical, fraudulent or undesirable conduct to us. Our Whistleblower Policy is available on our website at www.engenco.com.au.

6. QUESTIONS

- 6.1 Please direct any questions about this Supplier Code of Conduct as below for the relevant business:

Engenco: procurement@engenco.com.au

Convair: procurement@convair.com.au

Gemco: procurement@gemcorail.com.au

Drivetrain: procurement@drivetrainpower.com

CERT: procurement@engenco.com.au

Momentum: procurement@engenco.com.au