

Modern Slavery Statement

“Modern Slavery” is the phrase used to describe the crimes of human trafficking, slavery and slavery like practices such as servitude, forced labour, forced or servile marriage, the sale and exploitation of children, and debt bondage.

A common thread runs through all of these offences: they involve one person depriving another person of their liberty, in order to exploit them for personal or commercial gain.

The United Nations (UN) and Walk Free Foundation estimate there are approximately 40 million victims of modern slavery around the world. 16 million of these victims are exploited in the private economy. Australia is not immune from modern slavery. The Australian Government (the Government) estimates there were 1,567 modern slavery victims in Australia between 2015 and 2017. Modern slavery can occur in every industry and sector. It is also often linked to other crimes and activities that adversely impact human rights, such as corruption and environmental damage.

We have a corporate responsibility to take an active role to address and mitigate potential modern slavery risks. This statement sets out the steps aimed to identify and eradicate slavery or human trafficking in our business and supply chain in accordance with the criteria in the Australian Modern Day Slavery Act 2018.

About our company

Cold Forged Products No.1 Pty Ltd (“CFP”) is a privately owned company registered in Australia.

Cold Forge operates in the rail industry in Australia.

Cold Forge operates from a national warehouse in Caringbah, a southern suburb of Sydney with 3PL warehousing in Brisbane, Perth and Melbourne. Operations are supported by sub contract manufacturing in the US, UK, China, Australia and Germany.

Cold Forge currently employs 7 staff all in Australia.

Cold Forge has many supply chains that contribute to the operation of our business and as the Cold Forge business continues to grow in size, so do our supply chains.

Cold Forge is committed to sourcing and developing top quality, ethical materials for our products through a resilient global and local network.

We rely on positive and open relationships with our suppliers and producers so we can continue to monitor and enhance our practices.

Risks of modern slavery practices in the operations and supply chains

As a designer and supplier of industrial and rail products it is important that we consider how the industry and our supply chains can be linked to modern slavery.

Some of the possible risks identified in our operations and supply chains are;

- Traceability of the supply chain, where the degree of integrity to meet ethical practices can be wavered particularly when working with distributors with a varying network of suppliers. The accessibility of information is completely reliant on the relationships formed with distributors and requires shared values.
- Supply coming from countries where it is reported to have a high prevalence of modern slavery or labour rights violations, other human rights violations and/or child labour by international organisations and/or NGOs.
- Working with suppliers in farming and/or rural regions that employ temporary, seasonal and/or immigrant workers.
- Delivery timeframes that might require suppliers to engage in excessive working hours, make cost savings on labour hire or rapidly increase workforce size.

Actions to manage modern slavery risks and due diligence processes

This coming year, we will be focusing heavily on our raw material supply chains and have raised the bar on our standards and measures ensuring our suppliers are consistently up to the mark.

We are developing practices that help us to enforce the standards set to prevent the risk of Modern Slavery in our supply chains and to encourage disclosure of any such practices within our business and throughout our supply chains.

Where possible, we work directly with suppliers and producers, but long distance relationships take work which is why regular visits to our suppliers to see their operations are important to us.

Cold Forge visits suppliers directly. Equally important is meeting our suppliers based in Australia and New Zealand. Visits are designed for several purposes; both to

encourage a direct relationship and disclosure of challenges suppliers are facing, to learn about the material which we purchase and how it is processed and to audit the supplier. Auditing includes actions such as reviewing the working conditions for employees and asking probing questions around working conditions. An example of this would be to enquire what measures are in place on days of extreme heat which is a common occurrence in Australia.

Subject to COVID-19 restrictions, globally, and the safety of our team travelling both domestically and internationally, Cold Forge has set the goal of revisiting our top 10 suppliers in 2022. These visits will be shared amongst the senior management and will ensure a more direct and transparent relationship with our key suppliers. It will also allow the opportunity to view and audit the working conditions of these suppliers.

Cold Forge globally have worked hard to develop a system that will enable us to work more efficiently to monitor and work with our raw material suppliers to ensure we are meeting the highest ethical standards possible throughout our supply chain.

Measuring the effectiveness of these actions

This coming year, 2022, we will use key performance indicators to measure how effective we've been in combating slavery and human trafficking in our business and supply chains.

The KPI's we will be using this year to measure our success are:

- Number of suppliers visited and audited by our buying team globally and local buyer;
- Number of suppliers that have signed and returned our MSS Declaration;
- Number of development targets met by suppliers to help improve working conditions.

This year we will also release a Whistle-blower policy that will allow an anonymous avenue for both internal and external people to raise any concerns.

The aim of this policy is to provide a mechanism for reporting, investigating and remedying instances of malpractice in the workplace which applies both to our business and those in our supply chains.

Accountability standards

In keeping with our company's commitment to act with integrity in all of our business operations, we have taken on active roles to ensure there is no slavery and to support human rights.

This statement is and constitutes our Modern Slavery Statement for the year ending December 2021. It has been issued on behalf of Cold Forged Products No.1 Pty Ltd by Andrew Carroll, Director on the 14 January 2022.