



# Contract Resources Group Modern Slavery Statement 2022

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# 1 Modern Slavery and Values

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This is Contract Resources' joint Modern Slavery Statement, which is made in accordance with the *Modern Slavery Act 2018* (Cth), covering the reporting period 1 July 2021 to 30 June 2022.

Modern slavery is defined as serious forms of exploitation and includes human trafficking, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour.

Contract Resources is committed to acting ethically and with integrity in all our business dealings. We recognise that we have a responsibility to respect human rights. We want to foster an environment where every employee and business we deal with feels that they are treated fairly and are respected.

We are committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chain.

We also undertake to ask the right questions and be inquisitive in assessing leading indicators and potential warning signs.

## Our Values

Contract Resource is a proudly global company domiciled in Australia with a corporate history that dates to the 1990s.

As a leader in specialised industrial services, we are strongly focused on the health and safety of our employees, our clients, and the communities in which we operate. This aligns with our company values of people, innovation and sustainability, which are fundamental to our ongoing success.

Operating in a global environment, Contract Resources is committed to transparency around our supply chains and to developing and implementing policies and procedures that reduce the risk of modern slavery across all facets of our operations.

## **Zero Harm**

Care for health, safety, community and environment.

## **People**

Our most valuable asset.

## **Customers**

Working together for continuous improvement.

## **Innovation**

Leading in innovative technology and performance.

## **Quality**

100% right the first time

## **Teamwork**

Performance through teamwork.

## **Delivery**

Changing the critical path by exceeding expectations.

## **Presentation**

Proud to stand out.

## **Sustainability**

Commercially successful.



## 2 **Contract Resources' structure, operations and supply chain**

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This statement is submitted on behalf Contract Resources Group Pty Ltd (**Contract Resources**) as well as its subsidiaries who are also reporting entities and who have been consulted in preparing this statement. Details of each reporting entity can be found in Appendix A of this statement.

Throughout the remainder of this statement, these entities will be collectively referred to as "Contract Resources".

### **Our Operations**

Contract Resources is a leader in specialised industrial services with over 30 years' experience in heavy process industries. Operating in Australia, New Zealand, PNG and GCC countries in the Middle East, Contract Resources has a growing global presence.

**Appendix A** depicts our locations globally.

Services offered by Contract Resources include:

- Catalyst handling and confined space rescue;
- Specialised mechanical and industrial services;
- Tank cleaning;
- Industrial chemical cleaning; and
- Industrial waste treatment.

Key markets we operate in include:

- Liquefied Natural Gas (LNG);
- Refining / Petrochemical;
- Minerals processing;
- Fertilizers;
- Food processing (dairy);
- Upstream oil and gas;
- Renewable energy including geothermal;
- Mercury and waste decontamination.

### **Our People**

Globally, we employ between 1200-1800 depending on project timing.

Our workforce is employed under individual contracts and some employees are covered by regional industrial agreements.

Contract Resources takes compliance with labour laws extremely seriously. Contract Resources has robust systems in place regarding local labour law compliance in each country where we employ people and procure external expert advice on occasion to ensure compliance with the law.

### **Our Supply Chain**

Contract Resources provides services to clients in Australia, New Zealand, PNG, UAE, Qatar, Oman, Kingdom of Saudi Arabia, Kuwait, Bahrain and Egypt.

Our supply chain focuses on safety, reliability and quality. Each area of operation utilises suppliers of plant and equipment, PPE and raw chemicals for use in the supply of specialised

industrial and environmental services to key clients. Each item is sourced from manufacturers and resellers that meet Contract Resources' standards.

Due to the nature of our services, many of our suppliers are highly specialised and, in some cases, limited supply alternatives are available. This means our supplier relationship management is important.

### 3 What risks do we foresee?

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During the reporting period, we engaged our workforce to identify the risks of modern slavery in our operations and supply chain.

Contract Resources has identified potential modern slavery risks associated with both our supply chain and operations. Our assessment indicated that our operations may be susceptible to modern slavery risks through direct engagement of third-party suppliers, and indirectly through the companies that supply goods and services to our suppliers.

#### Operations

In evaluating potential exposure to risks in our operations, we identified greater exposure:

- operating in geographies classified as "high risk" including developing nations and conflict-affected zones; and
- employing or engaging third party suppliers (e.g. labour hire) who employ vulnerable workers with basic skills, including migrant employees and employees from low socio-economic or culturally diverse backgrounds.

During the reporting period, labour shortages experienced in Australia and New Zealand due to Covid-19 border restrictions made recruitment of employees highly competitive. As a result, Contract Resources looked at opportunities to recruit workers from overseas noting that this increased the risk of potential modern slavery exploitations given the geographies in which employees were potentially engaged from. Employees were ultimately seconded from our team in the ME to Australia remunerated under local Australia industrial agreements.

#### Supply Chain

Contract Resources has identified modern slavery risks may arise in our supply chain where we source equipment and materials from geographies that have little or no human rights or worker protections, poor law enforcement or where modern slavery exploitation is widely practiced.

During the reporting period supply constraints in shipping experienced in Australia, New Zealand and the Middle East due to Covid-19 border restrictions and conflict in Eastern Europe made procurement of material and equipment in a timely manner challenging. As a result, Contract Resources looked at opportunities to purchase materials and equipment from alternative suppliers noting that this increased the risk of a potential modern slavery exploitations given the geographies in which equipment and materials were potentially engaged from.

### 4 What controls do we have in place?

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Our approach to respect human rights, and address any instances of modern slavery, is embedded in our governance and management system. Relevant policies and procedures we have in place and regularly review include our:

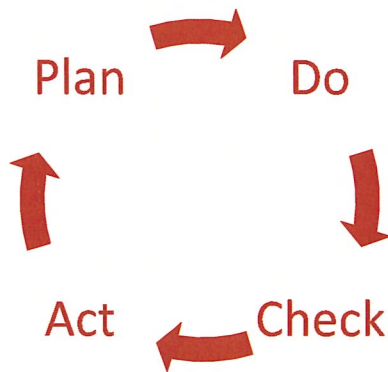
- **Code of Business Conduct** - establishes the minimum standard of behaviour expected of all employees including human rights.

- **Supplier Code of Conduct** - establishes the minimum standard of behaviour expected of all contractors including human rights.
- **Whistle-blower Policy** - prescribes how people can report concerns about unacceptable conduct in breach of our values and details protection of whistle-blowers.
- **Speak Up Hotline** – service available to employees, contractors and the community to report grievances and unacceptable conduct in breach of our values and contracting golden rules.
- **Diversity and inclusion policy** - describes our commitment to diversity in the workplace and how we embrace differences in the environments we work in.
- **Supplier on-boarding procedure** – sets the procedure for supplier approval and due diligence to identify and mitigate any actual or potential risks related to our operational activities.
- **Audit regime/Delegation of Authority/ Gate Meetings** – governance procedures that are in place to manage approval of new supplier relationships and engagement of suppliers prior to contractual commitments.

## 5 How do we assess our controls?

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Contract Resources adopts the Plan, Do, Check, Act (PDCA) methodology in assessing modern slavery risks and working towards continuous improvement.



**Plan:** Review and assess risk of modern slavery in the business;

**Do:** Implement and promote policies and procedures aligned to Contract Resources values;

**Check:** Regular and systematic reviews of all policies and procedures including internal compliance audits;

**Act:** Evaluate effectiveness of policies and procedures, training etc and modify as necessary.

## 6 What actions have we taken?

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During the reporting period, Contract Resources has endeavoured to further mitigate risk of modern slavery in its operations and supply chains by undertaking the following activities:

- External review of employment contracts in Middle East operations and implemented new individual employment contracts for employees that are aligned with local laws and our values;
- Implementation of payroll and ERP systems in Middle East operations;
- Renewal of several industrial agreements in Australia through collective bargaining with employees and their union representatives;
- Reviewed and evaluated the corporate risk register which included risks around employees, supply chains and modern slavery concerns;
- Renewed focus on internal training and promotion of EAP services including quarterly focus group webinars;

- Renewed focus on supplier on-boarding training;
- Established separate supplier administrator role in New Zealand with a focus on local supplier on-boarding procedures;
- Commenced audit of suppliers and compliance with modern slavery expectations including development of modern slavery questionnaire;
- Completed audit of supplier management procedure with actions noted and corrected;
- Promoted diversity within the team with focus on indigenous cultures including participation in NAIDOC activities and continued education and training on indigenous history (Australia),
- Promoted diversity with focus on disability awareness (New Zealand);
- Focused on gender engagement in operational roles and implemented several internal promotions;
- Progressed strategy and alignment of our commitment to working ethically and with integrity in the communities where we operate through further refinement of our ESG policy;
- Site visits by Board of Directors and Managing Director to accommodation facilities in ME to verify and witness conditions.

## Future Actions

Contract Resources is committed to continuous improvement and awareness of the risks of modern slavery in our operations and supply chains. Future initiatives we propose include:

- continue training for our employees to increase understanding of our modern slavery risks;
- commence training sessions for targeted suppliers to enhance their understanding of modern slavery risks;
- review HR policies and procedures to ensure alignment with Contract Resources value and commitment to eliminating any modern slavery risks;
- focus on management of change; and
- continue to conduct and expand on scope of supplier audits.

## 7 Consultation

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Stakeholders from each of the entities within the Contract Resources group, as identified in **Appendix A**, have worked collaboratively to prepare this statement. Working groups have assessed and identified modern slavery risks in our business. We discussed information regarding the actions we intend to take to address these requirements.

This statement has been reviewed and approved by the Board of Directors of Contract Resource Group Pty as the global parent entity at its August 2022 Board meeting.



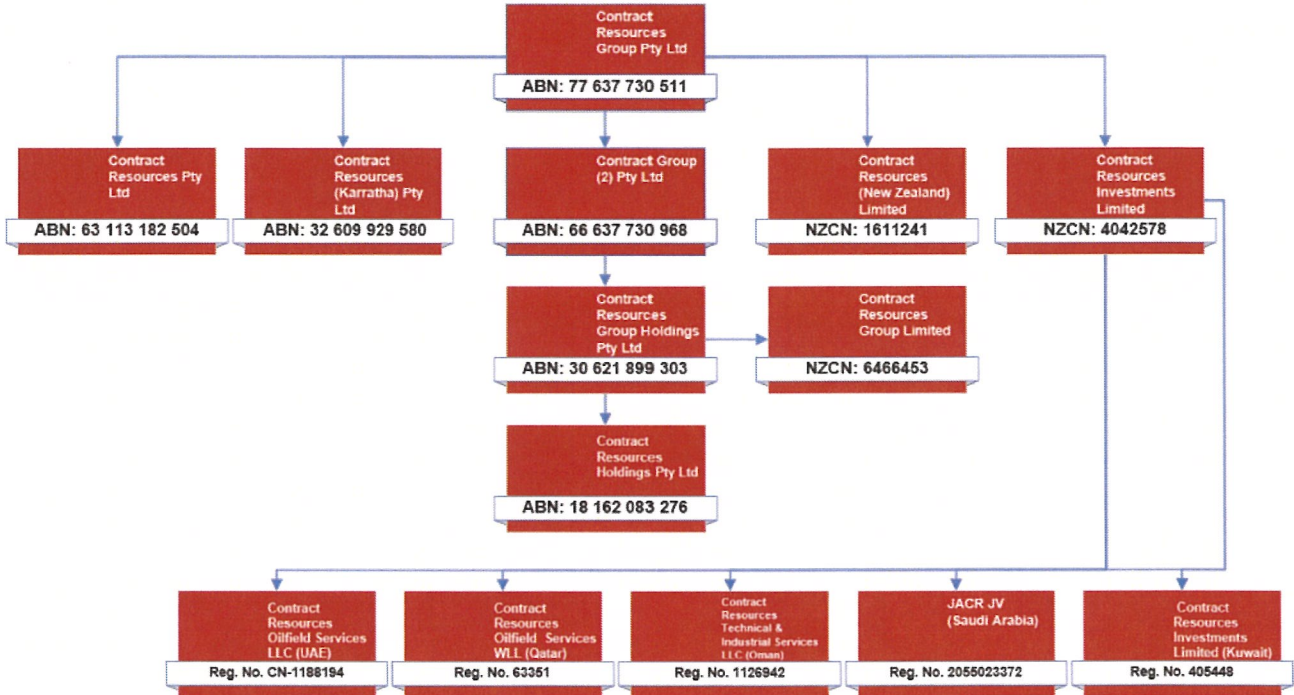

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Adam Machon  
**CEO and Managing Director**  
**September 2022**



## Appendix A - Corporate Structure and Locations

### Corporate structure as of 30 June 2022



## Our Locations

### Australia

Adelaide  
Brisbane  
Darwin  
Melbourne  
Gladstone

Alexandria  
Gap Ridge  
Karratha  
Perth

### New Zealand

Bay of Plenty  
Hamilton  
New Plymouth  
Taranaki  
Taupo

### Middle East

Abu Dhabi  
Dubai  
Kuwait  
Qatar  
Saudi Arabia  
Oman

