



NEPEAN

TM

MODERN SLAVERY

Statement prepared for
reporting period
2022 - 2023



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Introduction

This Statement has been prepared for the reporting period 1 July 2022 to 30 June 2023.

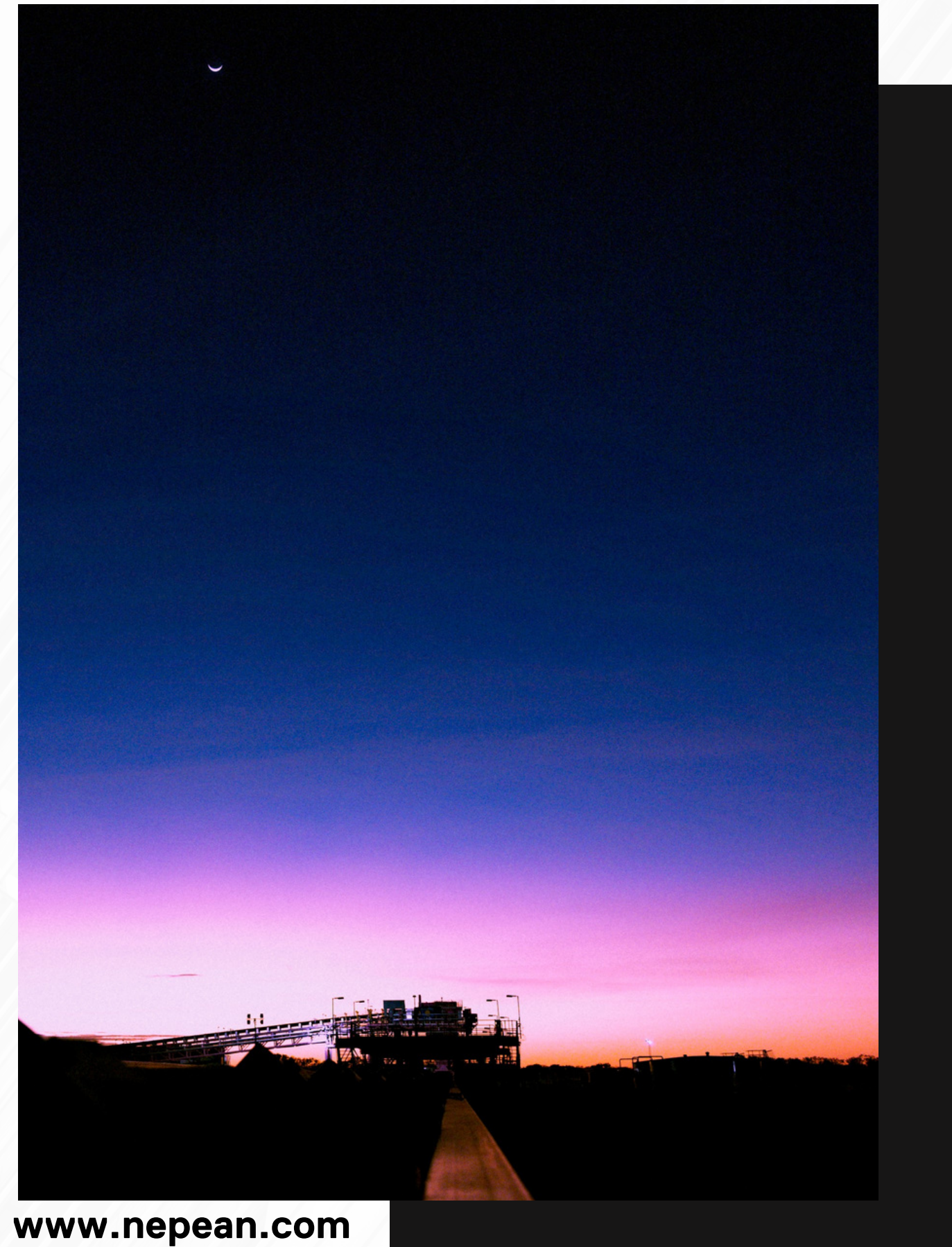
Our approach to Modern Slavery is underpinned by our commitment to strengthening our approach to preventing modern slavery practices and greater investment and efforts to better assess and manage this risk. As **NEPEAN** continues to grow both in Australia and globally with operations across 6 continents, we recognise the potential for labour rights violations in our industry and supply chain.

We continue to identify parts of our supply chains where Modern Slavery presents the greatest risk and believe deeply that modern slavery violations must be considered unacceptable in all of its forms given the severe and lasting devastation it causes. By taking a targeted approach and focusing on specific high risk sectors we believe we are setting a strong foundation not only across our areas of operations or supply chains, but for the future.

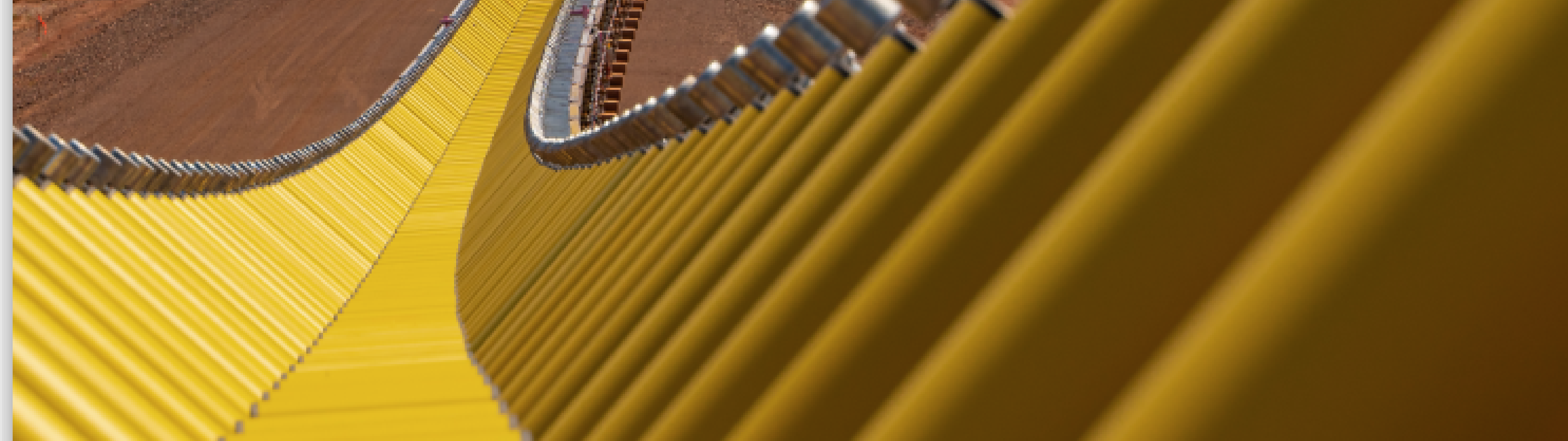
Miles Fuller
Sole Director & Secretary

What We Do

NEPEAN is a significant engineering and industrial manufacturing organisation. We are highly trusted by clients, employees and suppliers and have earned an enviable reputation as an industry leader in design, manufacture, service, and support for mining, transport & building industries. We employ over 1700 in 6 continents and have significant businesses in Australia, USA, Canada, Chile, China, Indonesia, Germany, Finland, Sweden Austria and Brazil. Our 30 manufacturing companies are run by empowered expert technical General Managers.



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Our Areas of Operation

Conveyor Systems and Components

Our businesses involve the manufacture and supply of conveyor systems and components and operate through our **NEPEAN** Conveyors, PROK, Gurtec and Roxon entities based in South America, Canada, United States, Indonesia, South Africa, Sweden, Finland and Germany as well as domestically in Mackay, Wollongong, Perth, Pilbara, Gosford and Gulgong.

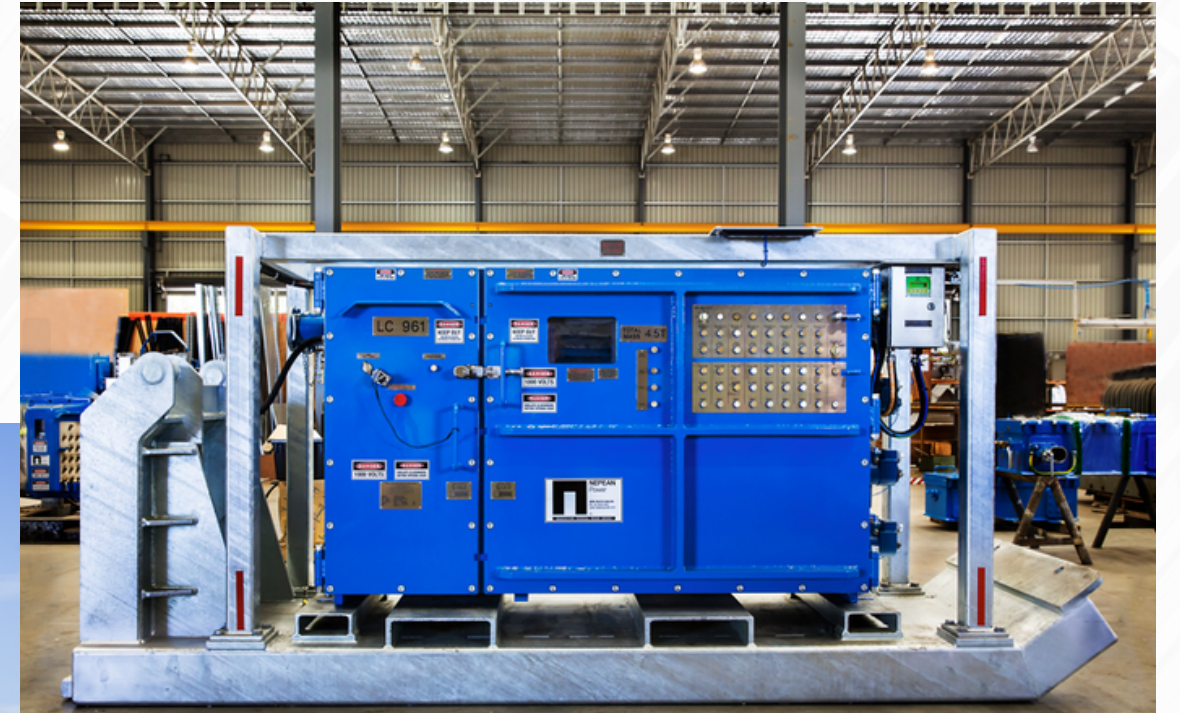


Longwall Mining Systems

Our mining longwall business operating from Rutherford NSW and MacKay QLD concentrates on the design and construction of new underground longwall mining equipment and overhaul of existing equipment such as:

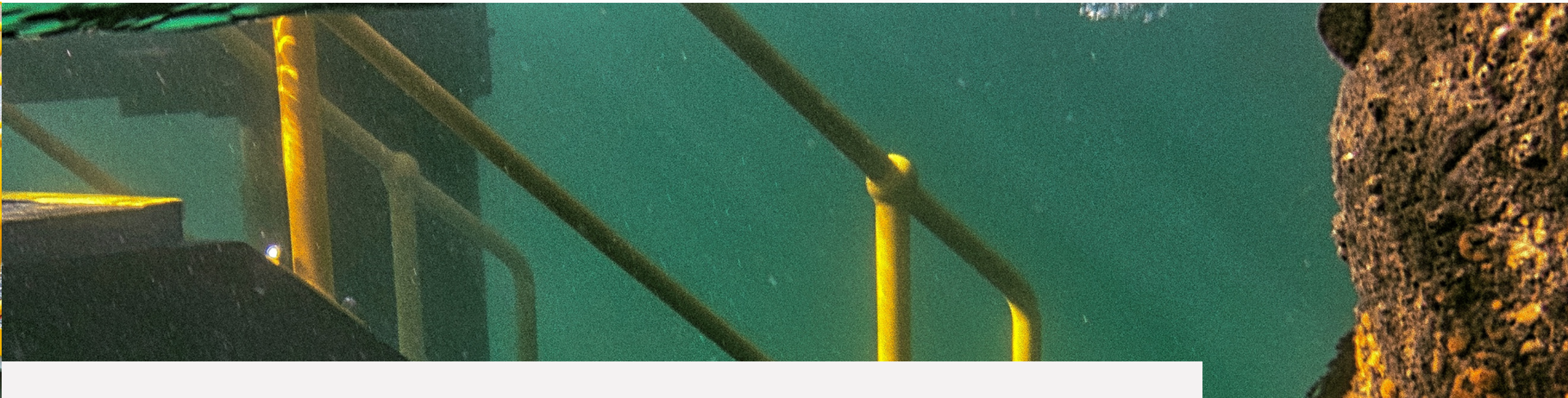
- Armoured Face Conveyors
- Powered Roof Supports
- Electro-Hydraulic and Chain Driven Conveyors Crushers; and
- Longwall System Packages

Electrical Components and Equipment



NEPEAN Power operates from Thornton NSW and is focused on the supply and manufacture of Coal and Non-Coal equipment:

- Power Supply Devices
- Substations
- Power & Electronic Device Services
- High Voltage Switchgear
- Switchrooms
- Control & Protection Devices
- Distribution Control Boxes; and
- Surface Methane Plant Management Services



Building Products and Services

Our NBI business includes the manufacturing, supply & galvanising of metal products through our entities of Weldlok, Galserv and Galintel for the architectural, civil, construction and industrial markets operating from Yagoona, Coffs Harbour, Mackay, Brisbane, Perth & Melbourne:

- Industrial Access Systems
- Drainage Products
- Expanded and Perforated metal sheets
- Lintels
- Retaining Wall Systems
- Galvanising Services



NEPEAN Engineering

Our engineering operations provides specialist engineering services to the mining, manufacturing, infrastructure, water, scientific, defence, aerospace and pharmaceutical sectors from Narellan NSW.

These specialties include:

- Surface & Spherical Grinding
- EDM Wire Cutting
- Heavy & Light Metal Fabrication
- Laser Cutting, Profile Cutting, Surface Treatment & Assembly
- Precision Inspection
- Design & Engineering
- Special Machines
- CNC Machining
- CNC Boring





Supply Chain

Our supply chains consist of a mixture of NSW, QLD, WA and VIC based suppliers as well as internationally from regions including Africa, Asia and the Pacific, Europe & Central Asia and the Americas. Broadly, our suppliers continue to cut across various industries and comprise of the following products and services:

- Belts and related monitoring systems
- Electrical components such as switches, gear boxes, motors and mechanical drives
- Pulleys and Idlers
- Steel
- Hydraulics equipment
- Winding equipment
- Magnet systems
- Roof supports and structures
- Coal clearance systems and associated structures
- Chains
- Handrails
- Gratings and wire mesh
- Fasteners
- Nuts and bolts
- Purlins
- Lintels
- Wearliners

Our Approach

Working Group

NEPEAN has policies in place which promote legal and ethical business conduct. These are regularly reviewed and receive Board approval. All new employees upon induction into procurement roles receive initial and ongoing Modern Slavery awareness training. Our Modern Slavery Working Group meet to discuss, review and assess NEPEAN's response and overall effectiveness in order to both raise awareness and minimise and prevent Modern Slavery from occurring.

Our guiding principles are underpinned by the United Nations Guiding Principles on Business & Human Rights, Universal Declaration of Human Rights and the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work.

Policies

NEPEAN promotes a confidential Speak Up reporting regime backed by our HR team where complaints or issues can be raised freely and confidentiality so that issues or suspected occurrences can be fully investigated and if required, further action taken. This is augmented by NEPEAN's Speak Up policy.



Supplier Due Diligence

Our Commercial, Project & Finance teams augmented by our General Managers continue to carry out various supplier due diligence checks and enquiries including issuing on-boarding questionnaires, desktop assessments, visiting suppliers (and customers) on site as well as holding discussions with suppliers as to what measures and policies they are taking and implement within their own organisation and supply chains in order to prevent & minimise Modern Slavery.



Contracting

Our standard purchase order terms and conditions, conditions of sale and all of our other supply and purchase agreements require our suppliers and customers to warrant and acknowledge that they have no knowledge of any Modern Slavery offences occurring within their organisation(s) or supply chain(s). Our expectation is that they will take steps to address any grievances, instances or concerns which may arise throughout the contract and their supply chains generally, and if not, may find that their contract is terminated.

Location Risk

Our risk rating is based upon the Global Slavery Index Walk Free Foundation Index which assesses risk rating variables in the area within which we operate and categorises them into coloured zones. This rating does not consider any specific mitigations across those regions but rather provides a useful visual indicator guide to better identify and focus in on further risk assessment and related processes. Given NEPEAN operates within a global framework and considering the figures indicate that 49.6 million people were living in modern slavery on any given day, there is a real risk that modern slavery practices may exist within our supply chains. Those practices could include forced labour, oppressive or extreme & harsh working conditions, servitude, child labour & debt bondage.

Risk Assessment

Across our businesses (which includes our subsidiaries and related entities), each General Manager along with our independent working group reassessed its supplier risk identification processes. This included identifying regions based upon the Global Slavery Index Walk Free Foundation Regional Prevalence & Vulnerability Data Index Matrix including an analysis of the sector and type of industry those suppliers operate within.

Continuing this process from previous years, enabled us to consistently identify and consider risks that may possibly cause or contribute to modern slavery practices together with the type of industry and type of products and services being supplied. Our Location Risk heat map also enables to identify and assess the potential for risk within our supply chains linked to the areas where we operate.

The outcome of the assessment assisted with our prioritisation and implementation of our supplier engagement. We continue to monitor the overall effectiveness of this assessment based approach against our current adopted processes and procedures in order to identify the modern slavery risks that our business may be exposed to. This is consistent with the UN Guiding Principles on Business & Human Rights.

We continue to assess the effectiveness of our actions in identifying and managing modern slavery risks by engaging and working with our suppliers, undertake internal governance and awareness training and generally tracking and rating our actions. Monitoring these actions requires a system of continuous improvement by which we seek to strengthen and improve our awareness & responsiveness to modern slavery.

Modern Slavery Review

Following the recent (2023) statutory review into Australia's Modern Slavery Act, it is concerning to note that this issue is not being taken seriously as it could be. The outcome of the review identified that there were no clear results that the implementation of the Act had successfully combatted any of the drivers of modern slavery.

Until such time as the federal government finalises its consideration of its response to the modern slavery review which may include introducing additional measures to improve the operation of the Act, we will continue to improve our standard of modern slavery reporting and measures taken to address modern slavery risks throughout our business and supply chains

Assessing the effectiveness of our approach

NEPEAN assesses its performance in relation to managing our modern slavery risk via ongoing assessment. This includes regularly monitoring the operations of our various business units as well as reporting to our modern slavery working group and compliance committee. Through our working group we are taking steps to strengthen our ability to identify prevent and remedy any concerns of modern slavery but enhancement of training risk reviews and tightened contractual frameworks.



Given that some of our business units use and recruit overseas skilled based workers we are acutely aware of modern slavery risks and ensure that those persons receive additional safeguards via our employment processes by providing support, mentoring and provision of other benefits.

Within the last reporting period we have identified various action plans which has included:

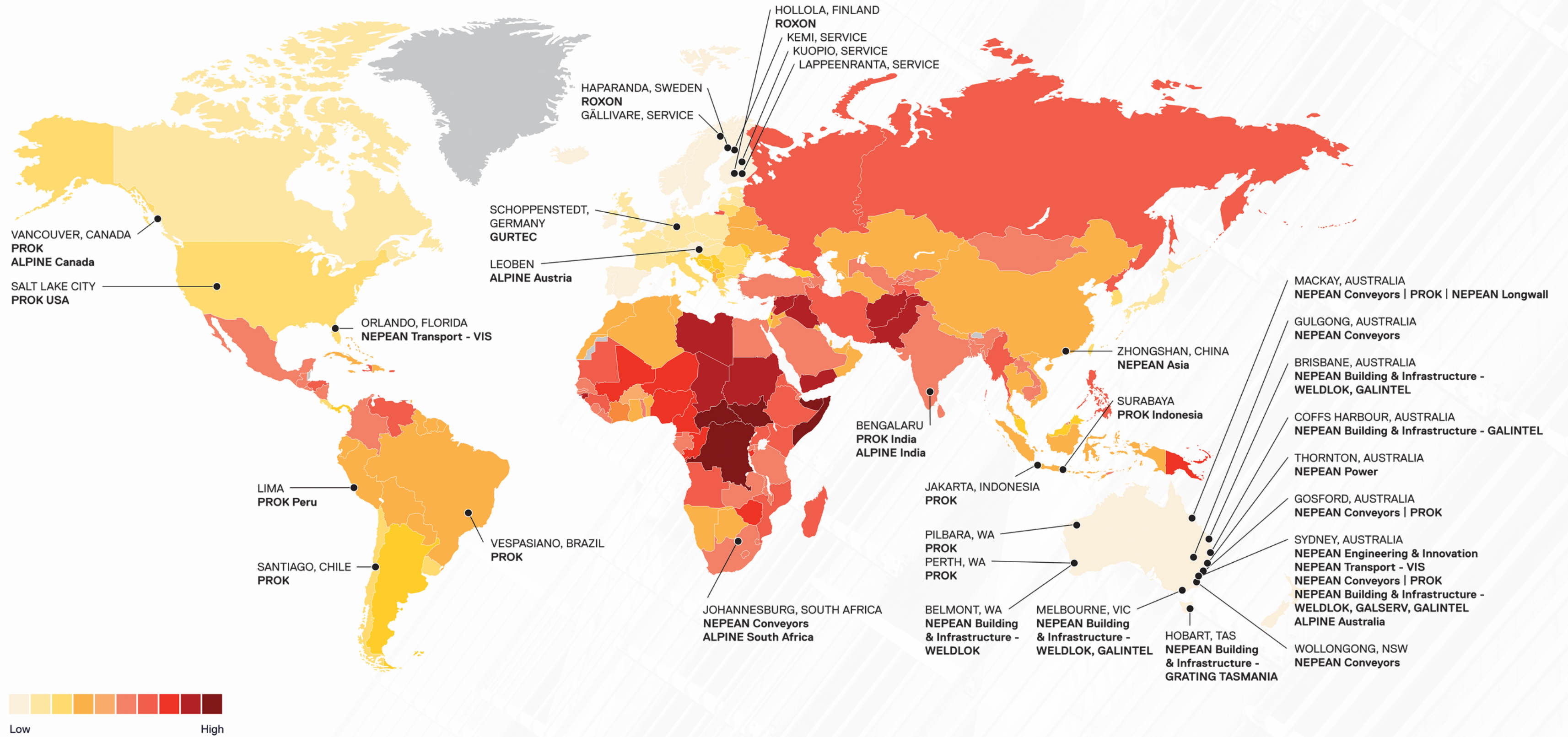
- *implementing enhanced contractual frameworks
- *increasing due diligence carried out against our suppliers
- *enhanced education and training to our general managers and employees across our businesses; and
- *reconfirming and restating **NEPEAN's** 'Speak Up' and grievance reporting procedures and policies with evolving good practice

Reporting YR 2023-2024 Planned Further Actions

Through our ongoing assessment of our approach to modern slavery we have identified the following planned actions which we will take throughout the following reporting year:

- Review and update **NEPEAN's** supplier and supply chain risk profile. This will be based on the most recent external modern slavery indices and other relevant information.
- Review and update as necessary our modern slavery policy that establishes our understanding of our approach to identify assess and manage modern slavery risk.
- Update and review our assessment of our suppliers with new questionnaires and increased due diligence and where required, engaging with suppliers to implement corrective action plans in relation to their own supply chains.
- Review and enhance where necessary our process for investigating risk allegations.
- Review our modern slavery training for our managers and employees focusing on supplier risk identification assessment and incident reporting and investigation.
- Continue to collaborate with our customers and suppliers in order to build further capacity knowledge and awareness.

Location Risk



Governance

This statement is a joint statement and has been prepared in accordance with s14(2) of the Modern Slavery Act 2018 (Cth). Our reporting entities are NEPEAN Building & Infrastructure ACN 125 224 302 and Nepean No.1 Pty Limited ACN 606 791 931, to which the respective Boards as the principal governing body of those reporting entities, has approved of this statement. All references throughout this statement to NEPEAN are references to the NEPEAN portfolio of companies, its subsidiaries and related entities. This statement does not cover any non-controlled joint venture operations. During the reporting period that this statement covers, NEPEAN engaged and consulted with all companies owned or controlled by it in relation to the development and creation of this statement. Details and information of the requirements of the Modern Slavery Act 2018 were discussed together with the identification of relevant future actions.

