

# Contract Resources



## MODERN SLAVERY STATEMENT 2021



## 1. Introduction and background

Contract Resources is committed to acting ethically and with integrity in all our business dealings and relationships. We want to work in an environment where every employee and business we deal with feels that they are fairly treated and are respected. We will do business and run our operations in a way that respects the human rights of others, both as individuals and in the communities, that we interact with.

Each employee and supplier are evaluated solely on skills, qualifications and abilities and not non-job-related qualities like age, gender, race, religion and sexuality. We will apply the same principles when choosing our business partners and require that they treat their workers in a similar fair and non-discriminatory manner. We will not use child labour. We will not use “forced labour”, but only employees who voluntarily and freely choose to work for us, without any coercion or threats. Our workers may freely join associations or unions, and bargain collectively, in accordance with local law, without interference, discrimination, retaliation, or harassment. Similarly, those of us who do not want to join a union or association are free to do so.

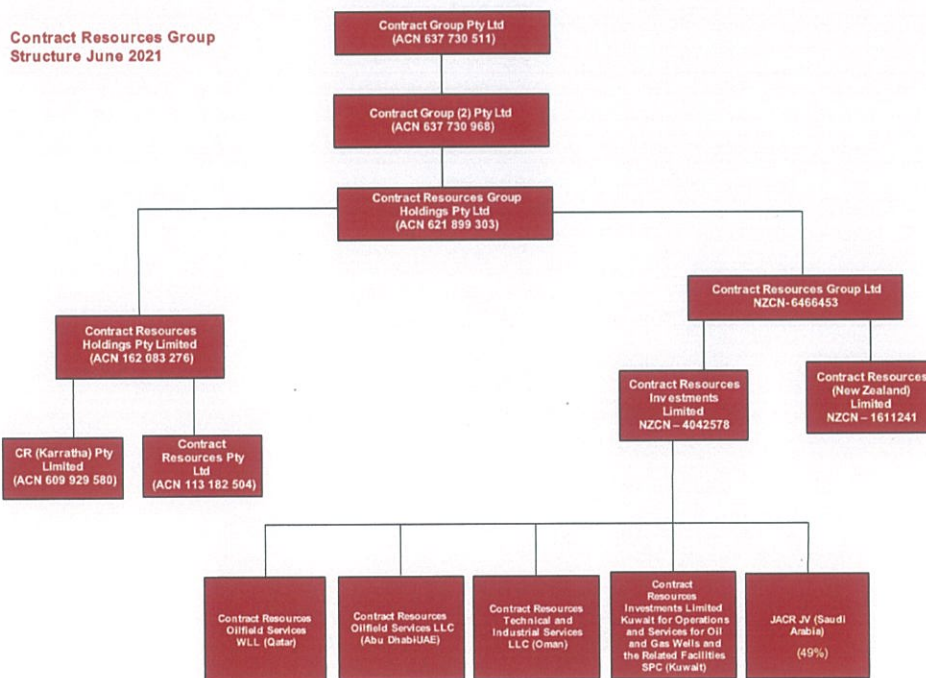
We are committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

## 2. Contract Resources Group

This statement covers the activities of Contract Group Pty Ltd (**Contract Resources**) and its controlled entities, to identify and implement actions designed to minimise the risk of modern slavery in our operations.

Contract Group Pty Ltd is a private Australian company that, through its operating entities, has ~1300 employees with operations in Australia, PNG, New Zealand and the Middle East.

### 2.1 Group Structure





Each operating business unit (Australia, NZ, Middle East) has a General Manager. The General Managers and Executives for the cross-business unit functional support (Finance, HSEQ, HR and Legal) report to the CEO. Monthly management reports are provided by the CEO to the Board of Directors (BOD) and include detailed health, safety and environmental performance, financial performance, regulatory compliance, customer / supplier updates and business conditions.

## 2.2 Our Business

Contract Resources is a specialist provider of critical path, technical industrial services to large oil and gas and petrochemical assets in Australia, Papua New Guinea (PNG), New Zealand and the Middle East.

**Headquartered:** 32 Ralph Street, Alexandria, Sydney, Australia

**Service offerings:** Services offered by Contract Resources include:

- Catalyst handling and confined space entry;
- Specialised mechanical and industrial services (including vessel repairs and internal modifications, specialised repairs and plasma cutting, pipe descaling, site maintenance, site safety and rescue services);
- Tank cleaning (including tank entry and repairs, sludge removal and treatment and mercury handling, surface preparation and protective coatings along with plant demolition and emergency response);
- Industrial cleaning (including chemical treatment of vessels and tanks, cleaning of storage tanks, columns, coolers and condensers, along with high pressure cleaning of equipment (e.g. heat exchangers) and cold cutting of steel, concrete etc; and
- Industrial Waste Treatment (a bespoke plant capable of treating mercury contaminated catalyst and sludge created by Australia's LNG, petrochemical and refining industries).

**Key markets:** Key markets that Contract Resources operates in include:

- Liquefied Natural Gas (LNG);
- Refining / Petrochemical;
- Minerals Processing
- Upstream Oil and Gas;
- Renewable energy including Geothermal;
- Mercury and waste decontamination.

## 2.3 Trademarks

The trademarks under which Contract Resources operates include:





## 2.4 Our Values

At Contract Resources we have **Values** that we expect all our employees, clients, partners and suppliers' respect. Our values are:

- **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 first time
- **Teamwork** – Performance through teamwork
- **Delivery** – Changing the critical path by exceeding expectations
- **Presentation** – Proud to stand out
- **Sustainability** – Commercially successful

## 3. Operations and Supply Chain

Contract Resources provides services to clients in 10 countries including Australia, New Zealand, PNG, UAE, Qatar, Oman, KSA, Kuwait, Bahrain and Egypt.

Each area of operation utilises suppliers and labour in Australia, New Zealand and overseas, to source plant, equipment, PPE and raw chemicals for use in the supply of specialised industrial and environmental services to key clients.

## 4. Risks

Contract Resources has identified potential modern slavery risks associated with both our supply chain and operations. The key risks include:

- Safety practices;
- forced or compulsory labour;
- wages and benefits;
- work hours;
- bribery and corruption.

Potential exposure to these risks can be categorised as follows:

- **Geography** - country where a product is manufactured or processed can present modern slavery risks. High-risk geographies may include developing nations, conflict-affected zones, weak government/rule of law/enforcement agencies or high corruption; or
- **Vulnerable Workers/Base skills** – including migrant, low socio-economic, or culturally diverse backgrounds and are vulnerable to issues such as underpayment, withholding of wages and excessive working hours.



The following table aims to summarise the key risks and category:

	Operations Risk	Supply Chain Risk
<b>Corporate</b>		
<ul style="list-style-type: none"> <li>▪ Corporate Governance</li> <li>▪ HR, Finance, Procurement</li> <li>▪ IT</li> <li>▪ Safety Health and Environment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Professional services consultants (<i>vulnerable workers</i>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Purchase of office consumables (<i>Geography and vulnerable workers/base skills</i>);</li> <li>▪ Purchase of IT including hardware, software and cloud technology (<i>Geography and vulnerable workers/base skills</i>);</li> <li>▪ Purchase of promotional consumables (<i>Geography and vulnerable workers/base skills</i>);</li> </ul>
<b>Operating Entities</b>		
<p>Responsible for delivery of Contract Resources' core industrial maintenance services to clients including:</p> <ul style="list-style-type: none"> <li>▪ Catalyst handling;</li> <li>▪ Specialised mechanical and industrial services;</li> <li>▪ tank cleaning;</li> <li>▪ industrial cleaning.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Operations in Australia, New Zealand, PNG and Middle East (<i>Geography</i>)</li> <li>▪ Employees (<i>vulnerable workers/base skills</i>)</li> <li>▪ Employment of workers and contractors (that may be sourced from overseas including India, Nepal, and the Philippines) (<i>Geography/ vulnerable workers/base skills</i>)</li> <li>▪ Engagement of contractors and subcontractor who may deliver services to our clients via Contract Resources (<i>Geography and vulnerable workers/base skills</i>)</li> <li>▪ Labour hire (<i>vulnerable workers/base skills</i>)</li> <li>▪ Flights and accommodation for FIFO workforce (<i>vulnerable workers/base skills</i>).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Purchase of PPE consumables (e.g. steel cap boots, coveralls, hard hats etc) (<i>Geography and vulnerable workers/base skills</i>).</li> <li>▪ Supply of parts and equipment to clients as part of our ongoing maintenance services (<i>Geography and vulnerable workers/base skills</i>);</li> <li>▪ Parts for maintenance of our own equipment (e.g. lances, High Pressure Hoses, tyres for trucks etc) (<i>Geography and vulnerable workers/base skills</i>)</li> <li>▪ Freight transportation for the movement of plant and equipment to and from client sites (<i>vulnerable workers/base skills</i>)</li> </ul>

<b>Waste Treatment Plant</b>		
Responsible for the management and operation of the bespoke plant capable of treating contaminated waste materials including mercury.	<ul style="list-style-type: none"> <li>▪ Engagement of contractors for regulatory compliance (Flu Stack testing) (<i>vulnerable workers/base skills</i>).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Good and services required (e.g. caustic soda, LPG)(<i>vulnerable workers/base skills</i>).</li> <li>▪ Freight transportation for the movement of parts and goods used as part of the treatment process of the plant (<i>vulnerable workers/base skills</i>).</li> </ul>

## **6. Controls, Actions and Assessment**

### **6.1 Controls**

At Contract Resources we have in place policies that promote our Values which are aimed at supporting an ethical and a legally compliant business. Policies and procedures that directly relate to the mitigating the risks of modern slavery practices in our business including:

- Code of Business Conduct
- Whistleblower Policy
- Speak Up Hotline
- Contracting golden rules
- Diversity and Inclusion policy
- Anonymous external Employee Assistance Program (EAP)
- Procurement
- Supplier On-Boarding procedure
- Supplier Code of Conduct.

### **6.2 Actions**

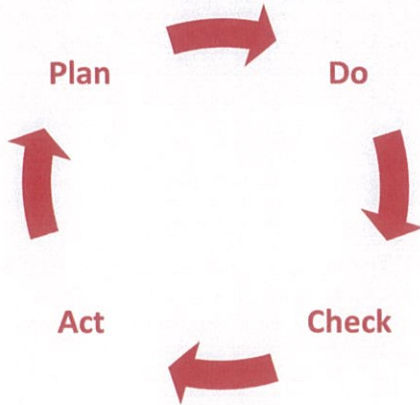
To mitigate risks of modern slavery practices, actions taken during the past 12 months include:

- conducted random payroll audit of employee wages;
- commenced audit of key suppliers in the Australian business;
- reviewed and updated new employment terms in Middle East business;
- internal training and promotion of EAP and Speak Up line services;
- internal Code of Business Conduct and Supplier On-Boarding training;
- established a gender and diversity equality team.



### 6.3 Assessment

Contract Resources adopts the Plan, Do, Check, Act (PDCA) methodology in assessing modern slavery risks and actions taken by the business.



- **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 and internal audits of compliance to policies and procedures;
- **Act:** Promotion of Contract Resources Values, Code of Business Conduct and Supplier Code, external anonymous Speak Up line;

### 6.4 Future Actions

Key focus areas going forward will include:

- Reviewing and updating key suppliers audit (including development of a detailed modern slavery questionnaire);
- Continued engagement on modern slavery within the group, including awareness training on modern slavery principles to relevant employees; and
- Review and prepare “Social” targets as part of the Company’s broader ESG strategy.

## 7 Consultation

Stakeholders from each of the entities we own or control within the Contract Resources group, as identified above, 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. It is anticipated that more extensive consultation with other parties will occur in the future as we improve our understanding of the risks of modern slavery within our supply chain.

This statement has been reviewed and approved by the Board of Directors of Contract Group Pty Ltd, as the global parent entity, at its July 2021 Board meeting.

Adam Machon  
CEO and Managing Director  
August 2021