

NATIONAL GROUP



Modern Slavery
Statement for the
period 1 July 2019 -
30 June 2020
National Group
Corporation Pty Ltd
ACN 629 791 153

Contents

1.	APPLICATION	3
2.	INTRODUCTION AND BACKGROUND	3
3.	THE NATIONAL GROUP'S STRUCTURE	3
4.	NATIONAL GROUP'S OPERATIONS	4
5.	NATIONAL GROUP'S SUPPLY CHAIN	5
6.	NATIONAL GROUP'S ACTIONS?	5
7.	MODERN SLAVERY RISKS IN OUR SUPPLY CHAINS	6
8.	CONSULTATIONS.....	7
9.	ASSESSING EFFECTIVENESS OF OUR ACTIONS	6

1. APPLICATION

This modern slavery statement is a joint statement for National Group Corporation Pty Ltd ACN 629 791 153 (**National**) and each of its wholly owned subsidiaries (the **National Group**) (as described in section 3) for the financial year commencing on 1 July 2019 and ending on 30 June 2020 (**FY20**).

Each entity in the National Group operates under the same policies and procedures and contracts with many of the same suppliers. For this reason, the National Group has a single, consolidated approach to minimising the risk of modern slavery.

2. INTRODUCTION AND BACKGROUND

Modern slavery is a severe violation of human rights and we are committed to identifying and addressing the risk of modern slavery practices in our operations and supply chains.

We welcome the Australian Government's efforts to help Australian businesses reduce modern slavery in domestic and global supply chains. The *Modern Slavery Act 2018* (Cth) (the **Act**) requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains.

This modern slavery statement is prepared in accordance with section 16 of the Act and is intended to describe the steps taken by the National Group during the financial year ended 30 June 2020 to minimise the risk of modern slavery. However, the National Group recognises that modern slavery issues can manifest themselves in many ways and this statement also covers the National Group's broader efforts to prevent any form of worker exploitation in its business.

3. THE NATIONAL GROUP'S STRUCTURE

National is an Australian proprietary company headquartered in Queensland.

The National Group comprises companies from the mining and resources industries, with National's wholly owned subsidiaries set out below (the **National Group**):

Entity	Purpose
National Plant and Equipment Pty Limited ACN 078 654 323 (Australian proprietary company)	National Plant and Equipment Pty Limited specialises in the dry hire of heavy earthmoving equipment for the mining sector. In this reporting period, it had approximately 20 contracts with 15 companies and supplied approximately 200 equipment items.
Resolute Equipment Pty Ltd ACN 087 609 050 (Australian proprietary company)	Resolute Equipment is primarily a financing entity and equipment owning entity.

Entity	Purpose
National Plant Services Pty Ltd ACN 117 613 546 (Australian proprietary company)	Dormant entity.
National Mining Services Pty Ltd ACN 117 613 537 (Australian proprietary company)	National Mining Services is a contracting entity within the National Group, focused on contract mining.
Mynbou Pty Ltd ACN 613 321 672 (Australian proprietary company)	Mynbou Pty Ltd is a holding entity of Wolff Group, Wolff Equipment, Wolff Mining and Safecross.
Wolff Group Pty Ltd ACN 126 257 789 (Australian proprietary company)	Wolff Group is an equipment owning entity.
Wolff Equipment Pty Ltd ACN 105 508 370 (Australian proprietary company)	Wolff Equipment is an equipment owning entity.
Wolff Mining Pty Ltd ACN 117 334 228 (Australian proprietary company)	Wolff Mining is a contracting entity and equipment owner – focusing on contract mining operations.
Safecross Pty Ltd ACN 106 133 251 (Australian proprietary company)	Dormant entity.

The National Group directly employs approximately 100 people, the majority of which are based in Queensland and Western Australia. The registered office for each National Group entity is 480 Queen Street, Brisbane, Queensland with its corporate headquarters located in Southport, Queensland.

The National Group does not engage in external lending activities.

More information on the National Group is available at <https://www.nationalgroup.co/>.

4. NATIONAL GROUP'S OPERATIONS

The National Group is a supplier of heavy earthmoving equipment and ancillary equipment to the mining industry in Australia. It supplies this equipment primarily on a dry-hire basis (which involves providing equipment to the customer for a stipulated hire period, without an equipment operator) and also on a wet-hire basis (which involves providing equipment to the customer in conjunction with providing qualified operators and project management support during the contract term). We also provide repairs and maintenance services.

The National Group's operations are primarily located in the following places:

- Southport, Queensland – corporate headquarters;
- Yatala, Queensland; repairs and maintenance facility;
- Nebo, Queensland – repairs and maintenance facility; and
- operational presences at approximately 40 mine sites in Queensland, New South Wales, Northern Territory and Western Australia.

5. NATIONAL GROUP'S SUPPLY CHAIN

In FY2020, the National Group spent more than \$168 million purchasing products and services from more than 950 suppliers.

More than 90% of our direct suppliers are based in Australia, accounting for approximately the same percentage of our total procurement spend. Most of our international suppliers are located in Western Europe and the United States of America.

Our largest categories of procurement spend comprise:

- new large scale earthmoving equipment from original equipment manufacturers located in Asia, the United States of America and Germany;
- spare parts for our equipment;
- consumables such as fixings, fasteners, and welding gear used in the operation of our equipment.

The services category of spend is predominantly made up of professional services and consultants.

We engage contractors to support our operational requirements, including fitters and operators.

As we recognise that risk management is an integral part of good management practice, National Group has a well-established risk management framework and contracts with reputable suppliers. Through this risk management framework National Group has recognised that there is a risk of modern slavery within all of our supply chains.

6. NATIONAL GROUP'S ACTIONS?

6.1. General approach

We recognise that tackling the risk of modern slavery in our supply chains will require ongoing commitment, dedicated effort and resources, and a willingness to be open and transparent when incidents or concerns of modern slavery are identified. We have implemented a risk-based approach and focussed our efforts on areas assessed as at higher risk of modern slavery practices in our supply chains.

6.2. Initial assessment

We completed an initial mapping of our supply chain to identify areas at higher risk of modern slavery practices. The results of that mapping are set out in section 8.

7. ASSESSING EFFECTIVENESS OF OUR ACTIONS

National Group has undertaken initial assessments and internal discussions regarding the risks of modern slavery in its supply chain. These initial steps at board and senior management level were important precursors to developing awareness of the issue of modern slavery within the group's business. It is now an issue that has broad understanding within the business and therefore these actions have been effective in establishing that baseline.

Moving forwards our working group will determine the most appropriate method, scope and resources for future assessment.

8. MODERN SLAVERY RISKS IN OUR SUPPLY CHAINS

8.1. Initial assessments

In the reporting period we commenced our work to identify areas of greatest modern slavery risk in our operations and supply chains. We assessed the risk of modern slavery practices based on the potential to cause, contribute to or be directly linked to modern slavery through our operations and supply chains, as defined in the *Modern Slavery Act 2018 Guidance for Reporting Entities*.

Our preliminary assessment, based on our review to date (as detailed below), presented us with no material or immediate concerns. This was primarily because the National Group did not directly source material volumes of goods or services from suppliers located in markets considered at high risk of modern slavery. Further work will be undertaken to develop an enhanced understanding or identification of any modern slavery risks that may be in our supply chains as set out below.

8.2. Key potential risk areas

- Imported Goods – machine components and materials used to repair and maintain our equipment and other consumables used by our equipment such as fuels, oils, tyres, wheels are generally manufactured overseas by companies that may not comply with Australian labour laws. There is a risk that modern slavery exists in these supply chains. The risk varies depending on the country and the product type.
- Facilities management – National Group operates sites which require, machinery and process maintenance, waste disposal, security and cleaning services. National Group uses contractors for many of these services. There is a risk that these contractors, in managing their own workforce, may not comply with Australian labour laws.
- Logistics – distribution, transport and delivery. National Group, from time to time, uses road, air, and sea freight companies for inbound or outbound deliveries. There is a risk that some of these contractors, in managing their own workforce, may not comply with Australian labour laws.

8.3. Summary of actions taken and next steps

Area	Actions completed	Next steps
Governance and oversight	Modern slavery policy considered	Develop a modern slavery policy to outline approach to assessing and managing modern slavery risks within our business
Policies and standards	Preliminary consideration of policy position and requirements for further development and implementation	Request modern slavery statements from all current suppliers Questionnaires to be developed for suppliers Inserting modern slavery clause into all new contracts (where possible)
Due diligence	Initial desktop assessment of modern slavery risks in our operations Commenced desktop due diligence with respect to our key suppliers	Implement focussed modern slavery risk assessments and formalised, interactive due diligence with our key suppliers Conduct detailed assessment of existing suppliers identified as being at highest risk of modern slavery practices based on country of origin and category risk
Capacity building	Established modern slavery awareness within management team and the board	Develop a modern slavery awareness training program for the human resources and procurement team
Engagement and collaboration	Key functional leaders participated in sessions to highlight modern slavery issues	Actively seek to collaborate in multi-stakeholder initiatives to build further capacity and knowledge, and leverage resources across the industry

9. CONSULTATIONS AND APPROVAL

A number of steps have been undertaken to consult with the entities covered by this statement:

- The statement was reviewed and approved by the senior leadership team.

- The Directors of the relevant subsidiary companies were given the opportunity to review and provide feedback on the statement.

This statement was approved by the Board of National, the principal governing body for the National Group, on 29 March 2021.



Mark Ackroyd

Chair

National Group Corporation Pty Ltd