

grounded.

building tomorrow, together

Modern Slavery Statement FY2024





3 Values That Drive Our Enterprise

built on **trust**

Trust is the cornerstone of our success. By embodying **integrity, transparency, and accountability**, we can all contribute to a culture where respect, loyalty and collaboration thrive, and where our clients can have confidence in the work we deliver.

delivered with **passion**

Every task we undertake should reflect our passion for our work and for excellence. **Passion fuels innovation**, and by embracing this value, we will create an environment where our love for what we do translates into exceptional outcomes for our clients.

together we **care**

A caring and compassionate work environment is essential to our success. As a team, we are responsible for fostering an environment of **trust, respect and wellness** by looking out for one another, for our clients, and for the communities we serve.

Quality Work Health and Safety

We are committed to providing a safe working environment for all employees, contractors and any other person who interacts with our business and operations. Our management team is dedicated to upholding their ethical and legal responsibilities as prescribed by the relevant laws, regulations and standards.

Work Health and Safety Objectives

- To prevent work-related injuries, illnesses and incidents
- To identify, assess and control workplace hazards
- To develop procedures in order to ensure safe systems of work are implemented and maintained

As part of our Integrated Management System (IMS), we will:

- Train, educate and communicate with employees with respect to IMS development and work health and safety (WHS) expectations
- Engage contractors and other stakeholders who share our commitment to WHS
- Regularly review WHS practices
- Define and meet objectives by documenting and monitoring measurable WHS targets
- Conduct regular management meetings to review our IMS and WHS policy
- Report, investigate and apply corrective actions to all workplace incidents
- Conduct audits of key processes as part of our ongoing commitment to improve WHS
- Ensure our IMS conforms with and is certified to ISO 45001:2018 WHS Management Systems
- Review our WHS policy annually

Quality Objectives

- To provide an exceptionally high-level of quality products and services to our customers
- To manage our processes in a way that maximises efficiency and productivity
- To obtain customer feedback on our products and services

As part of our Integrated Management System (IMS), we will:

- Document and monitor measurable quality targets by establishing project criteria and specifications
- Apply a 'plan, do, check, act' methodology to our IMS
- Apply a risk-based approach with respect to our systems, operations and processes
- Conduct audits of key quality processes as part of our commitment to continual improvement
- Communicate our WHS policies and associated procedures to all employees and contractors
- Ensure our IMS conforms with and is certified to ISO 9001:2015 Quality Management Systems
- Review our quality management annually





Environmental

We recognise and appreciate the importance of environmental sustainability and we are committed to minimising our impact on the environment and the communities in which we operate.

Environmental Objectives:

- To prevent pollution, minimise waste and protect the environment
- To actively promote recycling on our work sites and in our offices

As part of our Integrated Management System (IMS), we will:

- Educate and communicate with employees and contractors with respect environmental sustainability and our expectations
- Document and monitor measurable environmental targets
- Conduct regular management meetings to review our IMS
- Conduct audits of key processes in order to ensure the efficient use of natural resources
- Report, investigate and apply corrective accidents to all environmental incidents and non-compliances
- Meet or exceed the minimum requirements to comply with all relevant environmental legislation, regulations, standards and codes
- Encourage ethical environmental practices and behaviours, including respect for the traditional rights, customs and cultural heritage of a site
- Review our environmental policy annually

Indigenous Engagement

We have developed an Indigenous Engagement Strategy that is aimed at facilitating engagement between Grounded staff and First Nations people and communities. We are dedicated to bridging the gap between Indigenous and non-Indigenous Australians by establishing and maintaining an open and meaningful dialogue. Through our genuine partnerships with First Nations people, we are committed to increasing cultural awareness amongst Grounded employees to foster an inclusive and rewarding workplace.

We recognise the importance of acknowledging the First Nations people's continuing relationship with our country and their unique perspectives in the regions in which we operate. We will offer ongoing support, training and employment opportunities to Indigenous Australians and know that their cultural knowledge will enrich our projects and strengthen our relationships with local communities.

We are confident that this Strategy will achieve great outcomes for both our clients and First Nations people, and will contribute to a more equitable, brighter future.



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Structure and Operations

Reporting Entity

Grounded Construction Group Pty Ltd (ABN: 69 166 112 429) is the ‘reporting entity’ (as defined in the Act) covered by this Statement and the terms the ‘Group’, ‘we’, ‘us’ and ‘our’ refer to the entire Group (as defined below), except where the context otherwise requires.

Structure and Operations

The Grounded ‘Group’ consists of

GROUND	ED CONSTRUCTION GROUP PTY LTD	ACN: 166 112 429 ABN: 69 166 112 429
GROUND	ED CONSTRUCTION PTY LTD	ACN: 610 965 323 ABN: 84 610 965 323
ENN	V HIRE PTY LTD	ACN: 630 293 408 ABN: 54 630 293 408
ENN	V OPS PTY LTD	ACN: 637 642 203 ABN: 73 637 642 203
SH	R A PTY LTD	ACN: 658 512 648 ABN: 53 658 512 648
PH	LOW DESIGN AND CONSTRUCT PTY LTD	ACN: 663 356 349 ABN: 31 663 356 349
KANI	YANG GROUNDED JV PTY LTD	ACN: 663 397 859 ABN: 60 663 397 859
GROUN	DED LOGISTICS PTY LTD	ACN: 672 744 482 ABN: 84 672 744 482
ATER	RRA HIRE PTY LTD	ACN: 676 358 240 ABN: 76 676 358 240

These companies are all privately owned proprietary companies limited by shares, headquartered in Perth, WA and have the following current Management Structure with extensive experience across the construction, asset management and financial compliance industries.

Our team is dedicated to continuous improvement, responsible fiscal management and fostering a safe work culture. Our operations extend across Western Australia with supply chains from both interstate and international origin.

Management Structure

CEO - Paul Natoli

Chief Financial Officer - Juian Wilmot-Barr

General Manager - Terry Birnie

Our Commitment

Grounded is committed to the highest standard of corporate governance. We recognise the way we conduct our business is key in achieving sustainable growth and creating stakeholder and shareholder value.

We have a robust corporate governance framework that sets out the standards which guide and inform our best practice management systems, including our Modern Slavery Risk Management.

We are committed to fostering a culture that embraces accountability, transparency, integrity, respect, and ethical behaviour. Our culture is underpinned by our commitment to meeting our stakeholder and shareholder needs without compromising people or the environment.

Our values are clearly defined:

Built on Trust
Delivered with Passion
Together we Care.

We are committed to providing and maintaining a safe work site for employees, subcontractors and others affected by our work. Alongside our steadfast company values of Trust, Passion and Care, we strongly support fundamental human rights.

The prevention of modern slavery and human trafficking, and compliance with the spirit, intent and obligations of the Modern Slavery Act fully align with Grounded’s standards and values.



Supply Chain General Process

Grounded continues to grow organically as a business, and as a result, our supply chain continues to expand.

Grounded's core service offering is remote construction of non-process infrastructure across the Mining, Tourism and Defence sectors. Grounded's dedicated finance, procurement and supply teams liaise with and onboards suppliers to ensure Grounded's business and compliance requirements are met.

Our supplier onboarding process reviews each potential company for compliance with the Grounded's procedures and compliance to Australian Modern Slavery legislation. Grounded's operations are predominately based on the delivery of construction project services for direct clients or contracting intermediaries.

Grounded operates with a directly employed workforce or through the engagement of subcontractors to provide licensed trades.

Grounded relies on a robust and specialised supply chain to deliver dedicated projects. Building products and other project materials are purchased and distributed through our logistics yard or delivered directly to project sites through third parties.

Products are purchased domestically or imported through third party logistics providers. Our supply chain also includes the suppliers of products and services that would typically be required by offices and commercial locations.

Grounded has a zero-tolerance policy for the exploitation of individuals through the various forms of modern slavery. Due to the industries Grounded is active with, supply chain providers are varied according to the relevant industry sector.

Grounded has strong policies and procedures that support our supply chain practices and reinforce our ability to operate safely, ethically, and efficiently.

Documentation includes but is not limited to:

PO_007

Anti-Discrimination and Equal Employment Opportunity Policy

PO_011

Industrial Relations Policy

PO_017

Code of Conduct

PO_021

Modern Slavery Policy

PO_023

Whistleblower Policy

PRO_00

Contractor Management Procedure

PRO_009

Procurement Procedure

PRO_015

Incident Reporting & Investing Procedure

MAN_003

People & Culture Manual

MAN_008

Employee Workplace Handbook

REG_012

Compliance Obligation Register

FRM_006

Vendor Evaluation Form

FRM_148

Request for Information Form

FRM_080

Sub-Contractor Responsibility Matrix

Assessment of Modern Slavery Risks in our Operations and Supply Chains

Our employees and operations are in the Commonwealth of Australia. We are cognisant of, and compliant with, Australian labour laws and other applicable employment related legislation. Within Grounded's corporate governance cycle, pre-operational planning and ongoing operations, we assess the risk of modern slavery under various lenses, including but not limited to Industry and sector risk, Product and services risk, Geographic risk and Supply chain model risk.

Through thorough consultation, we implemented and embedded an ongoing program to continuously improve our visibility of the labour practices in our supply chain and our ability to identify risks of modern slavery practices in our operations and supply chain.

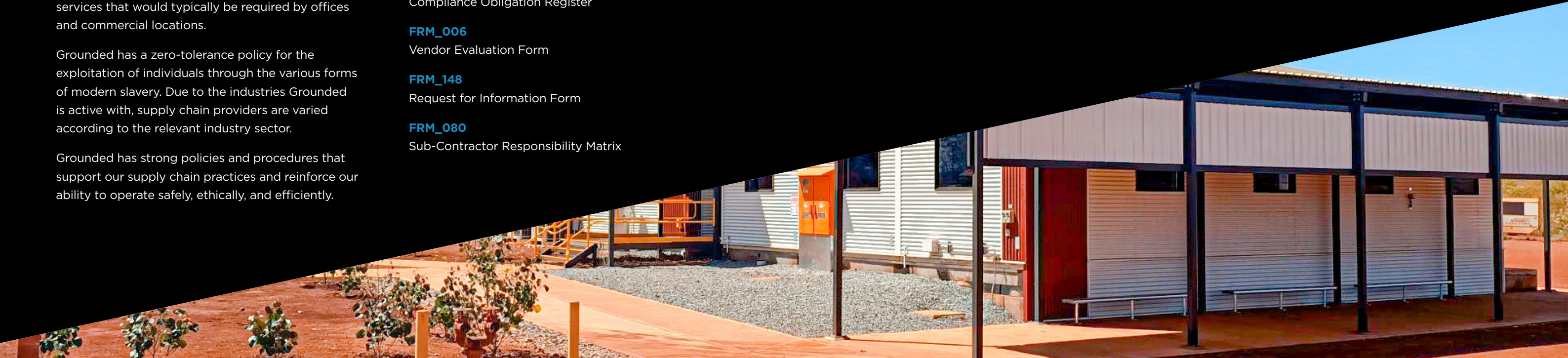
Risk Assessment

Throughout FY2024, Grounded was engaged on seven major projects based in Western Australia across the Mining and Tourism sectors. Of these projects, only one required direct supply from overseas providers. Grounded also operated four office, warehouse or logistics yard locations; all based in Western Australia.

Based on our critical assessment and due diligence, identified modern slavery risks in our supply chain reside principally in:

1. One modular building supplier specifically identified as 'High Risk'
2. One direct foreign supplier located in a moderate risk country (Malaysia) and
3. Low visibility of indirect foreign suppliers in the lower tier of our supply chain and beyond

Due diligence completed in the reporting period was limited to new suppliers engaged and added to Grounded's approved vendor list. During the reporting period, 133 suppliers were onboarded, including three international suppliers. None of them were identified to have operations in a country that is considered high risk.





Actions to Address Modern Slavery Risk

Modern Slavery risk mitigations are clearly outlined and documented in Grounded's various ISO accredited Quality Management System documents. In FY24, we continued to review, audit and re-approve all documents and procedures supporting our Modern Slavery compliance requirements. Grounded's Code of Conduct is the critical document addressing Modern Slavery compliance. This document is linked to the Whistleblower Protection Policy and specifically outlines our commitment to address potential modern slavery issues.

The Whistleblower Protection Policy strongly encourages employees and other stakeholders to report all violations of policies and ensures there will be no negative repercussions for doing so. This is accessible to anyone for anonymous submissions.

Our Contractor Management Procedure contains robust modern slavery contract warranties and covenants from suppliers. The document must be signed by every new supplier as a binding contract. Acceptance of the procedure is part of the onboarding process for all new suppliers and new contract awards. The document includes recommendations for our suppliers to encourage the same warranties and covenants up the supply chain by including them in their procurement contracts with their respective suppliers (our lower-tier suppliers).

Approved Vendor Management of all critical first-tier suppliers in our supply chain based on perceived country of origin risk, business sector and industry risk, specific product and/or services risk and spend level.

Targeted, customised due diligence of suppliers identified as being at highest risk for potential modern slavery incidents. The due diligence surveys are designed to validate and further assess the potential modern slavery risk of each supplier. The surveys rate each supplier's modern slavery risk profile as High, Medium, or Low based on their responses to a series of questions relating to their own operations and their supply chain. Due diligence responses are evaluated to determine whether and to what extent any additional follow up is required. An action plan is then created to implement such follow up in each relevant case.

Based on the current risks identified in our supply chain and operations, other actions were identified and completed in addition to audit, including Modern Slavery training completed and rolled out for relevant staff in line with ongoing industry and statutory best practice. The training endeavours to increase the awareness amongst our employees in understanding key points regarding the Act and modern slavery risks in general.

Based on the United Nations Guiding Principles on Business and Human Rights, an analysis was undertaken regarding Modern Slavery risks by location and industry. An internal team analysed which sector, services and locations are more at risk to modern slavery. The analysis also touched on which type of workers are most at risk based on these variables. Based on the analysis, a risk matrix was created to allow for continuous improvement.

During the risk assessment, no evidence suggested that any of our suppliers had (or were aware of) any instances of modern slavery in their operations or supply chains. However, review of 'High-Risk' supplier found to be the international subsidiary of a Western Australian entity identified:

- Little or no visibility into the labour practices in their supply chains and no substantive assessment, verification or mitigation of modern slavery risk has been made in their operations or supply chain and no procedures are in place to facilitate such an assessment, verification, or any mitigation
- No contract warranties and covenants in place that specifically and robustly address modern slavery issues in their procurement agreements
- No formal company policies are in place re: modern slavery avoidance or Whistleblower encouragement and protection
- No obligations imposed on their suppliers to implement robust contract warranties and covenants relating to modern slavery issues
- No clarity to the extent of use of low-skilled (including foreign migrant) workers in their operations or supply chains and/or whether or to what extent high risk factors relating to the use of such workers exist
- Transaction Risk where local subsidiaries transfer ownership to foreign entities requiring ongoing structural audit of supplier controls to ultimate beneficial owner



Assessment of Effectiveness of Actions Taken

After assessment, we found that Grounded's Modern Slavery compliance within reporting period covered by this statement was effective to the extent that no breaches or incidents were identified and that our controls aligned with the Act.

This includes, but is not limited to:

- Continuing to increase our level of awareness and understanding at all relevant risk within the group for potential incidences of modern slavery within our operations and supply chain
- Full review and audit of our Modern Slavery Risk documentation and procedures provided a significant increase in our visibility into our supply chain and the labour practices of our critical suppliers. This was done by enhanced supply chain evaluation, initial risk assessments, additional due diligence exercises and a process to improve supplier warranties regarding modern slavery and risks in their respective operations and supply chains
- Our assessment found other action items provide value for staff in ensuring company compliance with best practice including increased awareness through Modern Slavery Training, an increased understanding of our supply chain from the industry, service, and location analysis
- Improved Due Diligence/Prequalification procedures to ensure suppliers understand our requirements as a business in compliance with the Act

Looking to the Future

Grounded is committed to further improved action outlined by our Modern Slavery mitigations controls and further embedding best practise into our company processes and culture. We will continuously consider ways to enhance other advancements and stay cognisant of changing nature of risks in relation to Modern Slavery.

In the future, we plan to enhance the audit and compliance process around the Modern Slavery. We look forward to expanding education and compliance with our critical supply chain. Addressing modern slavery and human trafficking risks in our supply chain at tiers beyond our direct (first tier) suppliers will remain a significant ongoing challenge for the foreseeable future.

We endeavour to implement a risk-based approach and are committed to achieving continuous improvement through the actions described in this Statement, including ongoing modern slavery training to our own employees. Grounded continues to complete due diligence and is progressively working through its supplier list to ensure that all vendors are risk assessed, and Modern Slavery exposures controlled wherever possible through robust commercial and legal obligations downstream.

Approval of Statement

The Grounded Management Team has unanimously approved this Statement on 25 January, 2025 and authorised Paul Natoli as the responsible executive of Grounded to sign this Statement in accordance with the Act.



Paul Natoli | CEO



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Level 4, 11 Harvest Terrace,
West Perth, WA 6005

08 9321 3398
grounded.com.au
BRN 102229

