



NIOA®

Modern Slavery Statement

12 December 2023

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1 COVERED ENTITIES

NIOA Nominees Pty Ltd as Trustee for Bill Nioa Family Trust (ABN 11 646 964 149), is filing this Modern Slavery Statement (**Statement**) on behalf of NIOA Nominees Pty Ltd, an Australian, privately owned company.

NIOA Nominees Pty Ltd is part of a group of companies collectively described as the 'NIOA Group'. Whilst other entities within the NIOA Group do not meet the mandatory reporting criteria as prescribed by the *Modern Slavery Act 2018* (Cth), strategic decisions, compliance, and oversight is provided from the Group Office applicable to Australia, New Zealand and US operations. As such, entities within the NIOA Group take a harmonious approach to mitigating the risk of modern slavery. This Statement has been drafted in consultation with the relevant entities within the NIOA Group, set out below:

1. NIOA Munitions Pty Ltd (ABN 93 622 573 095).
2. Barrett Firearms Manufacturing, Inc. (a Tennessee Incorporated Company) (**'Barrett'**).
3. NIOA New Zealand Limited (a New Zealand registered company).

This Statement has been reviewed and signed off by Robert Nioa, who is the sole director of NIOA Nominees Pty Ltd, NIOA Munitions Pty Ltd, Barrett Firearms Manufacturing Inc. and NIOA New Zealand Limited. For the purposes of this Statement, any reference herein to the NIOA Group is a collective reference to NIOA Nominees Pty Ltd, NIOA Munitions Pty Ltd, Barrett Firearms Manufacturing, Inc. and NIOA New Zealand Limited. Any reference to NIOA is a reference to the reporting entity, NIOA Nominees Pty Ltd.

This is the fourth Statement for NIOA for the purposes of the *Modern Slavery Act 2018* (Cth) and relates to the financial year ending 30 June 2023.

2 NIOA GROUP'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS

2.1 STRUCTURE

NIOA is a long-established operator in the licensed firearms, weapons and munitions market, headquartered in Brisbane, Australia, with operations across Australia, New Zealand and the United States of America. NIOA's operations support Commercial and Sporting, Law Enforcement and Defence customers.

At the time of reporting, the NIOA Group has approximately 430 employees globally.

The NIOA Group has strategic fixed infrastructure investments in specialist weapons and munitions storage, maintenance, manufacture and logistics facilities, and specialised teams of professionals operating across all elements of the associated complex spectrum of operations, engineering, program management, manufacturing and support functions. These activities are supported through a network of business locations within Australia, New Zealand and the United States including Melbourne, Canberra, Benalla, Brisbane, Auckland and Murfreesboro.

2.2 OPERATIONS (CAPABILITIES)

2.2.1 AU/NZ Sporting Market

NIOA is a major supplier of firearms, optics, ammunition and accessories to the Australian and New Zealand sporting markets, operating through a traditional linear business model by purchasing product from both domestic and overseas suppliers, and wholesaling to a network of licensed firearm dealerships, who in turn sell to licensed consumers.

NIOA's value-add process involves state of the art warehousing, customer support and product servicing in Brisbane and Auckland. The distributed products help to give a diverse body of law-abiding people competitive access to recreational sports. The products also support Australia and New Zealand's agricultural industries as the leading tool for pest mitigation, encouraging the restoration of local environmental conditions.

2.2.2 AU/NZ Law Enforcement and Defence

NIOA's Law Enforcement and Defence division focuses on supplying our Australian and New Zealand Defence and Government customers with a broad range of firearms, weapons, munitions product, manufacturing capability and maintenance, training, testing, engineering and through life support services.

The activities in this field not only help to keep soldiers and the police force safe but aim to keep all Australian and New Zealand people safe from local and international threats.

2.2.3 Barrett

Barrett was established over 40 years ago, and acquired by NIOA in 2023. It is the world leader in large calibre rifle design and manufacturing. Barrett products are used by civilian sport shooters, law enforcement agencies, the United States (US) military and more than 75 US State Department approved countries across the world.

2.3 SUPPLY CHAINS

2.3.1 NIOA Supply Chains

NIOA's operations leverage a long-standing, reputable supply chain built on robust relationships. Our supply chain incorporates a wide range of Australian and international companies, small to medium enterprises, large multinationals, and many original equipment manufacturers (**OEMs**). NIOA has over 520 suppliers within its direct supply chain, consisting of key strategic suppliers (**First Tier Suppliers**) supporting our Sporting, Law Enforcement and Defence sectors from the following locations:¹

- 46% in the United States of America;
- 26% in Australia
- 24% in Europe; and
- 4% Other.

Our supply chain also includes suppliers supporting our corporate operations from a wide range of industries involving travel, utilities, technology and software, cleaning, gardening, catering and stationary supplies, where we prioritise local suppliers. Over 80% of our corporate suppliers are based within Australia.

2.3.2 Barrett Supply Chains

Barrett's supply chain consists of long standing, reliable vendors of raw materials and products supporting the manufacturing facility, with all First Tier Suppliers based in the United States. Barrett's products rely on high quality materials and components procured from suppliers through various types of arrangements including vetted one-off suppliers, but predominately through strategic and long-term agreements with valued suppliers. Since acquiring Barrett in 2023, NIOA has worked with Barrett to integrate Barrett's supply management framework in alignment with NIOA and facilitate cohesion across the Group's operations.

¹ Percentages are approximate.

3 NIOA'S MODERN SLAVERY COMPLIANCE PROGRAM

3.1 MODERN SLAVERY COMMITTEE

NIOA's Modern Slavery Committee is the driver behind our modern slavery compliance program that is multifaceted in its approach to ensuring compliance across the Group through positive culture, policies and training, supplier due diligence and contractual obligations. In FY2022-23, NIOA's Modern Slavery Committee continued to meet regularly to monitor and champion compliance, and assist with implementing the necessary plans and strategies to achieve our FY2022-23 modern slavery commitments. During the regularly scheduled meetings, the Committee also engaged in discussions regarding future planning and development for new compliance strategies to align with the growth of the business.

3.2 CULTURE

The NIOA Group's corporate values reflect our commitment to a culture of honesty, integrity, trust and respect, where safety is priority. The NIOA Group ensures all aspects of our business are aligned with a focus on safe and ethical conduct by ensuring our values form the basis of our *Codes of Conduct* (to which all respective employees are bound) and our *NIOA Business Partner Code of Conduct* (which outlines NIOA's expectations of business partners). Senior leadership and management across our operations promote and foster a culture aligning with the Codes of Conduct and otherwise of transparency, inclusion and "speaking up". The NIOA Group recognizes its corporate responsibility for upholding and protecting human rights within its operations and within its global supply chain. Modern slavery practices directly contradict the NIOA Group's ethics and corporate culture.

3.3 POLICIES and TRAINING

Corporate policies and procedures pertaining to modern slavery are readily available to NIOA staff including but not limited to the *Modern Slavery Policy*. All employees, directors and officers are bound by NIOA's *Modern Slavery Policy*.

In FY2022-23, the Group Office reviewed Anti-Bribery and Corruption, and Whistleblower policies across the Group, and NIOA updated its mandatory modern slavery awareness training, focussing on the inclusion of NIOA specific and targeted content, creating a direct connection to our employees, increasing relevance and applicability for all undertaking the training. The Modern Slavery compliance program mandates annual refresher training for all employees and all new staff are required to complete the training during their on-boarding process.

3.4 CONTRACT TERMS

In 2023 NIOA reviewed its standard contracting templates and supply partner agreements to ensure that the modern slavery principles previously enshrined into those agreements remained relevant, suitable and applicable to NIOA's ethical standards for business, including modern slavery identification and monitoring. Notwithstanding minimal adjustments required to be made to the suite of documents, NIOA was satisfied that the obligations imposed on suppliers and contractors reflected its ethical standards in its contract terms.

3.5 KEY PERFORMANCE INDICATORS (KPIs)

NIOA continues to monitor its modern slavery compliance program through the use of KPIs. Review of KPI performance is a standing agenda item for the Modern Slavery Committee.

4 MODERN SLAVERY RISK EXPOSURE

NIOA has assessed its operations across the NIOA Group and acknowledges the possibility for modern slavery risk to exist within Human Resources (**HR**), supply chain and manufacturing functions regardless of its commitment to monitoring and mitigating such risks. NIOA considers risk within its operations and first tier supply chain as minimal due to the rigor it applies to its own HR processes, internal training and

first tier supply chain screening. The highly regulated and complex industry in which NIOA operates also supports a natural screening and monitoring of its conduct and that of its business partners.

4.1 WORKFORCE (OPERATIONS)

The NIOA Group have robust policies and processes in place within its HR departments governing recruitment and retention processes, reflective of applicable Fair Work/Fair Labor standards, industrial relations instruments and equal opportunity regulations across Australia, New Zealand and the United States. NIOA is certified as compliant with the *Workplace Gender Equality Act 2012* (Cth). On this basis, NIOA assesses risk of modern slavery within its own employment practices as low, however, acknowledges that modern slavery risk could exist within the operations of its supply chain, where such entities don't have robust, transparent HR practices. NIOA's supply chain due diligence process seeks to identify and manage this potential exposure.

4.2 NIOA SUPPLY CHAINS

4.2.1 Due Diligence

Following the establishment of NIOA's robust supplier onboarding framework in the previous reporting periods, NIOA continues to monitor its engagement with suppliers in order to consistently assess and mitigate any risks associated modern slavery and other risks within the supplier management process more generally.

NIOA's *Supplier Management Policy* drives an aligned approach to due diligence, coordinating all key functions within NIOA (Operations, Information & Communications Technology, Procurement, Legal and Compliance), for the review and screening of suppliers through the use of external databases to identify and take into account the following non-financial risks:

- anti-bribery and corruption;
- fraud or theft;
- cybersecurity;
- money laundering;
- tax evasion;
- business stability; and
- compliance with legislation and regulations – including but not limited to modern slavery legislation.

NIOA's risk assessment process has been developed by considering and managing risk factors for both First Tier Suppliers and lower tiers of the supply chain, such as:

- the sector with which the supplier conducts business;
- the types of products and services supplied by the supplier; and
- the supplier's geographic location,

and also contains further due diligence process by:

- obtaining formal statement of compliance with modern slavery requirements from all suppliers;
- formal commitment to NIOA's *Business Partner Code of Conduct* as part of our supply chain review and approval processes;
- adjustment to terms and conditions in contracts where required;
- managing suppliers considered to have significant risk of modern slavery by reviewing and leveraging higher risk suppliers' own supply chains and identifying any inadvertent risks for NIOA; and
- incorporating preventative supply chain risk assessments within supplier assessment questionnaires.

In addition to the supplier screening process, NIOA:

- is constantly exploring ways to expand and qualify a wider network of suppliers to provide for locally based procurement and manufacturing to support the delivery of its Australian Industrial Capability commitments;
- is committed to continually enhancing and maturing its approach to assessing and managing

modern slavery risks, especially those within its supply chain; and

- recognises that forced labour and related practices have the potential to intersect with the sub-tiers of its supply chains, particularly those supply chains which may run into the raw materials/services that are used for the products and services which NIOA purchases. Although a thorough assessment of these lower tier suppliers is still underway, NIOA is conscious of this and will continue to work closely with its suppliers to undertake and implement processes to mitigate the risks of any form of modern slavery being present within its supply chain.

5 ASSESSMENT

5.1 Past achievements

Since the introduction of the *Modern Slavery Act 2018* (Cth), NIOA has made strong progress with respect to the actions it takes to assess and manage its modern slavery risks. In particular, NIOA's key achievements include:

- Development and implementation of *NIOA Supplier Management Policy*, driving NIOA's objectives to ensure that NIOA enters and develops appropriate business relationships with individuals and entities who maintain ethical business practices, and are compliant with all relevant laws and regulations.
- Establishing KPI transparency within the business by introducing an internal Modern Slavery Compliance SharePoint page which highlights to employees the nominated members of the Modern Slavery Committee and publishes KPI status. This helps raise and maintain awareness of NIOA's Modern Slavery Compliance Program.
- Analysing and assessing gaps in NIOA's due diligence process in order to mature NIOA's modern slavery focus within its supplier management initiatives, which have been incorporated into NIOA's *Supplier Management Procedure* established in 2022. The *Supplier Management Procedure* aims to provide overarching guidance on the *Supplier Management Policy* and associated processes, ensuring a consistent and high standard of diligence is applied.
- Implementing the *Supplier Engagement Form* to align with evolving ethical and commercial risks in the business.
- Establishment and continuation of NIOA's internal Modern Slavery Committee.
- Implementing and then subsequently refreshing the *NIOA Modern Slavery Policy*.

5.2 FY 2022-2023 Achievements

This is NIOA's fourth Statement.

During FY2022-2023, NIOA continued to develop and mature NIOA's risk management system and refine the assurance framework for assessing the effectiveness of its actions, to ensure the risks of modern slavery in NIOA's supply chain remained low. NIOA achieved this by:

- Creating a new training module that delivers awareness and risk management strategies for modern slavery directly relevant to NIOA's operations, ensuring continued applicability and suitability to NIOA and our operations.
- Continuing to self-evaluate the performance of NIOA's supply chain due diligence program with the intent to improve and evolve as new and/or emerging modern slavery risks are identified.
- Delivering on and achieve the proposed KPIs.
- Reviewing the applicability and refresh template contract clauses pertaining to modern slavery.
- Keeping informed and alert in respect of legislative reforms, regulations or guidance relating to prevention of modern slavery in the jurisdictions in which NIOA operates to ensure that our framework remains effective and compliant.

Furthermore, no grievances or whistleblowing issues relating to modern slavery have been raised to date.

5.3 FUTURE COMMITMENTS

In the next reporting period, NIOA shall continue its efforts to identify and mitigate the risk of modern slavery as well as champion awareness across its operations as we continue to grow. In doing so, NIOA aims to:

- Assess and monitor modern slavery risks in line with business growth in order to improve and adapt as necessary.
- Monitor changes in legislation across the jurisdictions in which it operates, including monitoring recommendations provided in the Report for the Review of the Modern Slavery Act issued by the Australian Government.
- Conduct refresher training across the business.
- Maintain KPI achievements.

6 DECLARATION & APPROVAL

This Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) and constitutes the Modern Slavery Statement of NIOA for the financial year ending 30 June 2023.

This Statement was endorsed by the Executive Leadership Team on 13 December 2023 and approved by NIOA Nominees Pty Ltd (the principal governing body) on 13 December 2023, in accordance with the *Modern Slavery Act 2018* (Cth).



Robert Nioa

(Sole Director of NIOA Nominees Pty Ltd as Trustee for the Bill Nioa Family Trust ABN 11 646 964 149, NIOA Munitions Pty Ltd ABN 93 622 573 095, Barrett Firearms Manufacturing Inc. and NIOA New Zealand Limited)