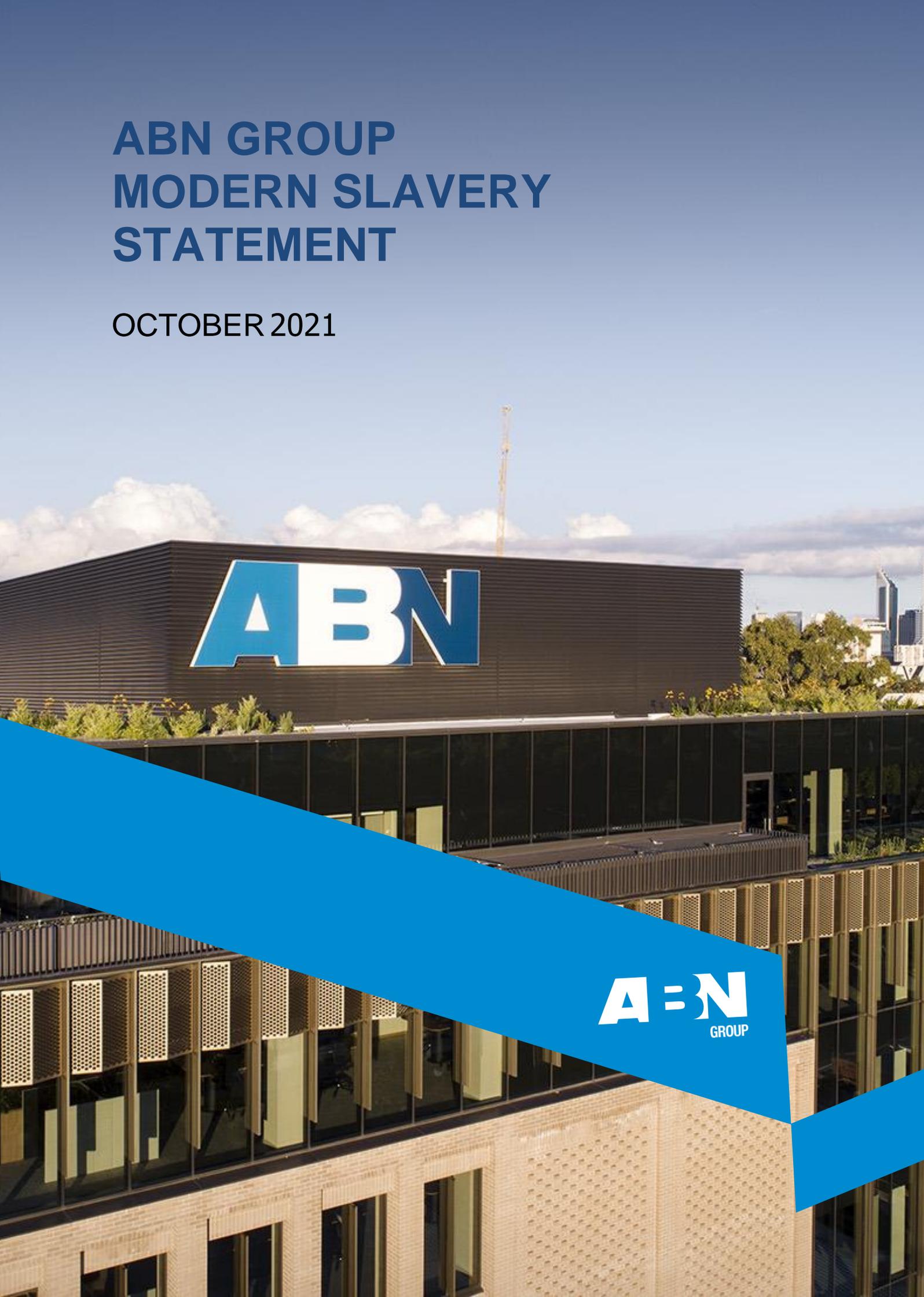


ABN GROUP MODERN SLAVERY STATEMENT

OCTOBER 2021



A=3N
GROUP

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Introduction

Reporting entity ABN Group Pty Ltd ('ABN') is Australia's leading construction, property and finance company headquartered in Perth, Western Australia with substantial operations in Perth and South West, Western Australia and Melbourne and Regional Victoria. As a Group, we operate 20 businesses, covering new home design and construction, commercial construction, property development, property, mortgage broking and mortgage management, conveyancing, plumbing, concreting, roofing, ceiling and wall fixing, kitchen design and installation.

The content of this statement was guided by the Modern Slavery Act 2018 (Cth) ('Act') and Draft Guidance for Reporting Entities. It describes the actions ABN has taken during financial year 2021 and framework for assessing effectiveness for year 2022 (FY2021 and FY 2022) to assess the risk of modern slavery in its operations and supply chains.

We consulted the relevant entities we own or control in the development of this statement.

Organisational structure, operations and supply chains

Structure and operations

ABN Group Pty Ltd is a privately owned Western Australian incorporated company and Ultimate Holding Company of 57 subsidiary companies. All but 4 subsidiary companies are wholly owned, with the 3 Victorian companies partly owned by an additional shareholder.

ABN businesses operate predominantly in the Perth metropolitan region, Bunbury and neighbouring regions and Melbourne and surrounding regional areas. ABN is the second largest builder of Detached Houses in Australia and the second largest Home Builder in Australia based on construction starts (HIA-Colorbond Steel Housing 100 – 2020/21).

ABN GROUP SNAPSHOT

PEACE OF MIND WITH A FINANCIALLY SECURE AND
MARKET LEADING GROUP OF COMPANIES.



**80,000 HOMES BUILT
ACROSS WA AND VIC**



**BUILDING ACROSS
WA AND VIC: MORE
THAN 3,000 HOMES
EACH YEAR**



**PROVIDED
FINANCE TO
MORE THAN 37,000
HOME OWNERS**



**DALE ALCOCK, ABN GROUP
MANAGING DIRECTOR,
PERSONALLY CARES ABOUT
CREATING A GREAT CUSTOMER
EXPERIENCE.**



**MORE THAN
1,800 PEOPLE
EMPLOYED**



**DEVELOPED A
COMMERCIAL AND
RESIDENTIAL PROPERTY
PORTFOLIO OF
MORE THAN \$1BILLION**



**OVER THE PAST 15 YEARS
WE'VE DONATED MORE THAN
\$9.5MILLION TO WORTHY
CHARITIES**



**WE'VE TRAINED
MORE THAN
1,600 APPRENTICES**



**EQUAL HIGHEST
RESIDENTIAL
BUILDING MARKET
SHARE IN AUSTRALIA**

Supply chain

Our direct suppliers are located in Australia. We have over 1000 registered suppliers across 130 sector classifications. Our procurement expenditure in FY 2021 was \$950m (FY2020 \$660m), with 99 per cent of expenditure paid to suppliers in Australia. The majority of overseas products and services procured were IT and Marketing subscriptions.

Our supply chain includes the following services and products:

- Support services – executive management services, accounting & finance services, marketing, IT services, consultants, training providers, procurement services
- Construction services – residential and commercial building services
- Financial services – mortgage manager, mortgage broking, conveyancing services
- Property development services – land and built form development
- Manufacturing – kitchen and glazing component manufacture

Modern slavery risk

Whilst the risk in the Australian workforce is low, we bear in mind that constant pressure to maintain competitive pricing can be a driver for modern slavery.

From an operational point of view, we understand that much of our Australian based suppliers are either contractors or outsourced personal and given this relationship we are comfortable that there is a very low risk of modern slavery. Sub-contractor agreements have been amended to address the risks of modern slavery.

We have engaged in an internal risk assessment of all our suppliers which is ongoing and updated on a regular basis. We have then engaged with suppliers we have deemed high risk on a one to one basis to further determine and establish their risk profile.

We would then engage with any suppliers who lack awareness of the risk of modern slavery or the risks in their supply chain and partner with them to improve the visibility and their understanding.

Governance and management

The ABN Advisory Board (Board) has ultimate responsibility for the ABN Group's governance, strategy, performance and management of risks and opportunities. To assist the Board in its duties, ABN has an Executive General Manager team comprising eight EGM's.

In FY2020, ABN formed a Modern Slavery Act Committee and developed an action plan to further our capacity to effectively manage modern slavery risk and ensure

compliance with the Modern Slavery Act. The Committee comprises members of Group Finance, Commercial Construction, Residential Construction, Procurement and People teams and meets regularly to update and track progress against the Action Plan. The Committee comprises members with sufficient seniority to represent the entire ABN Group and all its entities. The Action Plan covers tasks to be undertaken across policy and governance, risk, supplier remediation, training and communication, and reporting.

Policies and procedures

Our approach to modern slavery risk is supported by a Modern Slavery Policy which was established in January 2020 in conjunction with a broader framework of policies and procedures which are reviewed regularly. Our policies include our Code of Conduct, General Terms & Conditions of Employment, Prevention of Bullying, Harassment and Discrimination Policy, Open Talk Policy (whistleblower protection), Grievance Resolution Policy and Guidelines, and Employee Assistance Program.

The purpose of the Modern Slavery policy is as follows:

“ABN Group is committed to limiting the risk of modern slavery occurring within its businesses, infiltrating its supply chains or through any other business relationship.”

ABN Group expects all who have, or seek to have, a business relationship with any of our entities to familiarise themselves with our policy and to act in a way that is consistent with its principles.”

We believe this policy in conjunction with our broader framework of policies provides clear direction that is accessible and understood by all stakeholders. This policy will be used to underpin and inform any statement on modern slavery that the ABN Group or any of its entities is required to produce in accordance with the Modern Slavery Act 2018 (Cth) (‘Act’).

Our procurement, contractor and supplier procedures provide internal governance relating to the contracting of goods and/or services from external parties. The procedures outline our procurement, tendering, engagement, authorisations, execution and management of contracts. Suppliers and Vendors have formal contracts/ agreements in place and are made aware of the Modern Slavery Act 2018, and agree to represent, warrant and undertake that it conducts its business in a manner that is consistent with the principles of the Modern Slavery Act 2018 (Cth) (‘Act’).

Impact of COVID19

Generally, our supply chains remain strong and resilient. However, we do acknowledge the increased pressure that the COVID19 pandemic has created on global and domestic supply chains which could have a flow on impact to our Suppliers. We continue to maintain strong supplier relationships and foster open communication with suppliers about these risks. Evolving supply chains are considered in our overall

risk assessments of suppliers and will work directly with suppliers should additional risks emerge with any individual suppliers. In particular, COVID19 has had impact to key supply chain categories of Timber, Steel, Electronics and Garment supply and we continue to work closely with our Australian based suppliers who source these products domestically or internationally. To date, the pandemic has not negatively impacted the ABN Group of entities ability to implement our own roadmap or capacity to include relevant information in our Modern Slavery Statement.

Modern slavery roadmap and measures of effectiveness

In FY2021, we have enacted many of the initiatives in our Action Plan to continue to strengthen and our management controls, improve the transparency of our risk profile and collaborate with suppliers where appropriate to further address modern slavery risk. In particular, we will focus on the following tasks:

**MODERN SLAVERY
ROADMAP AND MEASURES
OF EFFECTIVENESS IN
FY2021**

-  **1** REGULAR SUPPLIER RISK ASSESSMENTS COMPLETED AND REVIEWED FOR MODERN SLAVERY RISK
-  **2** ENSURING RELEVANT MODERN SLAVERY CLAUSES TO BE INCLUDED IN ALL AGREEMENTS ACROSS ALL PROCUREMENT CATEGORIES
-  **3** ABN POLICIES AND PROCEDURES UPDATED AS REQUIRED IN A TIMELY MANNER AND REVIEWED BY THE MODERN SLAVERY COMMITTEE.
-  **4** CONTINUE TO RAISE AWARENESS THROUGH TRAINING FOR ALL RELEVANT STAFF
-  **5** ESCALATION AND REMEDIATION OF ANY IDENTIFIED ISSUES IDENTIFIED THROUGH THE ABOVE MEASURES

Risk detection – we will continuously review risk assessment of our supply chain to prioritise high risk suppliers, including:

- Twice yearly complete and document risk assessment on our supply chain
- Moderate and High risk suppliers would need to supply their Modern Slavery statements or Modern Slavery commitment to ABN
- All suppliers with turnover > AUD\$100m to supply Modern Slavery statement to ABN
- All new suppliers to be added to Risk Assessment

Awareness training – we will continue training to equip our staff, suppliers and contract managers with the knowledge and skills to identify high risk suppliers and engage with them where appropriate.

Supplier engagement – we will engage with high risk suppliers where appropriate to determine the extent to which modern slavery risks are adequately managed.

Policy review – we will review and improve policies and procedures based on the outcomes of our actions.

We are confident that the above tracking of measures of effectiveness are adequate to address modern slavery risk. We are committed to reporting progress through annual modern slavery statements and look forward to working with our suppliers and industry partners in playing our role to combat this global issue.



This statement was approved by the board of ABN Group Pty Ltd on 24th November 2021,

Signed,



Dale Alcock

Managing Director

30/11/2021

Date



Andrew Roberts

Chief Executive Officer

30/11/2021

Date



Aidan Hooper

Managing Director, Victoria

30/11/2021

Date



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