



Hudson Global Resources (Aust) Pty Ltd

Modern Slavery Statement

Financial Year 2023

01 June 2024

Hudson

Great people. Great performance.

Hudson's Structure & Operations

Hudson is a market leading recruitment and labour hire agency operating in Australia, New Zealand, India, Pakistan, Philippines and Vietnam.

The core services that Hudson delivers relate to the supply of:

- (a) Permanent recruitment services directed at the placement of candidates as permanent employees directly employed by our customers;
- (b) Labour-hire services directed at the placement of casual employees at the workplaces of our customers but employed by Hudson;
- (c) Labour-hire services directed at the use of remote temporary and permanent employees for our customers but employed by Hudson; and
- (d) Coaching and Outplacement services

Hudson provides services to a range of employer sectors in these markets, but specialises in delivering services to professional services businesses, banking and finance businesses and the public sector.

As of 31 December 2023, Hudson employed approximately 300 permanent employees and 2,300 casual employees / independent contractors across Australia, New Zealand, Philippines, India, Vietnam and Pakistan.

Hudson's Supply Chains

As primarily a "people business", Hudson is heavily dependent on the services provided by our direct and on-hire employees to deliver the services to Customers. Hudson engages a limited number of suppliers to support the delivery of our services to Customers. Hudson's annual total spend on all Suppliers represents just 1-2% of Hudson's annual revenue.

Those Supplier categories are:

- System Software
- IT Hardware
- IT Services
- Lessors
- Financial & Insurance Services
- Professional Advisers
- Remote payroll and employer of record

Risks of Modern Slavery Practices in Hudson's operations and Supply Chains

Modern Slavery refers to any situations of exploitation where a person cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception. The Australian regime defines modern slavery to incorporate conduct that would constitute an offence under existing human trafficking, slavery and slavery-like offences in the Commonwealth Criminal Code. Modern Slavery includes:

- slavery
- servitude
- the worst forms of child labour
- forced labour
- human trafficking
- debt bondage
- slavery like practices
- forced marriage
- deceptive recruiting for labour or services

Hudson has performed a risk assessment of our Modern Slavery risks both within Hudson and in our supply chains. That assessment focused on risks that may cause or contribute to Modern Slavery Practices. The assessment included the delivery of a Modern Slavery Due Diligence Questionnaire in 2021 that:

- made enquiries about Supplier policy and procedure framework in relation to Modern Slavery Practices
- requested Suppliers to identify Modern Slavery Risks
- made enquiries of Suppliers regarding any incidents of Modern Slavery Practices within those organisations

None of the Questionnaire responses that Hudson received identified any areas of concern in relation to Modern Slavery Practices.

Hudson recognises that it operates in certain sectors and industries that may have modern slavery risks because of their characteristics and processes, such as the use of short-term contracts and outsourcing, the use of foreign workers or potential recruitment strategies by suppliers, their agents or other labour hire agencies.

Hudson also operates in countries that also may have higher risks of modern slavery due to amongst other things, poor governance, weak rule of law, conflict, migration flows and socio-economic risk factors such as lack of educational and training opportunities and poverty.

Specifically, Hudson conducts operations in the Philippines and engages remote workers in Pakistan, India, Malaysia and Vietnam via a series of independent contracts, in-country

Employer of Record (EOR) Providers, or outsourced service providers. The Global Slavery Index 2023 Country Snapshot (in terms of prevalence of modern Slavery):

- Philippines (36th globally and 7th within Asia and the Pacific)
- Pakistan (18th globally and 4th within Asia and the Pacific)
- India (34th globally and 6th within Asia and the Pacific)
- Malaysia (72nd globally and 12th within Asia and the Pacific)
- Vietnam (108th globally and 17th within Asia and the Pacific).

As of the completion of this report, Hudson currently engages the following number of workers in each region respectively:

- Philippines: 91 workers
- Pakistan: 24 workers
- India: 6 workers
- Malaysia: 1 worker
- Vietnam: 15 workers

Hudson ensures that all our workers, both within Australia and offshore, are paid above the minimum wage and in alignment with Australian labour laws and requirements. Hudson's dedication to fair compensation is a cornerstone of our efforts to combat modern slavery.

To ensure wage compliance and the fair and equal treatment of offshore and remote workers, we have implemented specific operational processes:

Formal Contracts: All workers, including those in Pakistan, India, Vietnam and the Philippines, are provided with formal employment contracts or independent contractor agreements that clearly outline their roles, responsibilities, and remuneration packages. These contracts are crafted to exceed in-country labour law requirements and often aligning to Australian labour law requirements, ensuring transparency and fairness.

Formal Pay Conditions: Hudson has established formal pay conditions that are consistent across all our locations. These conditions are regularly reviewed and updated to reflect any changes in local and Australian labour laws, ensuring ongoing compliance.

Comprehensive Policies: Hudson's comprehensive policies cover various aspects of employment, including anti-discrimination, health and safety, and grievance procedures. These policies are communicated to all employees and enforced consistently to maintain a fair and equitable working environment.

Regular Contact with AU/NZ Employees: Hudson maintain regular communication with our Australian and New Zealand employees to ensure alignment with our operational standards and to share best practices. This interaction helps Hudson monitor compliance and address any potential issues promptly.

Support Services: Hudson provide support services to offshore and remote workers, including access to HR support, counselling, and legal advice. These services are designed to assist employees in understanding their rights and accessing resources when needed.

Transparent Wage Disclosure: Wages and benefits are clearly communicated to all employees during the hiring process and through regular updates. This transparency ensures that workers are fully aware of their earnings and any deductions, fostering trust and compliance.

Wage Comparisons: Hudson regularly conduct wage comparisons to ensure our pay rates are competitive and fair. This involves benchmarking against industry standards and local wage data to confirm that our compensation packages are equitable and in line with or above local requirements.

Reputable Remote Payroll Providers: For employees who are not directly engaged by Hudson, Hudson utilises reputable remote payroll and employer of record services, such as Deel. These providers ensure that all employment and payroll processes adhere to local and international labour laws and standards. By partnering with such reputable organisations, we further guarantee that all workers are treated fairly, compensated appropriately, and their rights are protected.

In addition to the Questionnaire process, Hudson has identified a limited number of risks of Modern Slavery Practices within our operations and supply chains.

Whilst most risks assessed by Hudson were identified as **LOW**, one risk as assessed as **MEDIUM** having regard to the severity of the potential impact and likelihood of the risk.

Those risks are summarised and assessed in the table below:

<i>Modern Slavery Risk</i>	<i>Risk Assessment 2023</i>	<i>Why?</i>
Forced Labour in our Supply Chain	LOW	<p>Most of Hudson’s key suppliers are Software providers that have their own Modern Slavery Statement reporting obligations under Modern Slavery legislation.</p> <p>When entering into agreements with suppliers, Hudson ensures that the agreements contain robust provisions and contractual obligations that align with global modern slavery legislation. These contractual arrangements explicitly outline the supplier's responsibilities and commitments to combat modern slavery, including the implementation of effective policies and practices within their own operations and supply chains.</p>

Modern Slavery Risk	Risk Assessment 2023	Why?
		<p>Hudson maintains an ongoing engagement with its suppliers to ensure continuous monitoring and evaluation of their modern slavery practices through its use of its Modern Slavery Due Diligence Questionnaire. This collaborative approach allows for a proactive exchange of information and encourages suppliers to uphold the highest ethical standards in relation to modern slavery.</p>
Deceptive Recruitment Practices	LOW	<p>Hudson ensures that all frontline recruitment employees receive comprehensive training on our fundamental legal obligations, encompassing crucial areas such as misleading and deceptive practices governed by the Australian Consumer Law. This training equips our employees with the necessary knowledge and skills to uphold ethical standards and ensure compliance in day-to-day activities.</p> <p>Hudson maintains a strong partnership with its key software providers, who play a vital role in facilitating the placement of advertising for our services. These providers, including reputable platforms such as www.seek.com have proactively implemented robust controls to combat fraudulent job advertisements, deceptive recruitment practices, and fraudulent hirer accounts.</p>
Underpayment of Wages	LOW	<p>Hudson has implemented robust controls to ensure that every worker engaged by Hudson receives at least their minimum entitlements under relevant workplace laws in Australia, New Zealand, Pakistan, India, Vietnam and the Philippines.</p> <p>Those controls include a dedicated Contractor Support team that assesses each new role against a proprietary software tool to ensure the worker is accurately classified to the relevant industrial instrument.</p> <p>The systems and processes that Hudson has implemented have been reviewed by the Fair Work</p>

Modern Slavery Risk	Risk Assessment 2023	Why?
		Ombudsman. Periodic internal payroll audits that test the accuracy and reliability of these systems and processes have also been conducted.
Engaging Remote Workers in Remote Locations	MEDIUM	<p>Hudson engages a limited number of remote workers in Pakistan, India, Vietnam and the Philippines to support certain administrative functions within Hudson and the administrative needs of some of our customers.</p> <p>The remote workers:</p> <ul style="list-style-type: none"> • are primarily engaged in technical administrative support roles • use their own devices (i.e. laptops) • work from home <p>Hudson has identified the following specific modern slavery risks in relation to its engagement of remote workers:</p> <ul style="list-style-type: none"> • Engaging base-skilled workers – performing jobs with low barriers to entry • Underpaying workers • Workers subcontracting their work to one or more subcontractors <p>In order to mitigate the identified risk of subcontracting, Hudson’s Australian-based staff maintain regular contact with remote workers and engage with them in priority setting, success metrics tracking, and quality and time management expectations. This allows Hudson to detect in the most unlikely of circumstances if workers are subcontracting their work to others as it would be incredibly difficult to achieve the agreed standards set with the worker if second-order hand-offs are occurring.</p>

Modern Slavery Risk	Risk Assessment 2023	Why?
		In addition, Hudson utilises third-party service providers in some locations – such as Vietnam – that provide managerial supervision of remote workers in a secure and safe office environment.

Actions taken to address Modern Slavery Practice Risks

Having regard to the risk assessment rating for each of the identified Modern Slavery Practices risks, Hudson implements the following actions to address those risks:

<p>Policy Framework</p>	<p>Code of Conduct: Hudson’s code of conduct outlines the company’s commitment to integrity and maintaining high ethical standards. The Code of Conduct includes standards that Hudson expects of its employees including compliance, governance, violations, fair dealings, anti-harassment, and equal opportunity.</p> <p>Misconduct policy: Hudson’s misconduct policy establishes a framework and escalation process in managing misconduct which is aligned to the Hudson Code of Conduct, and relevant HR policies in relation to employee behaviour.</p> <p>Whistle-blower Protection policy: Hudson’s whistle-blower policy promotes a culture of conducting our business with honesty and integrity and forms part of Hudson’s broader corporate governance network.</p> <p>While the above list of policies is non-exhaustive, these policies serve as foundational documents that guide employee behaviour, outline expected ethical standards, and provide channels for reporting potential areas of risk and non-compliance.</p> <p>By regularly reviewing and revising these policies, Hudson ensures that they remain relevant and aligned with evolving best practices and legal requirements in combating modern slavery.</p> <p>This proactive approach allows Hudson to address any gaps or weaknesses in its policies and strengthen them to effectively tackle modern slavery risks.</p>
<p>Supplier Due Diligence</p>	<p>Hudson has implemented due diligence measures as part of supplier on-boarding and procurement to improve Hudson’s ability to identify Modern Slavery risks associated with new and renewing suppliers. The Modern Slavery Due Diligence Questionnaire is a form which requests information from each supplier in respect of modern slavery in the supply chain. Supplier responses to the questionnaire will assist Hudson to identify and assess risk of modern slavery in the supply chain.</p> <p>This form is non-exhaustive and acknowledges that it is merely an initial request for information. Hudson may subsequently ask for further information and directs suppliers to update responses as more</p>

	<p>information becomes available or if subsequent events make any earlier responses inaccurate.</p> <p>Hudson requests suppliers to provide information on its policies, procedures, and compliance, in addition to any relevant information in respect of procurement, goods and services, whereby there may have been any concerns raised regarding modern slavery in the business or supply chains.</p>
Risk Management Framework	<p>Hudson's Audit, Risk & Compliance Subcommittee (ARCS) is a standing committee of key executives that identifies, assesses all key risks within Hudson together with identifying appropriate controls. To the extent that the ARCS assesses that the risk of any Modern Slavery Practices increases from LOW to HIGH, those risks will form part of the regular Risk Management Framework.</p>
RCSA and APSCO Memberships	<p>Hudson actively leverages its membership in the Recruitment, Consulting & Staffing Association (RCSA) to combat modern slavery risks. These affiliations provide Hudson with valuable resources and materials that address industry-specific risk and compliance concerns, including Modern Slavery.</p> <p>Through its engagement with the RCSA, Hudson receives and reviews up-to-date updates, insights, and guidelines, allowing the organisation to strengthen its compliance measures and effectively address modern slavery risks.</p> <p>Participating in industry forums offered by these associations creates a platform for Hudson employees to exchange ideas and information. These forums foster meaningful discussions and facilitate knowledge-sharing among labour-hire industry providers. By actively participating in these forums, Hudson enhances its understanding of prevailing challenges and emerging best practices in combating modern slavery.</p>
Remote Worker Controls	<p>These specific risks are mitigated by the following:</p> <ol style="list-style-type: none"> 1. Hudson remote workers are invariably university educated persons with knowledge and experience in working with modern information systems including software, hardware and industry-specific systems (e.g. Microsoft Excel for accounting). Accordingly, they are not engaging in work that has low barriers to entry. 2. Foreign worker remuneration is calculated according to labour laws and statutory entitlements of the country in which the worker

	<p>is based. To remain competitive and attract the best talent in the market, remuneration packages on offer are often well in excess of statutory minimums. To calculate remuneration packages, we rely on a combination of internally developed rate calculators and reputable third-party providers.</p> <ol style="list-style-type: none"><li data-bbox="509 555 1439 770">3. Terms and conditions of foreign workers engaged by Hudson are in accordance with the minimum statutory requirements of the country in which the worker resides. In the event there are discrepancies between Australian and foreign labour laws, we offer pay, entitlements, and conditions in excess of the minimums required by law to attract top talent in those respective markets.<li data-bbox="509 808 1439 913">4. Hudson Australia people or human factor policies applicable to all foreign workers or where country-specific policy is required, has been drafted in line with Australian standards<li data-bbox="509 952 1439 1025">5. Hudson remote workers are paid well in excess of the minimum wage rates in the relevant country.<li data-bbox="509 1064 1439 1240">6. All payments are facilitated through Deel, a globally recognised service provider. Multiplier provides an end-to-end platform that facilitates efficient onboarding, payroll management, tax compliance, social contributions, and local insurance policies for remote workers.<li data-bbox="509 1279 1439 1384">7. Hudson requires all remote workers to provide copies of photo identification documentation (e.g. passport) to verify their identity before engagement.<li data-bbox="509 1422 1439 1753">8. Hudson requires remote workers to use reputable third-party software systems to deliver:<ul style="list-style-type: none"><li data-bbox="571 1541 1439 1646">• a secure remote worker desktop environment attached to the verified identity of the remote worker to prevent data breaches and subcontracting<li data-bbox="571 1684 1439 1753">• password cloaking, so core client systems cannot be accessed outside the Hudson supplied environment.
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Assessing the effectiveness of Actions (General)

Hudson's current actions in relation to assessing the effectiveness of actions include:

Regularly reviewing policy and procedure framework

Hudson adopts a proactive stance towards continuous improvement, consistently reassessing and refining our suite of policies and procedures.

This enables us to identify potential gaps or areas where our framework can be further strengthened to address modern slavery risks effectively. By conducting regular reviews, we remain agile and responsive to emerging challenges, ensuring that our policies align with evolving best practices and legal requirements.

Continuous improvement

Hudson culture of open communication encourages employees to actively engage and provide feedback regarding our modern slavery approach. This assists in identifying and addressing any gaps that may exist in our efforts to tackle modern slavery within our operations and supply chains as a labour hire organisation.

Licensing Authorities

Hudson's compliance with modern slavery obligations extends beyond its own operations and encompasses the requirements imposed by labour-hire authorities in the ACT, Victoria, and Queensland. These authorities mandate annual reporting from licence holders, including Hudson, to ensure ongoing demonstration of responsible practices and the suitability of named executives and responsible managers as "fit and proper" individuals.

The successful renewal of our licences demonstrates Hudson's commitment to meeting key legal obligations, including those related to modern slavery. It highlights the effectiveness of our systems and controls in preventing and addressing modern slavery risks within our operations and supply chains. By adhering to these licensing requirements, Hudson demonstrates our dedication to maintaining robust compliance measures.

Hudson's Modern Slavery Statements

Hudson's 2020 Modern Slavery Statement underscored our commitment to implementing specific initiatives aimed at combating modern slavery. One key aspect of these initiatives was the incorporation of Modern Slavery Clauses into contracts.

In 2021, a notable development for Hudson was our entry into an Enforceable Undertaking (**EU**) with the Fair Work Ombudsman. This EU was initiated to address historic breaches of the Fair Work Act and ensure compliance with the EU requirements and an opportunity for Hudson to rectify historic underpayment issues and improve our practices.

While the EU process primarily focused on Fair Work Act obligations, it indirectly contributed to reducing Hudson's risk of underpaying employees in the context of Modern Slavery. Although the implementation of specific Modern Slavery initiatives was temporarily put on hold, significant progress was made in enhancing Risk and Compliance matters overall through the implementation of new Delegations (as mentioned above).

In 2022 Hudson was subject to the first of two independent audits mandated by the EU. Hudson focused considerable resources and attention in preparing for the First Audit.

The key First Audit findings were:

- All employees were paid greater than minimum requirements under law
- There were no instances where an interviewed employee advised that the hours for which they had been paid did not accurately reflect the hours that they had worked.
- The Auditor did not identify any instances where Hudson was non-compliant with the Fair Work Act and Fair Work Regulations in relation to record keeping systems.

There were no material adverse findings. Accordingly, Hudson is very confident that it is paying all employees amounts greater than their minimum entitlements under applicable laws.

Assessing the effectiveness of Actions (Remote Foreign Workers)

Hudson's current actions in relation to assessing the effectiveness of actions include:

Worker Verification

Hudson will continue to use technology and local partnerships to verify the identity of workers and their working conditions, ensuring they have legal working status and are not subject to coercion or debt bondage.

Contracts and Fair Payment Practices

Hudson ensures all workers receive clear and understandable contracts outlining their rights, duties, and remuneration, in compliance with local labour laws and international human rights standards. Hudson payment systems guarantee timely and fair compensation directly to the workers, minimising the risk of financial exploitation by intermediaries.

Monitoring and Audits

Hudson conducts regular check-ins with workers to discuss their working conditions and any concerns they may have, facilitated through digital communication tools. Quarterly check-ins are conducted with all our suppliers, discussing compliance with modern slavery laws, updates on any changes in the supplier's operations that might affect risk levels, and reviews of any incidents or concerns reported in the previous quarter.

Training and Awareness Programs:

Hudson will provide training for workers on their rights and how to report concerns about modern slavery through online modules. Training will also be extended to all employees involved in hiring and managing workers are trained to recognise signs of modern slavery and understand the appropriate steps to take if they suspect exploitation. Hudson will establish confidential and anonymous reporting mechanisms for workers to raise concerns about modern slavery, including hotlines and email.

Consultation

Hudson Global Resources (Aust) Pty Ltd is the reporting entity for this statement (wholly owned by Apache Group Holdings Pty Ltd).

The respective Boards of the entities with the wider Hudson group meet on a regular basis and discuss and address material issues that are common to the Hudson group including legal obligations such as those imposed by the Modern Slavery Act 2018 (Cth) and related legislation.

Approval

This Modern Slavery Statement was approved by the Board of Directors of Apache Group Holdings Pty Ltd on 28th June 2024.



Dean Morrison
Chief Operating Officer – Flexhive by Hudson
Hudson Global Resources (Aust) Pty Ltd & Apache Group Holdings Pty Ltd