



**Cleary Bros (Bombo) Pty Ltd**

**Modern Slavery Statement**

**1 July 2023 – 30 June 2024**





## Cleary Bros Modern Slavery Statement FY24

### Introduction

Cleary Bros (Bombo) Pty Ltd ("**Cleary Bros**") is a leading independent construction materials business in New South Wales operating in the Quarrying, Construction, Concrete, Transport and Plant Hire sectors. Founded in 1916, Cleary Bros operates two major quarrying sites at Albion Park and Gerroa and three concrete batch plants in Coniston, Albion Park and Bomaderry. We partner with a range of public and private sector clients for delivery of civil projects.

The core of our business is based on our family values approach, with third and fourth generation family members of our founders working in the business today. We maintain these values despite being a major player in the construction industry and consequently deliver quality services to every client.

Cleary Bros first became a reporting entity under the *Modern Slavery Act 2018* (Cth) in FY23. Accordingly, this Statement addresses the actions undertaken to assess and address our modern slavery risks as a second-year reporting entity. Cleary Bros continues to strengthen and mature our modern slavery compliance framework and partner with suppliers in fulfilling our obligations.

In this regard:

*"Cleary Bros has a proud history with a deep family tradition of working respectfully and fairly with our business partners, customers and the communities we serve. This approach strongly aligns with our responsibilities to address modern slavery risks in our supply chain."*

*"We have commenced the journey to build our frameworks and processes to enhance our commitment to ensuring that we respect human rights and play our part in preventing violations. Cleary Bros has proudly elevated the awareness of the risks of modern slavery within our workforce and with our suppliers."*

This Statement was reviewed and approved by the Cleary Bros (Bombo) Pty Ltd ABN 28 000 157 808 Board of Directors.

**Stephen Rogers**  
Managing Director and Chief Operating Officer

17 December 2024



## 1. Criteria 1: Reporting Entity

The reporting entity is Cleary Bros (Bombo) Pty Ltd ABN 28 000 157 808 ("**Cleary Bros**"). Cleary Bros is a wholly owned private company of Bombo Holdings Pty Limited (the "**Holding Company**"). The Holding Company also has a 100% shareholding of CB Landco Pty Limited. Neither the Holding Company nor CB Landco Pty Limited undertake any operational activities.

## 2. Criteria 2: Structure, Operations and Supply Chains

### 2.1 Our structure

Cleary Bros is based on the New South Wales South Coast with our head office at 39 Five Islands Road, Port Kembla New South Wales 2505. Whilst we are based in Port Kembla, we service the entire Illawarra, South Coast and Greater Sydney regions of New South Wales through our various sites across the New South Wales South Coast:

- 2.1.1 **Port Kembla:** Head Office and Plant and Equipment Maintenance Workshop.
- 2.1.2 **Albion Park:** Quarry, Transport Depot, Truck Maintenance Workshop, Concrete Batch Plant Operation.
- 2.1.3 **Gerroa:** Quarry and Agricultural Operations.
- 2.1.4 **Bomaderry:** Concrete Batch Plant.
- 2.1.5 **Coniston:** Concrete Batch Plant.
- 2.1.6 **Bombo:** Panel beating, paint shop and fabrication operations.
- 2.1.7 **Various:** Construction sites as appropriate from time to time.

Cleary Bros employees around 220 full time and part time employees across our service tiers outlined below.

Cleary Bros is the operating entity within our corporate group. All other entities within the corporate group do not have any operational functions and therefore consultation with these entities was not needed for the purposes of preparing this Statement.

### 2.2 Our operations

- 2.2.1 Cleary Bros is a multi-faceted construction and material business with services under the following divisions:

- 2.2.1.1 Quarries

- We supply construction materials to broader construction industries across New South Wales. We have two quarries:

- Albion Park: hard rock quarry – we crush this into different aggregates, sizes and blends. For example, we produce high quality blue rock (basalt) and large armour rock for specialised applications such as gabion and fill dust.

Gerroa: sand quarry – our extract sand is supplied to our concrete division as an ingredient of concrete.

#### 2.2.1.2 Concrete

We supply quality concrete to the construction industry for commercial, residential and large infrastructure projects. Our Albion Park Quarry provides us with aggregates and the Gerroa Quarry provides us with sand extract which we use to create our concrete.

#### 2.2.1.3 Transport

Our transport services division delivers supplies to external construction companies and our own divisions. We have an expansive fleet of vehicles including semi-trailers, prime movers, truck & dog combinations and side tippers.

#### 2.2.1.4 Plant hire

We provide earthmoving equipment and other plant such as dry and wet hire dozers, graders, loaders, rollers and excavators to our customers.

#### 2.2.1.5 Construction

Our employees in the construction division work with a variety of government, private and public organisations for all forms of civil construction and infrastructure development including road construction, bulk earthworks, subdivisions and revetment works. We are staffed by civil engineers, project managers, supervisors and an experienced team of estimators and contract administrators.

### 2.3 **Supplier relationships and supply chains**

Our suppliers are integral to our business and our ability to provide a wide array of services to our clients to a high-quality standard. We have always shared the belief that our suppliers should align with our values and comply with health, safety, quality, environmental and ethical standards. Based on this, we seek long term stable relationships with our suppliers.

We summarise our core supply chains as follows:

- 2.3.1 **Raw materials.** (e.g., materials used to manufacture products such as concrete).
- 2.3.2 **Plant and Equipment** (e.g., earthmoving equipment, fixed and mobile plant).
- 2.3.3 **Vehicles** (e.g., heavy transport vehicles, and passenger vehicles).
- 2.3.4 **Consumables, inventory and other products and services** (e.g., fuels and oils).



2.3.5 **Office equipment** (e.g., mobile phones, computer equipment and office supplies).

2.3.6 **Essential supplies** (e.g., personal protective equipment).

2.3.7 **Service providers** (e.g., cleaners, consultants, IT support).

We predominantly engage suppliers based in Australia, with 100% of our Tier 1 suppliers<sup>1</sup> originating from Australia.

### 3. Criteria 3: Risks of Modern Slavery

#### 3.1 Our approach to risk

It is often assumed that for an entity operating in Australia and engaging direct Australian suppliers, that our risk of modern slavery is low in our operations and supply chains. However, we understand that we are not immune to the impacts and risk of modern slavery, with an estimated 41,000 people in conditions of modern slavery in Australia.<sup>2</sup>

Furthermore, we understand that as we delve deeper into supply chains, the risk of modern slavery can be heightened due to lack of visibility. Additionally, it is likely that many suppliers deeper in supply chains are based overseas and may present heightened modern slavery risks associated with their jurisdiction, industry and the products / services that they provide to us directly.

During FY23, we undertook an initial risk scoping exercise on our supply chains which involved screening our suppliers for modern slavery risk and broader environmental, social and governance (ESG) risks for a broader, holistic risk assessment.<sup>3</sup> During this reporting period, we have evolved this due diligence process as outlined in Criteria 4 below.

As part of our risk assessment, Cleary Bros considers the following risk factors:

| Type of risk       | Explanation of risk   |
|--------------------|---|
| Jurisdiction risks | Certain jurisdictions present higher risks of modern slavery. This can be due to factors such as socio-economic status, poor governance, conflict and migration. For example, the Xinjiang Uyghur Autonomous Region in China (" <b>Xinjiang</b> ") has been |

<sup>1</sup> "Tier 1 suppliers" are the suppliers that Cleary Bros directly engages via contractual relationships.

<sup>2</sup> Statistics published in the Walk Free Foundation's Global Slavery Index 2023 (<https://www.walkfree.org/global-slavery-index/country-studies/australia>).

<sup>3</sup> This initial risk screening process involved screening against the following risk areas:

*ESG risks:* e.g. modern slavery, breaches of environmental legislation, breaches of labour standards.

*Financial risks:* e.g. financial irregularities.

*Integrity risks:* e.g. bribery and corruption risks.

*Data and cyber risks:* e.g. data security and data breaches.

*Operational and quality risks:* e.g. product and service quality risks.

*Identity risks:* e.g. transparency risks.

|                                 |  |
|---------------------------------|--|
|                                 | linked to modern slavery due to the forced labour camps for Uyghur's and other minority groups.  |
| Industry risks                  | Certain industries carry heightened risks for modern slavery. This is often due to certain characteristics, products and process of the industry. For example, the cleaning industry is heavily reliant on migrant workers and contract workers which increases the prevalence of modern slavery of this industry.   |
| Product and service-based risks | Some products and service carry heightened modern slavery risk due to how they are processed, provided or sourced. For example, solar panels carry heightened modern slavery risks as a key component of solar panels, polysilicon, is highly likely to originate from the Xinjiang region in China (the risks of which are described above).                |
| Entity based risks              | Organisations who treat their employees poorly and / or have poor governance structure carry heightened risks for modern slavery. For example, if an organisation has shown non-compliance with labour standards (which may show up through the independent screening process outlined above), this could be considered a risk indicator for modern slavery. |

In addition to modern slavery risks, there are risk indicators for modern slavery which, whilst not express instances of modern slavery, may indicate broader modern slavery practices or risks in the relevant supplier. Some examples of modern slavery risks factors include:

- o Inadequate work health and safety practices, failure to maintain adequate exits and signage.
- o Lack of personal protective equipment (PPE).
- o Significant overtime.
- o Failure to pay overtime rates.

## 3.2 Risks identified

### 3.2.1 Risks in our operations

Cleary Bros, as an entity operating solely in Australia, operates in highly regulated industries and in jurisdictions where the prevalence of modern slavery is considered low. In addition to this, we pay our employees in accordance with Australian legal requirements, ensure that all of our employees are engaged under an employment contract, award, or enterprise agreement approved by the Fair Work Commission of Australia. We have six enterprise agreements across our business.

Additionally, our corporate governance framework is robust and we provide grievance mechanisms through our Whistleblower Policy for our employees, contractors, suppliers and other eligible disclosers to report concerns (including modern slavery concerns). The Whistleblower Policy was reviewed in the context of Cleary Bros' Modern Slavery obligations and released in December 2023. This ensures that our employees, contractors, suppliers and broader eligible disclosers have a reporting mechanism with a prescribed process and the ability to report confidentially and without fear of intimidation, disadvantage or reprisal.

### 3.2.2 Risks in our supply chains

As outlined above, we have undertaken an initial risk assessment of our suppliers through an independent due diligence screening process. Based on that process, in conjunction with consideration of broader jurisdiction, industry, product / service and entity risk factors, our high-risk supply chains are:

| Supplier type <sup>4</sup>     | Risk assessment   |
|--------------------------------|---|
| Construction and raw materials | <p>The construction and manufacturing sector carries heightened modern slavery risks due to the complexity of the supply chains and prevalent modern slavery risk indicators such as employees working in hazardous working environments and working excessive hours.</p> <p>Cleary Bros purchases raw materials to use in products (for example, in the production of concrete). Certain raw materials carry heightened modern slavery risks, such as lime and cement materials.</p> <p>There is an inherent risk associated with suppliers in this industry, despite the fact that the majority of our suppliers in this supplier type being based in Australia. This is an</p> |

<sup>4</sup> Risk assessment carried in accordance with (a) results from the independent due diligence screenings carried out in FY23 and (b) assessment against jurisdiction and sector risk factors from the Walk Free Foundations Global Slavery Index 2023 and the Corruptions and Perceptions Index 2021.

|                                    |  |
|------------------------------------|--|
|                                    | ongoing risk industry for Cleary Bros which we will continue monitor and gain oversight over.  |
| PPE and Uniforms                   | PPE and employee uniforms have been assessed as high-risk sectors. For example, a large amount of PPE originates from Malaysia where instances of modern slavery were found in the production of single use gloves. Uniforms, whilst sourced locally, are in a number of cases produced in China. Cleary Bros will monitor this high-risk sector as an ongoing risk factor.  |
| Contractors and labour recruitment | <p>As described above, we engage many contractors to fulfill employee gaps to ensure that we can fulfill our services on time to our clients.</p> <p>Labour hire and recruitment poses modern slavery risks through the use of third-party labour hire contractors due to the lack of visibility over these hire arrangements.</p> <p>All of our recruitment and labour hire providers are based in Australia and our contractors are skilled workers which can reduce the risk of modern slavery.</p> |
| Cleaning                           | The cleaning industry is a high-risk area for modern slavery in Australia. This is largely due to the employees who make up the workforce who are often unskilled and uneducated and are more vulnerable to falling into instances of modern slavery.  |

#### 4. **Criteria 4: Actions Taken to Address Risks of Modern Slavery**

In our second reporting period, Cleary Bros has continued to expand its modern slavery compliance framework by initiating efforts to expand our due diligence efforts.

We continue to engage external consultants who specialise in this area to assist with the planning and implementation of our modern slavery compliance framework. Our external consultants assisted us in navigating the complexities of modern slavery compliance. This has resulted in Cleary Bros development and implementation of action plans to mature and develop our modern slavery compliance framework.

##### 4.1 **Modern Slavery Contract Clause**

During the reporting period, our external consultants assisted us with reviewing our modern slavery clause to be incorporated into our supplier contracts. After undertaking this review, Cleary Bros rolled out updates to supplier agreements with the updated modern slavery clause.



This will assist with ensuring that our supplier expectations are reiterated contractually to set expectations which is particularly useful for high-risk supply chains where additional due diligence and information seeking may be required.

#### **4.2 Risk Methodology**

We have considered and implemented a risk methodology which encompasses the risk factors outlined under Criteria 3 above. The risk methodology forms part of our due diligence system and will assist in assessing the inherent modern slavery risks associated with our supply chains.

Suppliers are assessed as either low risk, moderate risk, or high risk, which will then inform further due diligence steps undertaken. The risk methodology has been prepared in accordance with resources such as the Global Slavery Index 2023 and the Corruptions and Perceptions Index 2021.

#### **4.3 Modern Slavery Supplier Questionnaire**

We developed and issued a modern slavery supplier questionnaire to suppliers who are deemed high risk in accordance with the risk methodology. This questionnaire allows us to delve deeper to assess the actual modern slavery risks of our high-risk suppliers. Cleary Bros will continue to roll out the questionnaire to more suppliers during the FY25 reporting period.

#### **4.4 Employee training**

During the reporting period, Cleary Bros trained 45 employees on modern slavery and our policies and procedures. The training initially focused on senior leaders and managers involved in supply chain decision making. A program to rollout training to frontline employees commenced in the 2<sup>nd</sup> half of FY24. This training focused on Cleary Bros policies including new, renewed and existing policies. Particular focus of the training included:

- Code of Business Conduct
- Modern Slavery Policy;
- Whistleblower Policy;
- Equal Opportunity and Diversity;
- Harassment, Bullying and Discrimination; and
- Grievance Handling.

#### **4.5 Review of policies and procedures**

A policy review program commenced in FY24. The policies that were reviewed and/or developed took into consideration the changed business environment, including Cleary Bros' Modern Slavery obligations.

Cleary Bros developed and implemented a Modern Slavery Policy which was endorsed by the Board and launched by the Managing Director and CEO in December 2023.

Existing policies that were reviewed are consistent with Cleary Bros' Modern Slavery obligations. They include the:

- Code of Business Conduct;
- Whistleblower Policy;
- Gender Equality in the Workplace; and
- Workplace Bullying Policy.

Additional policy review is on track to be completed in FY25.

All of the scoped actions above will form the basis of our compliance framework going forward with a view to taking genuine and meaningful action in relation to our systems and process to enable us to identify risks of modern slavery.

#### 5. **Criteria 5: Assessment**

During this reporting period, we have built on the initial foundations of our modern slavery compliance framework which we developed in the FY23 reporting period. We have made significant progress in the development and implementation of core foundational elements of the framework, in particular the continued development of our due diligence system and in our review and updating of our governance frameworks. We continue the process with the guidance of our external consultants.

We now have a strong foundation for our modern slavery compliance framework in our due diligence processes and our governance framework which allow us to undertake meaningful targeted due diligence on our suppliers. Establishing a strong foundation means that we can continue to expand our framework in future reporting periods as we evaluate the effectiveness of our framework year on year.

We will continue to assess the effectiveness of the actions implemented in this reporting period which will inform the actions undertaken during the FY25 reporting period and beyond. Cleary Bros understand that we must continually assess our processes and systems within our modern slavery compliance framework.

#### 6. **Criteria 6: Consultation**

This criterion is not applicable to Cleary Bros, as the Holding Company and CB Landco Pty Limited (see Criteria 2) do not undertake any operations or employ any people. The majority of directors are common to the Boards that oversee all three entities.

#### 7. **Criteria 7: Any other information**

Cleary Bros continues to build on the initial steps mapped and undertaken in this reporting period to develop and mature our modern slavery compliance framework.

As a relatively new entry to this regulatory environment, we have begun the process of building the foundation of our modern slavery compliance framework. We will continue this process during FY25.

In FY25, we will be able to further review our due diligence framework and broader processes and procedures to be able to assess their effectiveness and continually improve our modern slavery compliance for future reporting periods.