



Modern Slavery Statement

NHP Electrical Engineering Products Pty Ltd

2022/2023



www.nhp.com.au

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Purpose

This Modern Slavery Statement is submitted in accordance with the Modern Slavery Act 2018 (Cth) and sets out actions taken by NHP Electrical Engineering Products Pty Ltd (“NHP”) in identifying and addressing modern slavery risks within our operations and supply chain and serves as a critical tool for promoting transparency and accountability, as well as demonstrating a commitment to responsible business practices and continuous improvement in the fight against modern slavery.

Organisational Structure

NHP is a privately owned Australian electrical engineering products distributor and manufacturer. Its Head office is in Melbourne, Australia with around 800 employees located across more than 20 branches in Australia and New Zealand. NHP has been trading since October 1968.

NHP’s main operations include a large team of sales employees supported by product management, and technical experts. NHP’s supply chain includes the sourcing, manufacturing, and distribution of its full product range of around 70,000 SKU’s used in construction, mining, manufacturing, and commercial building activities. In this context NHP is sourcing a number of its products from overseas manufacturers located in Europe, the UK, America, and Asia and managing the subsequent distribution of these products in Australia and New Zealand.

What is Modern Slavery?

The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It covers but is not limited to the following activities:

- Slavery: where ownership is exercised over an individual
- Servitude: involves the obligation to provide service imposed by coercion
- Forced and compulsory labour: all work or service, not voluntarily performed, which is obtained from an individual under the threat of force or penalty.
- Human trafficking: involves arranging or facilitating the travel of another with a view to exploiting them.
- Child labour: whilst not always illegal in the jurisdiction in which it takes place, child labour involves the employment of children that is exploitative or is likely to be hazardous to or interfere with a child’s education, health (including mental health), physical wellbeing or social development.

It does not include practices like substandard working conditions or underpayment of workers. However, these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed.

All forms of modern slavery have in common, the deprivation of a person’s liberty by another in order to exploit them for commercial or personal gain and amount to a violation of an individual’s fundamental human rights.

Our Values

NHP’s values makes clear to our employees the actions and behaviour expected of them when representing NHP. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating and managing our supply chain.

NHP's Guiding Principles of Enjoyment, Team Spirit, Flexible Discipline, Accountability, Empower the Customer and Make a Difference are the compass for our actions, decisions and behaviours.

Consultation

NHP is actively committed to limiting the risk of modern slavery occurring within its own business, infiltrating its supply chains or through any other business relationship. This statement applies to all persons working for or on behalf of the Company, in any capacity, including employees, directors, officers, agency workers, contractors, consultants and any other third-party representative.

NHP expects all who have, or seek to have, a business relationship with the Company to familiarise themselves with this statement and to act in a way that is consistent with NHPs values. The Company will only do business with organisations who fully comply with this statement, or those who are taking verifiable steps towards compliance.

NHP addresses the risk of modern slavery through its onboarding process and ongoing education of its contractors through its safety management portal.

We note that NHP do not own or control any other entities and therefore criteria 16(1)(f) is not applicable.

Supplier Audits and Assessments

NHP undertakes due diligence when considering taking on new suppliers and we review our existing suppliers on a periodic basis. Our due diligence and reviews include:

- Mapping the supply chain broadly to assess particular product or geographical risks of modern slavery and human trafficking;
- Evaluating the modern slavery and human trafficking risks of each new supplier;
- Re-engaging with our on-going suppliers every 2 years through an automated system;
- Conducting supplier audits or assessments which have a greater degree of focus on slavery and human trafficking where general risks are identified;
- Invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of the business relationship.

We have continued to assess the effectiveness of our current procedures in relation to Governance, Procurement, Supply Chain, HR practices and Reporting. We recognise that undertaking this due diligence will be an ongoing process across our operations and have recently completed a project to enable us to monitor the efficacy of our processes on a regular basis and update our information as required.

Supply Chain Mapping

NHP undertake ongoing risk assessments of modern slavery risks in our operations and supply chains including reviewing resources such as the Global Slavery Index as well as other materials and information available on risks of modern slavery. We have taken a range of factors into consideration to identify the relevant risks factors of modern slavery practices in the countries in which our suppliers operate. This includes the supplier audits and assessments as mentioned in the bullet points above.

Following these assessments, NHP have determined that we source less than 38% of our goods / services outside of Australia and, utilising global frameworks, we identified that more than 98% of that spend is with suppliers in low-risk countries, with less than 2% based in countries that are deemed to have the largest estimated numbers of people in modern slavery (China and India).

NHP acknowledges that the risk of modern slavery may be heightened in any country that is determined as high-risk and continue to review the requirement to put in place more frequent assessments of these suppliers.

Assessing Effectiveness of our Actions

To underpin the commitments laid out in this policy statement, NHP will continue to collaborate and improve upon the procedures put in place during the previous reporting period including the following activities such as:

- Bi-annual reviews of our suppliers' base to identify where greatest potential exposure for modern slavery is within our supply chain.
- Regular reviews of resources such as the Global Slavery Index to ensure we are on top of any changes to risk ratings for countries that are part of our supply chain.
- Automated audits and assessments of our supply chain to ensure secure capture of information.
- Ongoing continuous improvement in our supply chain and risk assessment processes.
- Regularly review our contractual documentation to ensure it clearly sets out specific prohibition against slavery or servitude, the use of forced, compulsory or trafficked labour, and the use of child labour in line with this policy statement.
- Continue to engage directly with new suppliers in respect of our Modern Slavery Statement in order to gain a proper understanding of the measures they have in place to ensure that modern slavery is not occurring within their own businesses.
- Continue to make provision for our contracted suppliers to hold their own suppliers to the same standards. We also reserve the right to terminate any contractual arrangement if there is breach of this policy statement.

Relevant Policies

We operate the following policies that describe our approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in our operations:

- Human Resources Policy - We have zero tolerance of any threat of physical or sexual violence, harassment, or intimidation against employees and their family, or close associates. Our policies are clearly defined and communicated to all employees. All our employees are treated fairly and equally and are paid at least the national minimum wage.
- Procurement Policy - The organisation is committed to conducting purchasing activities in a fair, objective, and transparent manner that satisfies the requirements of accountability and internal controls including but not limited to NHP's 'Quality Management', 'Environmental', 'Ethical Code of practice', and 'Anti-Bribery' policies which fulfil legal and financial obligations and effectively manages commercial risk. Emphasis is placed on selecting suppliers and service providers that demonstrate recognisable environmental, sustainable, business integrity along with Corporate Social Responsibility (CSR) standards including but not

limited to compliance with laws and regulations, respect for human rights, labour working conditions, equal opportunities, health and safety accreditation, maintenance and promotion of information security, fair trade, and acceptable corporate ethics.

- **Recruitment Policy** - The organisation uses only specified, reputable employment agencies to source agency workers and always verifies the practices and licences of any new agency it is using before accepting workers from that agency.
- **Whistleblowing Policy** - We encourage all of our employees, customers, and other business partners to report any concerns related to the direct activities, or the supply chains of, NHP. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. Our whistleblowing procedure is designed to make it easy for employees to make disclosures, without fear of retaliation.
- **Code of Conduct Policy** – NHP has established a document that is provided to all current and potential NHP employees providing a framework for the appropriate behaviour expected of them whilst they are representing NHP. The policy and supporting procedures apply to all NHP employees.

Breaches of This Policy Statement

The breach of this policy statement by an employee, director or officer of the Company may lead to disciplinary action being taken in accordance with the Company's Disciplinary Procedure. Serious breaches may be regarded as gross misconduct and can lead to immediate dismissal.

All employees will be expected to co-operate to the fullest extent possible in any investigation into suspected breaches of this policy statement or any related processes or procedures.

If any part of this policy statement is unclear, clarification should be sought from the Human Resources function.

Communication and Employee Awareness Training

Line Managers will ensure that relevant employees receive adequate training on this policy statement and any supporting processes applicable to their role.

We will continue ongoing reviews of our training and communications with our contractors and employees in relation to Modern Slavery risks and our trading requirements.

Responsibility for This Policy

The Executive Board has overall responsibility for this policy statement and in ensuring that the Company complies with all its legal and ethical obligations.

The CEO/Managing Director will have the primary day-to-day responsibility for the implementation of this policy statement, monitoring its use and ensuring that the appropriate processes and control systems are in place, and amended as appropriate, to ensure it can operate effectively.

All Executive Team members are responsible for ensuring that their function complies with the provisions of this policy statement in the day-to-day performance of their roles.



Status of This Policy Statement

This Modern Slavery Policy Statement will be reviewed by the Executive Board on a regular basis. This notice reflects the Company's current practice. NHP will update the statement from time to time to reflect legal and operational requirements.

Approval of Statement

This Statement was approved by the board of NHP Electrical Engineering Products Pty Ltd on 18 October 2023.

A handwritten signature in black ink, appearing to read 'Stephen Coop', with a long horizontal line extending to the right.

Stephen Coop
Managing Director / CEO
18 October 2023