Modern Slavery Statement

March 2021
Altus Group Holdings

ABN: 76 168 179 691

Level 1, 660 Lorimer Street
Port Melbourne VIC 3207

Introduction

This document is a Modern Slavery Statement issued by Altus Group Holdings Pty Ltd ABN 79 168 179 691 ("Altus") in accordance with the *Modern Slavery Act 2018* (Cth) (the "**MS Act**") with the approval of the Board of Altus. It is anticipated that this Statement is registered with the Minister and available on the Modern Slavery Statements Register.

Altus is an Australian Private Company operating throughout Australia and providing a range of temporary traffic management and allied services across multiple industry verticals.

Background

The introduction of the **MS Act** in 2018 highlighted the extent and adverse consequences of modern slavery to much of Australian industry and Altus in particular. Notably that some 40m individuals throughout the world (equivalent to greater than 60% of the Australian population) were subject to a material deprivation of freedom in the service of supply chains via some combination of exploitation, threats, coercion or deception.

On these numbers, more than 10,000 individuals will need to be freed from the bondage of modern slavery each day if the United Nations target for eradicating the practice by 2030 is to be accomplished. To this end, Altus is supportive of the prescriptions in each of the *UN Guiding Principles on Human Rights* and Australia's *National Action Plan to Combat Modern Slavery*.

Altus is a people and safety focussed business, intuitively committed to the health, well-being and rights of its workforce, as well as those who form part of the supply chain that allows it to get everyone home safely. We acknowledge that supply chains can be complex, diverse and at times opaque and that without diligence a risk of engaging with organisations who may tolerate modern slavery outcomes, however moderate, is possible.

Consequently, Altus is adopting a risk-based approach to the evaluation of its supply chain, along dimensions of complexity, geography and market. Together with an unambiguous communication of expectations regarding modern slavery practices, we are confident of ensuring that our economic endeavours will not negatively impact this important social goal.

Structure, Operations & Supply Chains

Altus Group Holdings Pty Ltd is the parent company of Altus Traffic Pty Ltd and Altus Training Pty Ltd.

Altus Traffic is primarily a serviced-based organisation delivering temporary traffic management services to customers in road, rail and building construction, road and rail maintenance, utilities construction and maintenance, event management, municipal, mining and engineering services. Services encompass the planning, permitting, supply and execution of temporary traffic management diversions, effectively facilitating customers to undertake their core business in public locations safely. Services are delivered through an assembly of resources including people, fleet, technological systems and traffic control devices.

Altus Training is similarly a service-based organisation delivering training packages to both internal and external customers allied to the temporary traffic management industry. Training is executed in a combination of classroom training and in-field assessment by accredited trainers. Altus Training holds formal status as a Registered Training Organisation with the Australian Skills Quality Authority.

Altus employs approximately 1,800 people among 18 capital city and regional locations throughout Australia with a majority engaged on a casual basis. A small off-shore team of 20 people based in

Manila, Philippines additionally provides administrative and planning support under a business process outsource arrangement.

As a primarily service-based organisation the risk of Altus being directly exposed to modern slavery risk is moderate. Altus does not engage in the production and sale of goods, nor does it directly source raw materials for input. Greater than 99% of the approximately 715 members of the Altus supply chain are Australian based businesses.

Using a risk-based criteria, the Altus supply chain has been mapped to the following designations:

Supply Chain Designation	Criteria	Number of Suppliers
Tier 1	• $250K+ spend in reporting period; and/or • Operates in a designated modern slavery high risk geography or market; and/or • Downstream supply chain inputs known to extend to high risk geography or market	20
Tier 2	• $100K-$250K spend in reporting period; and/or • Operates in a designated modern slavery moderate risk geography or market; and/or • Downstream supply chain inputs known to extend to moderate risk geography or market	20
Tier 3	• Less than $100K spend in reporting period; and/or • Service-based supplier; and/or • Operates in a designated modern slavery low risk geography or market	675

Review actions have been targeted at the highest levels of spend (Tier 1) with additional tiers and dimensions of risk to be accommodated in the continued review of the Altus supply chain over subsequent reporting periods.

Supply chain categories may be broadly divided among Products and Services as follows:

Products	Services
• Vehicles/fleet purchase and hire; • Plant purchase and hire; • Approved traffic devices purchase; • Personal protective equipment purchase; • Office equipment, furniture and consumables purchase; • IT device purchase and hire; and • Property leasing	• Fleet management services; • Labour hire services; • Facilities maintenance services; • Professional services; • Telecommunication services; • Business process outsourcing; and • Software subscription and purchasing

Relationships through the Altus supply chain may be characterised primarily as deep and long-term, with Altus extending continued support of many businesses through COVID19. The scope of supply will vary according to specialisation, service level and commercial arrangement to be either national or regional. Notwithstanding a history of long-term, trusted supplier relationships, commercial arrangements governing the supply of goods and services have been relatively informal and contemporaneously transactional in nature.

Identifying, Assessing & Addressing Modern Slavery Risks

Pursuant to the guidance for reporting entities under the **MS Act**, Altus has assessed both the direct and potential contributing risk operation of its supply chain may have in supporting modern slavery.

Causing Modern Slavery

An initial review of the sourcing activities of Altus demonstrates a low risk of directly contributing to modern slavery. Altus does not engage in the production of goods, nor source raw input materials, nor does it operate at any material scale outside of Australia.

Recruitment and management of staff is governed by processes that are both articulated and formalised under a third-party certified business management system and which are aligned to relevant industrial relations and immigration legislative frameworks. Staff recruitment and commencement activities ensure compliance with statutorily compelled age and foreign eligibility requirements. New employees are additionally inducted into the Altus system of policies, procedures and employment conditions.

Enterprise Agreements ratified by the Fair Work Commission and that satisfy the Better Off Overall Test (Boot) against the applicable Modern Award exist in all States of operation and govern the remuneration and conditions of field-based staff. Office based staff are employed under compliant Employee Services Agreements. A dedicated Staff Engagement function oversees processing responsibilities for wages, superannuation and other entitlements, as well as facilitating potential payment queries for expedited resolution.

The use of external labour hire services is minimal, remaining a last resort for the temporary fulfillment of peak and unexpected demand and is subject to a formal Contractor Management process. Additionally, a cohort of approximately 20 staff are sourced out of the Philippines to assist with administrative and planning tasks, with Altus maintaining oversight of compliance with local employment and labour laws as well as general working conditions.

Direct Links and Contribution to Modern Slavery

Sourcing decisions through the temporary traffic management industry are largely underpinned by a combination of quality, price, capability and servicing levels. Historically, the potential for downstream suppliers to contribute to modern slavery has not featured prominently in supplier selection. While the risk of components of the Altus supply chain contributing to modern slavery are moderate - in large part due to the scope and value profile of local procurement - there nevertheless exists the need for some components to be subject to a fuller evaluation. Notably, this would be centred on the supply of essentially commoditised products such as signage, low-cost traffic control devices and personal protective equipment, with a fuller review providing Altus the opportunity to mitigate the risk of inadvertently contributing to modern slavery.

An initial supply chain mapping process has been undertaken with high value Tier 1 suppliers in order to identify the potential for modern slavery related risks according to geography and market. The process is ongoing and will further encompass the review of lower tier suppliers, including the downstream procurement of raw inputs, for similar risks, with progress to be updated in subsequent reporting periods.

Assessing & Addressing Risks

Work undertaken in preparation of this Statement has highlighted various opportunities to enhance Altus methods for sourcing having regard to the risks of causing or contributing to modern slavery. The following initiatives are set out for the FY21 reporting period:

- Expand the dimensions of risk reviewed for Tier 1 suppliers, beyond geography and market;
- Undertake a risk assessment of Tier 2 suppliers using the expanded risk assessment;
- Update the Sustainable Procurement Policy to formally encompass modern slavery mitigation expectations for adoption as a condition of supply to Altus;

- Update internal supplier approval and account creation processes to ensure mitigation of modern slavery risk;
- Create an E-Learning training module to create awareness and communicate expectations for supply chain management having regard to modern slavery implications;
- Expand the Altus Whistle Blower program to allow for anonymous reporting of issues that may be allied to modern slavery;
- Integration of modern slavery performance KPIs into internal audit program;
- Integration of modern slavery performance KPIs into executive and board governance agendas; and
- Publish the Altus position on modern slavery to its customers and other stakeholders.
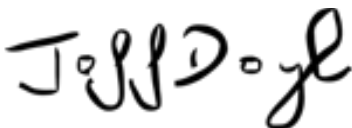
Monitor & Review

Modern slavery performance KPIs for the FY21 reporting period are to be formalised as:

Key Performance Indicator	Measure
Tier 1 suppliers who have been subject to a risk assessment beyond geography and market	100% of Tier 1 suppliers
Tier 2 suppliers who have been subject to a risk assessment	100% of Tier 2 suppliers
Tier 1 & 2 suppliers who have provided an accepted demonstration of managing modern slavery risk as a condition of trading	90% of Tier 1 & 2 suppliers
Updates to Sustainable Procurement Policy	Completed
E-Learning training module	Completed
Integration of Modern Slavery Performance KPIs into audit and governance programs	Completed
Publication of the Altus Modern Slavery Statement	Completed

In developing this Modern Slavery Statement, Altus has sought to address the following objectives:

- Creating a transparent understanding of the risks of causing or contributing to modern slavery through engagement with our extended supply chain;
- Improving relationships with our suppliers and engaging only with those suppliers who are committed to managing the risk of modern slavery; and
- Socialising knowledge of modern slavery risk and expectations throughout Altus, underpinned by effective communication, governance and performance measurement.

This Modern Slavery Statement has been duly reviewed and approved by the Altus Board.

Jeff Doyle
Group CEO

David Lundberg
Chairman