

## Modern Slavery

**Approver:** Northrop Board of Directors

**Review Date:** December 2024

**Document:** NCRD70

**Revision:** V03

### Introduction

NC Limited (Northrop) is a multi-disciplinary consulting engineering practice, owned, governed, and managed by our people.

As an Australian-based business, we take our responsibilities regarding the prevention and countering of modern slavery very seriously. Northrop will not tolerate modern slavery in our operations and supply chain and regards it as a serious abuse of a person's freedoms and rights.

We are committed to developing our policies and practices to ensure a strong position according to our risk profile and industry with a proactive focus.

This is the Modern Slavery Statement ('the Statement') of NC Limited and its subsidiaries (Northrop) for the financial year ending 30 June 2024.

### Northrop's Consultation process

Northrop is a group of companies governed by the parent company NC Limited. NC Limited sets and approves the Statement for the Group each financial year.

The Statement is led by the Quality, Systems and Integration Manager, reviewed by the Executive Leadership Team and approved by the board of directors of the Northrop Group. The Statement will be reviewed and updated annually, then approved by the Northrop Board and formally communicated to and adopted by the board of directors of each operating subsidiary within the Group.

### Northrop's structure, operations and supply chains

Northrop is a group of companies governed by the parent company NC Limited. Northrop provides professional services in the Australian building and construction industry as engineers, consultants, drafters and advisors with technical specialisations to a diverse range of private and public sector clients.

Northrop has approximately 520 people based in nine offices across Victoria, New South Wales, ACT and Queensland with the majority of our work performed within these four states.

Northrop entities contract with clients to provide consulting services and advice. As such, the supply chain of our business involves minimal procurement of goods and equipment for projects. In addition, Northrop entities typically operate only within Australia.

The supply chain involves procurement of sub-consultants and intangible services – namely computer software and IP licenses – for the delivery of services. This includes the procurement of services overseas. In addition, Northrop contracts with corporate suppliers for the procurement of office-related goods, equipment and services.

### Northrop policies related to modern slavery

Northrop has a number of policies and procedures governing the appointment of people and working conditions at Northrop to ensure compliance with Australian legislation and prevent modern slavery within our operations. Building on these, Northrop has implemented a modern slavery policy addressing risks within our supply chain. The Modern Slavery policy confirms our commitment to working with clients and suppliers to ensure modern slavery does not exist within our supply chain and sets the expectations and standards required from our people and partners.

Our modern slavery policy also sets out our commitment to continual development, including an annual review of our policy and framework.

### **Modern slavery risks in operations and supply chain**

Northrop's staff are employed directly by Northrop and engaged under contracts compliant with all applicable Australian legislation. Therefore, the risk of breaches of modern slavery regulations arising from Northrop's project and design consultancy-related services have been assessed as low risk when completed in-house.

While most of Northrop's suppliers are based in Australia (a Tier 1 country per the [Modern Slavery Risk Map](#)) the procurement of engineering and drafting services from overseas suppliers presents a high risk of modern slavery within our supply chain. As it is difficult to gain oversight of our international suppliers, we are actively restructuring how we deliver our projects to reduce our dependence on overseas suppliers. In addition, Northrop has revised our contractual terms for the engagement of engineering and drafting services to require compliance with modern slavery legislation.

There is a potential risk of a breach of modern slavery regulatory requirements from suppliers of goods and services for our offices. This includes our branded products, personal protective equipment, office supplies including furniture and equipment, cleaning, maintenance and catering activities. Northrop has developed a framework to address risks in our supply chain and is currently working with our suppliers to assess the risks associated.

### **Remediation**

We use our relationships with suppliers to support effective remedies for workers and other persons who have experienced modern slavery.

All Australian suppliers must comply with all Australian laws and regulations regarding labour (including child labour and forced/bonded labour), wages and benefits, as well as health, safety (including psychosocial safety), anti-discrimination and sex-based misconduct.

Our international suppliers are expected to comply with the legal requirements of the countries in which they operate while working with Northrop to ensure modern slavery is eliminated within their operations.

### **Northrop's due diligence processes in relation to modern slavery**

Northrop has established a framework to apply due diligence screening to our suppliers of goods and services. Elements which have been implemented include:

- identification of our high risk suppliers;
- the development and distribution of a Modern Slavery Questionnaire with our highest-risk suppliers to assess the risk of modern slavery within our supply chain;
- the use of Northrop's Sub-consultancy Agreement which includes clauses to control the reporting of, and responding to any non-compliances in regard to modern slavery legislation; and
- maintenance and review of our sub-consultants register.

Elements of the framework to be implemented this year include:

- expanded distribution of the Modern Slavery Questionnaire to include sub-consultants
- review of the risk of modern slavery indicated by respondents to enable collaboration with our suppliers to reduce the risk of modern slavery within our supply chain;
- automating reporting requirements for our suppliers; and
- training for all procurement-related staff at Northrop regarding modern slavery.

Once the framework is implemented, automated due diligence will be increasingly utilised in accordance with Northrop's commitment to continuous improvement in this area.

### **Modern slavery awareness training**

Northrop is currently assessing the available training platforms, and their suitability for mandatory training for all procurement-related staff to raise awareness regarding modern slavery. While mandatory for procurement-related staff, it is intended that the training will be available to all staff, and all will be encouraged to complete it. The training will be incorporated into the onboarding process for all new staff.

Training will encompass what modern slavery is, what it may look like inside and outside the workplace, and how to recognise it. Further information will be provided to all staff on the actions that Northrop is taking to ensure that our supply chain is free from modern slavery, and how our staff to respond to and report a suspected instance of modern slavery.

As our policies and procedures develop further, our training program will also be developed to reflect this.

### **Northrop's assessment of effectiveness**

While acknowledging the difficulties that professional services firms face in this space, Northrop has yet to develop measurable metrics to evaluate our risk management effectiveness strategies. In the coming year, Northrop will seek to introduce:

- learning and development training registers for all staff completing the Modern Slavery Online Training module
- monitoring and reviewing the actions and awareness of staff with procurement-related roles.

### **Grievance mechanisms and confidential reporting**

Reporting mechanisms for any suspected or potential instances of modern slavery are outlined in our Modern Slavery policy. Alternatively, suspected incidents can be raised anonymously via our feedback form accessed via Nexus, our internal Sharepoint. Reports and concerns can be raised in confidence and all genuine allegations will be investigated taking all due diligence.

All staff have unrestricted access to these reporting mechanisms.

### **Next steps**

Northrop is committed to continuing growth and development in contributing to the ending of Modern Slavery in the supply chains of our industry. We anticipate further development in this area in the coming year in the form of:

- Expanded due diligence screening applied to our suppliers of office goods and services, major sub-consultants and subcontractors.
- Workshops for procurement-related staff regarding Modern Slavery risk management;
- Improved mechanisms for increased reporting and feedback regarding organisational awareness of modern slavery;
- Ongoing evaluation mechanisms in relation to reporting and responding to alerts in this area.

**This statement has been prepared in accordance with the *Modern Slavery Act 2018 (Cth)* and was approved by the Board of Directors of Northrop on 13 December 2024.**



David Field Board Chair