

MODERN SLAVERY REPORT

FINANCIAL YEAR 2023



Modern Slavery Reporting Update: Financial Year 2023

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MANAGEMENT STATEMENT



At North, respect goes beyond an acknowledgement and appreciation of individuals' uniqueness but also includes honouring all fundamental human rights associated with this obligation.

The North core values of trust, respect, relational, excellence and fun are a bedrock and fabric of our organizational culture.

We acknowledge the complexity around modern slavery practices and the threat this poses to fundamental human rights such as the right to dignity of human person and personal liberty.

Consequently, we have made clear to our people, clients, and suppliers what the company's expectations and commitment are towards eliminating modern slavery in our operations and supply chain.

This statement has highlighted potential areas in which North could possibly contribute to or be directly linked to modern slavery through its constructions and supply chain.

Although there has not been any instance of modern slavery practices recorded in our direct pool of suppliers and subcontract workforce, the business has identified six (6) areas of potential threats to violation of human rights that could potentially abet modern slavery of our people, our clients, and our supply chain.

We have institutionalized systems that constantly evolve to mitigate the ever-changing dynamics of modern slavery acts in all its forms. As these changes occur, we will consistently recalibrate and improve our system to identify and combat the risk of modern slavery practices in our operations and supply chain.

This statement has been prepared on behalf of North Construction & Building Pty Ltd in accordance with the Modern Slavery Act 2018. Consultation has been conducted through our workforce, including our Senior Management Team and has been approved by the Directors of North Construction & Building.

Matthew Cook
Managing Director
North Construction & Building Pty Ltd

NORTH, YOUR TRUSTED BUILDING PARTNER®


North Construction and Building Pty Ltd are a privately owned company with a Head Office in Tuggerah NSW and working across Regional New South Wales and South East Queensland. North are proud to have a 35+ year reputation for strong relationships with local contractors and suppliers who have supported us through consistent growth to become a medium sized business with over 140 directly employed staff.

Over 96% of North’s direct suppliers and contractors are also based within this same geographical boundary, with the remainder still being Australian operated businesses. As such, North’s exposure to risk within our supply chain is regarded as minimal.

TRUSTED REGIONAL BUILDING PARTNER.

As a trusted building partner, North plays a significant role in the regional construction landscape. Our business has operated successfully on the Central Coast, NSW for more than 34 years and, over those years, has grown to work more broadly in the Hunter, Newcastle, Port Stephens and Northern Sydney regions.

Since the expansion of our employee shareholding group in 2018, growth further afield into Western NSW, Northern NSW and South East QLD regions has been carefully considered and planned to a point where we are confident our reputation of trust and the same approach to business as our historical delivery areas, particularly with subcontractors, will be upheld and indeed successfully replicated.



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 Suite 501, 1 Bryant Drive
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- **NEWCASTLE**
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 Waratah NSW 2298
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 Dubbo NSW 2830

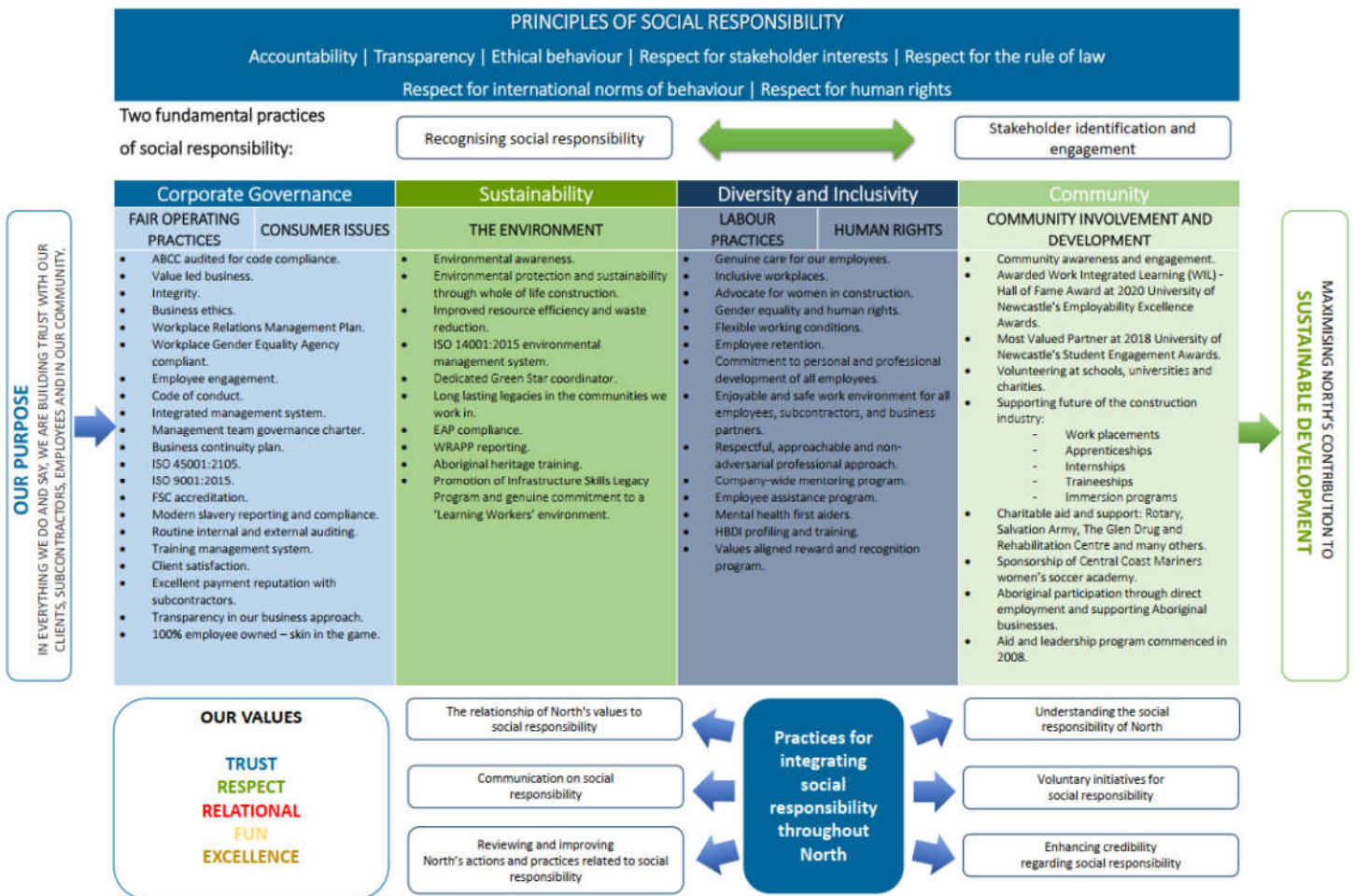
- **MUDGEE**
 48 Broadhead Road
 Spring Flat NSW 2850
- **ORANGE**
 Level 1, 209 Anson Street
 Orange NSW 2800
- **BRISBANE**
 4/282 Sandgate Road
 Albion QLD 4010

THE TRUE NORTH COMMITMENT

North is committed to institutionalizing a zero-tolerance system towards modern slavery through our construction supply and value chains.

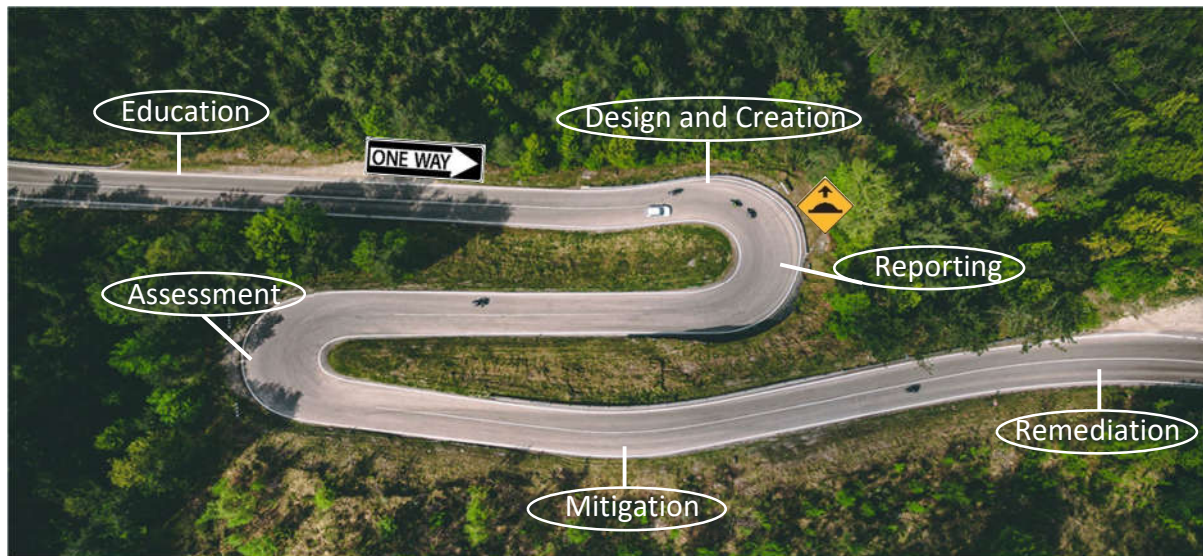
True to our philosophy and value of trust, we are committed to ethical practices that will contribute to accelerating the stamping out of modern slavery in all its forms.

As part of our corporate ESG and CSR strategies we ensure that our works, practices, and activities comply with state, national, and international legislations against modern slavery in addition to the Modern Slavery Act 2018(Clth) and the Modern Slavery Act 2018 (NSW).



Our Environmental, Social and Governance Strategy builds on our corporate social responsibility. The above business practices represent an alignment with ISO26000.

NORTH'S ROADMAP TO END MODERN SLAVERY



North's first step in the road map to end Modern Slavery is education. As a company we are educating new and current staff as well as our subcontractors on what Modern Slavery is, what it looks like and how to manage it.

North's second step in the road map to end Modern Slavery is design and creation. In this step we have designed and created our companywide policies and procedures around Modern Slavery for direct employees and our subcontract workforce.

North's third step in the road map to end Modern Slavery is reporting. North have come up with an anonymous reporting system which is a QR code located at all sites and offices to ensure that all Modern Slavery is being reported. With an anonymous reporting system, we are providing victims and witnesses increased confidence to report any known or suspected occurrences. North report to the Australian Border Force and the NSW Government in regard to our controls for reducing Modern Slavery.

The fourth step in the road map to end Modern Slavery is assessment. In 2019 we had external party assess North's risk of modern slavery throughout the business as a whole and also linked into the impact our subcontractors and suppliers could have on North. Since the COVID pandemic, North have reviewed the impacts of disruptions to developing nations and national/international supply chain and how they affect the risk and likelihood of modern slavery in our indirect supply chain.

The fifth step in the road map to end Modern Slavery is mitigation. North is mitigating the risk of modern slavery within the business by increasing procurement lead times and screening our direct supply chain as part of our tendering selection process. We provide subcontractors and suppliers with information on modern slavery, and require compliance with our slavery code of conduct when awarding trade packages. , by educating and training and by putting protocols, policies and procedures in place.

The sixth step in the road map to end Modern Slavery is remediation. Should North become aware of a modern slavery issue within the business operations we are committed to doing all that we can to report and remediate the issue as effectively as possible.

OUR CLIENTS



NORTH'S ASSESSMENT OF RISK TO HUMAN RIGHTS

An assessment of North's risk to breaching Industrial laws or human rights has resulted in the identification of the following elements being identified as our most exposed areas;

Workplace Health and Safety, including Return to Work pathways and Workers Compensation

- Freedom of Association
- Discrimination and bullying
- Bribery and corruption
- Access to grievance mechanisms and consultation
- Labour rights – including
- Supply Chain stresses
- Wage agreements, benefits, and superannuation
- Work hours and fatigue management
- Subcontract agreements
- Entitlements of the above regarding imported goods

NORTH'S STAFF AND DIRECTLY CONTROLLED WORKERS

Any person performing permanent or casual work for North is employed under the relevant industry award or on a salary arrangement above this award. Recruitment at North has been designed to build a diverse and inclusive workplace, supportive of young workers, minority groups and our indigenous population. All staff at North are inducted into the company values and Code of Conduct during our onboarding process, and regularly thereafter. North's Code of Conduct details our expectations for lawful, fair, ethical, and accountable behavior of all employees for the duration of their employ, both on and off duty. North support this standard of behavior by promoting an open and non-adversarial reporting framework, providing internal and external mentoring, internal and external counselling, and by partnering with organizations that are committed to long term community growth and empowerment. North's training in our organizational policies and procedures ensures that all employees are aware of their obligations and have access to these documents and further information about these when required.

NORTH'S SUPPLY CHAIN: AN EXCELLENCE-DRIVEN PROCESS

At North, our value of Excellence is not limited to delivering quality finished products, but also reflected in the transparent and stringent compliance to ethical practices operational and governing the industry.

This requires that all suppliers and subcontractors who contribute to our delivered goods complete a statutory declaration stating compliance with Australian workplace regulations and wage entitlements. North have recently introduced a Supplier Code of Conduct which details North's minimum expectations of our suppliers regarding compliance with local laws regarding human rights, labour procurement and remuneration, work health and safety, environment, and supplier diversity. North have also issued a questionnaire to the suppliers and subcontractors working on current jobs to gain an understanding of their knowledge of modern slavery and what practices they have in place to manage modern slavery.

Suppliers' ability to meet or exceed the standards detailed within our Supplier Code of Conduct form a part of North's procurement strategies and are included within the general conditions of contract provided to all suppliers and contractors.

ADDITIONAL MEASURES TO COMBAT THE AFFECTS OF COVID-19 ON MODERN SLAVERY

As the effects of COVID-19 are reducing the supply chain issues when in relation to border closures and industry closures as countries around the globe have battled to reduce the spread of the coronavirus within their populations. When COVID-19 was at its peak there was a significant impact on third world and developing nations which do not have government backed income protection and pensions, leaving workers in labour and logistics trades without an income stream, and more exposed to modern slavery risks as a means to survival.

Some examples of these include;

- Families unable to feed young children resorting to survival means such as child stowaways in freight ships and logistics, whom in turn can potentially be used for underpaid child labour, unsafe work practices, or sex slavery
- Closure of brothels and adult entertainment driving higher instances of sex slavery and servitude
- Lack of paid sick leave has resulted in incentivising workers to continue to work whilst being infectious with COVID-19, and/or putting other family/community members at increased demand to make up for lost income should workers be unable to work whilst sick.
- Border closures have resulted in reduction of tourism related income (including black market and pickpocketing) which has led to high levels of unemployment, increased crime (particularly theft and gang related violence) and desperation within whole communities to perform works below award wages, and obtaining of employment through bribery and corruption
- Industry closures and reduction in economic stability, combined with border closures has led to an increase in the number of illegal immigrants across the globe, in turn increasing the number of exploited workers within the unskilled labour market
- Lack of income from industry closures has led to an increase in domestic violence (particularly for women and children), and pressure to resort to alternative income streams from sources prone to modern slavery
- Due to the effects of COVID-19 there are a few industries (such as sanitiser and elastic manufacturing) who have faced a different supply chain disruption as the increased demand for goods, which has stretched the capacity of industries to resource skilled and competent labour, in turn resorting to extended working hours and child labour to meet resource needs.

North have continued to monitor for shortages within our supply chain from overseas markets, early procurement of supplies and investigation to alternative product solutions. Our efforts of doing these are assisting to provide stability to manufacturing markets and logistics chains, and reduce the impacts of Modern Slavery within our supply chain.

With such substantial disruptions to supply chains around the world, North are seeking to outsource a revised study on our tiered supply chains to provide a more current and accurate evaluation on where our highest levels of risk may be found within the industries that supply our procured goods.

NORTH'S RELATIONAL REPORTING AND GRIEVANCE MECHANISMS

North actively encourage anyone to take action and report on any behaviour that does not meet our minimum expectations and provide multiple avenues for communication and anonymous incident notification.

CONTINUAL IMPROVEMENT AND FUTURE COMMITMENTS

Ahead of International Day of Remembrance of the Victims of Slavery and the Transatlantic Slave Trade on the 25th March 2024 (and annually thereafter) North are planning to have surveyed our Subcontractors and Suppliers we have on our current projects to get live data of their knowledge and mitigation processes of modern slavery. This process will provide us current data on ;

- Current and trending knowledge of modern slavery across our industry
- Current and trending knowledge held by our workforce on
- Perceived and actual risk of modern slavery within our supply chain
- Suggestions for continual improvement