

ASKIN MODERN SLAVERY STATEMENT

Introduction

Askin Group Holdings Pty Ltd and its subsidiaries (together, **Askin**) oppose slavery in all its forms. Askin is committed to monitoring and addressing modern slavery within its operations and supply chains. Askin recognises that it has a responsibility to effect change and that tackling modern slavery relies on strong collaboration with its suppliers and partners. By establishing good governance, systems, processes, and capability to identify and manage modern slavery risks in our operations and supply chain, we can make a contribution towards addressing the issue.

This Modern Slavery Statement is made in accordance with the *Australian Modern Slavery Act 2018* (Cth). This Statement is submitted as a joint statement on behalf of the following reporting entities:

- Askin Group Holdings Pty Limited ABN 51 626 106 947;
- Askin Investments Pty Limited ABN 86 626 107 088;
- Askin Holdings Pty Ltd ABN 30 165 189 766;
- Askin Pty Ltd ABN 13 156 186 033; and
- Austral Comnia Pty Ltd ABN 73 074 337 401.

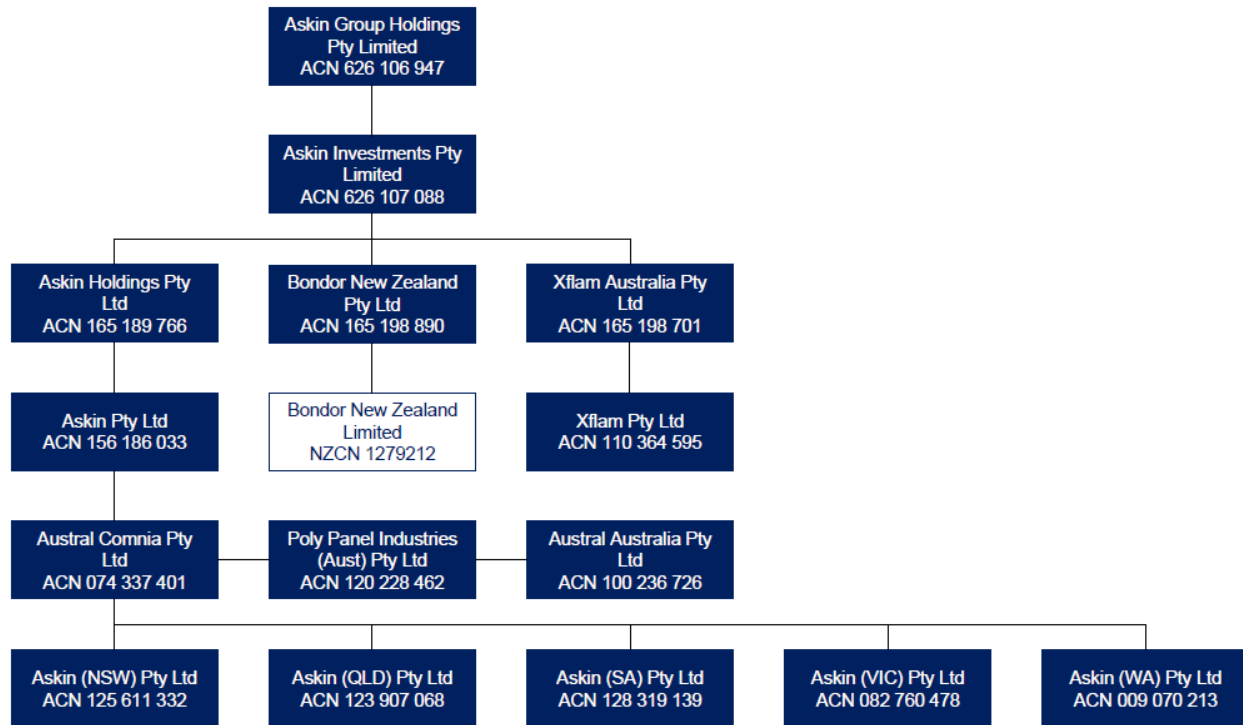
It describes the steps taken by the reporting entities during the year ended 31 December 2022 to seek to assess and address the risk of modern slavery occurring in their operations or their supply chains.

Our structure, operations and supply chains

Structure

Askin Group Holdings Pty Ltd is a proprietary company registered in Australia. It owns 14 Australian subsidiaries and one subsidiary registered in New Zealand. Askin has corporate offices in both countries, with its head office located in Melbourne. Askin prepares the group's modern slavery policies and procedures centrally through head office. Askin has 255 direct employees across Australia and New Zealand.

A structure diagram of the group is set out below.



Operations

Askin manufactures, sources, supplies and installs a range of insulated panel products for the construction industry.

Askin operates manufacturing facilities in Australia and New Zealand in which it produces some of its product range.

Askin leases property in Victoria, South Australia, New South Wales, Queensland, Western Australia, and in both the north and south islands of New Zealand.

Askin's group purchasing is largely managed by the operations and procurement team based in Victoria.

Supply chains

Askin engages with suppliers that supply products both for resale and not for resale, as well as labour and services.

Askin's supply chain includes the procurement of the following key goods and services:

- raw materials for manufacturing, such as steel, insulation cores, expanded polystyrene beads, resins and chemicals;
- goods for sale, such as fixtures and fittings; and
- contract and outsourced labour, including for the installation of insulated panels.

There are numerous factors which inform Askin's supplier choices including quantitative factors such as price, quality and delivery times and qualitative factors such as reliability, ethical sourcing practices, labour practices and alignment on values.

Askin sources much of its product and raw materials from suppliers which manufacture in Australia. Moreover, the majority of the materials purchased by Askin for its products carry a lower risk of modern slavery, as they are low-labour intensive raw materials.

By far the largest volume of product is sourced directly from tier 1 suppliers within Australia. However, Askin also sources products from suppliers that source their materials from higher risk countries¹ such as India, China, Malaysia and Brazil. Askin's primary focus in the early stages of implementing its modern slavery risk program has been on supply of products from tier 1 suppliers in emerging markets. Askin's approach to the management of modern slavery risk reflects an awareness of heightened risk of sourcing particular products from certain countries.

Askin sources labour for installation within Australia and New Zealand only. Askin also engages with labour hire providers, but, again, only in Australia and New Zealand. Labour hire entities are regulated in Australia. Askin maintains a register of accredited labour hire providers. Askin has put in place a number of existing checks and balances aimed at mitigating the risk of modern slavery practices for labour attending major construction sites in Australia.

Risks of modern slavery practices in Askin's operations and supply chains

Askin has considered the extent to which it may contribute to, cause or be linked to modern slavery risks in its operations and supply chains. Such risks include the working environments and procurement practices of our international suppliers, and their ability to comply with the Modern Slavery Act and Askin's policies.

Through this process, Askin has identified its suppliers in emerging markets, including India, China, Malaysia and Brazil, as the key risk areas.

Recognising the level of control it exercises over its operations, including its risk management and compliance systems, Askin considers that key relevant risk exposures reside in its supply chain activities, rather than in its operations.

Actions taken by Askin to address modern slavery risks

Policy, governance and due diligence

Askin has policies and procedures which guide the way we engage with suppliers. These include:

- Pre-qualification and on-boarding procedures; and
- Conditions of purchase.

Askin continues to map its supply chains. It maintains details of its suppliers and their country of origin which enables Askin to assess, at a high level, the risk of modern slavery within its supply chains.

To manage the risk of modern slavery in Askin's operations and supply chains and to identify emerging issues, Askin has begun developing and implementing strategies that include:

¹ Based on the Global Slavery Index published by the Minderoo Foundation.

- The provision of training to relevant team members and suppliers;
- Embedding ethical sourcing and modern slavery policies into existing processes;
- Auditing high risk suppliers;
- Creating communication channels with existing and future suppliers to enable assessment of modern slavery risks; and
- A review of policies, procedures and contract conditions to ensure that Askin's objectives on modern slavery risk management can be implemented.

Additionally, our responsible procurement process plays a major role in who we engage as our business partners. We have commenced implementing this process, which will involve three main phases:

1. Supplier Code of Conduct

Before we engage with any suppliers, we ask them to confirm that their business activities comply with our expectations on a range of issues including health and safety, labour practices, business integrity and modern slavery, and request that they review and comply with related documents.

2. Risk analysis

Various risk analyses, such as the review of the country of origin and the nature of the products being provided, help identify risks early on. In addition, we ask suppliers to provide comprehensive information on pertinent processes and management systems via self-assessment.

3. Supplier development

If our supplier risk analysis shows that there is an elevated risk level regarding specific suppliers, then we strive to conduct a more detailed audit. The audit findings will show us in which areas a supplier needs to improve, following which we can give concrete recommendations on how to address the individual areas of concern.

1. Supplier Code of Conduct

During 2022, Askin reviewed its Modern Slavery Policy. The Policy applies to any party who has business dealings with Askin, including employees, directors, labour hire workers, contractors, external consultants, suppliers and business partners. It sets out our commitment to uphold employment law obligations within our own operations. It also sets out our commitment to do business only with ethical labour hire businesses in Australia and with ethical suppliers who share our values, and our requirement for them to uphold the same standards as us. Any contravention of either policy is viewed seriously by Askin and is grounds for dismissal or termination of business relationship.

The Askin Modern Slavery Policy was communicated to all Askin employees in 2022, and is available on the Askin Performance Panels and Bondor NZ websites. The Policy will be included in the Askin Human Resources Manual which will be distributed to all employees at the start of the 2023 calendar year.

Additionally, Askin reviewed and updated its Supplier Code of Conduct which applies to all manufacturers, suppliers, agencies and contractors involved in the conduct of Askin's business and the supply of its goods and services. It sets out our expectations on compliance with the law, ethical business practices, and labour and human rights, including our expectations that they

should have in place grievance and due diligence procedures to manage ethical issues within their supply chain. The Code requires our suppliers to make reasonable efforts to monitor their supply chain and ensure that their suppliers are aware of, and compliant with, the aims of the Code. The Code was redistributed to our key suppliers and to all new suppliers, and is available on the Askin Performance Panels and Bondor NZ websites.

2. Risk analysis

During 2022, Askin conducted its second round of formal supplier investigations. The suppliers selected include Askin's key suppliers. Each supplier was issued the Askin Modern Slavery Policy, the Askin Supplier Code of Conduct, and the Askin Modern Slavery Questionnaire. The group of suppliers included both domestic and international raw material suppliers, domestic goods suppliers, and service suppliers including labour.

All responses to the questionnaire were reviewed and in circumstances where suppliers had provided insufficient or incomplete answers, they were contacted directly by the Askin procurement team for follow up questioning.

At the conclusion of the process, all suppliers completed the questionnaire satisfactorily or provided their Modern Slavery Policy and / or Code of Conduct to demonstrate compliance with the principles and intent of Askin's Modern Slavery Policy.

For some of our suppliers, the process was educational and informative. For others, they had a well-developed understanding of both the objectives of the Act and their own modern slavery risks. The process fostered open communication and strengthened partnerships with our business partners.

3. Supplier development

During 2022, Askin commenced revising its supply agreements with key material suppliers as they became due for renewal. This process will continue over the next 12 months. Askin will incorporate terms into all agreements that require compliance with Askin's Modern Slavery Policy and Supplier Code of Conduct, as well as outlining procedures for dealing with non-compliance and disciplinary actions including termination of contract.

Ancillary activities

Askin renewed its Subcontractor Agreement in November 2021. This agreement is used primarily in construction where Askin engages subcontractors for the installation of panel. The agreement outlines the subcontractor's employment law and safety obligations. Askin implemented this agreement for various construction projects during 2022 and will look to utilise the agreement more broadly in 2023.

Askin commenced reviewing its New Zealand Standard Supply Terms and Conditions in October 2022 which will be finalised in the first quarter of 2023 to reflect changes in law and Askin's obligations under the Act.

Key employees and managers in the Askin operations and procurement team undertook formal Modern Slavery training during 2022. This training will be required yearly and offered more broadly across the business over the next 12 months.

Remediation

Askin has a number of mechanisms which allow employees and third parties to report concerns about suspected or actual improper conduct, including in relation to modern slavery. These include through our human resources and procurement teams or via the Askin Whistleblower Policy. This policy sets out the protections available to current and former officers, employees, suppliers and other eligible persons where they make a report of improper conduct, including modern slavery practices. The policy also sets out the actions that Askin will take to assess and action disclosures made.

Where issues are identified by Askin, it will engage with the suppliers to understand the position. Failure of suppliers to respond to Askin's satisfaction may lead to termination of any contracts.

Assessing the effectiveness of actions taken by Askin

Askin is committed to continual improvement of its policies and procedures which seek to minimise the risk of modern slavery occurring in the Group's businesses or their supply chains.

Askin has begun developing an internal reporting mechanism which includes:

- Reporting carried out through a coordinator, who then reports to the Group General Manager Operations (GGMO);
- In consultation, the coordinator and the GGMO are to prepare an annual ethical sourcing and modern slavery report based on the performance of each entity within the group;
- The GGMO is to report to the Askin Group CEO / Managing Director, including on overall performance and compliance, concerns or areas of high risk and any identified non-compliances.

Askin has commenced the process of raising awareness within its business and identifying areas where modern slavery risks may arise. All employees and key suppliers have been advised of Askin's obligations and the business has engaged in dialog with key partners to foster open communication and reporting.

Consultation

In preparing this Statement, Askin consulted with a cross-functional working group of employees with responsibility for the oversight of procurement, legal and risk processes across the business.

This Statement was approved by the board of directors of Askin Group Holdings Pty Ltd as the parent entity on 21 December 2022.



Steve Clarke

**Group CEO / Managing Director
Askin Group Holdings Pty Ltd**