



Modern Slavery Statement

2020/2021



NHP Electrical Engineering Products Pty Ltd (“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 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 the majority 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 places, 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.

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 policy 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 will also be addressing the risk of modern slavery through its onboarding process and ongoing education of its contractors through its new safety system.

Addressing Modern Slavery Risks

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
- 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.

Over our first reporting period we assessed the effectiveness of our current procedures in relation to Governance, Procurement, Supply Chain, HR practices and Reporting. We recognised that undertaking this due diligence will be an ongoing process across our operations and we will be developing frameworks to ensure we monitor the efficacy of these processes on a regular basis and update as required.

NHP source only 49% of their goods / services outside of Australia and utilising global frameworks, we identified that 96% of that spend is with suppliers in low-risk countries, with 4% based in a high-risk country (China).

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:

- Periodic reviews of our suppliers' base to identify where greatest potential exposure for modern slavery is within our supply chain.
- 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 the Modern Slavery Policy 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.

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.

Ongoing review of our training and communications with our contractors and employees.

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 13 October 2021.

A handwritten signature in black ink, appearing to read 'S. Coop', with a stylized flourish at the end.

Stephen Coop

Managing Director / CEO

14 October 2021