

## MODERN SLAVERY STATEMENT 2022

HUON.NET.AU

July 2021 – June 2022

### Introduction

This is our inaugural Modern Slavery Statement (MSS) that is prepared pursuant to the Modern Slavery Act 2018 (“Act”) and sets out the actions to be implemented to assess and address modern slavery and human trafficking risks in our business and supply chain for the financial year ending 30 June 2023.

### Summary of Approach and Progress to Date

Guided by its values, Huon is developing several policies, processes, and changes to procurement methodologies to identify and address modern slavery risks associated with labour on construction sites and construction materials.

Huon’s vision is that the collective actions taken as outlined in this MSS will progressively reduce the risk of modern slavery within its supply chain.

### Mandatory Criteria

The following sections set out Huon’s response to each of the mandatory criteria listed in section 16(1) of the Act.

### Mandatory Criteria (a) & (b): Structure, Operations & Supply Chain

Huon is a civil engineering construction business specialising in road, rail, bridge, and subdivision works in the ACT and NSW. We deliver infrastructure projects to government and private sector clients. Huon is a solutions-orientated company and strives for excellence in its staff and customer relationships.

Huon is 100% Australian owned and operated and employs approximately 90 permanent employees.

Whilst Huon’s supply chain includes the procurement of typical goods and services required to operate and administer a business, Huon’s supply chain spend is dominated by the contracted supply of construction related materials, plant and equipment, and services.

The aforementioned materials, plant, equipment and services originate from both Australia and overseas.

### Mandatory Criteria (c): The Risks of Modern Slavery

#### The Risk of Directly Causing Modern Slavery

Huon operates solely within Australia. As Huon’s labour engagement and management policies and practices are structured strictly in accordance with the relevant laws, the risk of Huon directly causing modern slavery is considered low.

## The Risk of Contributing to Modern Slavery

Huon understands that its businesses are at risk of contributing to modern slavery through its operations and/or actions in its supply chains. This includes acts or omissions that may facilitate or incentivise modern slavery through commercial pressures. As Huon's procurement practices are governed by a layered approval process, this risk is considered to be an unlikely occurrence. The pre-qualifications and awareness raising actions described below (refer Mandatory Criteria (d)) will further reduce this risk.

### Direct Link to Modern Slavery

Huon acknowledges that it is at risk of being connected to modern slavery through the activities of other entities that we have business relationships with, namely our suppliers and contractors. Further, supply chain partners of our direct suppliers and contractors also present risk. Given the diversity and depth of parts of our supply chain, it is links of this nature that are considered Huon's most significant risk of exposure to modern slavery.

In particular, the risks of modern slavery are most likely to arise from:

1. Materials sourced from overseas regions at risk of modern slavery; and
2. Local trades where unskilled or semi-skilled labour is sourced.

Given the above, Huon's actions (refer Mandatory Criteria (d) below) will prioritise assessing and addressing these risks.

## Mandatory Criteria (d): Actions Taken for Assessment of and Addressing Risks. Due Diligence and Remediation.

During the 2022-2023 FY, Huon will implement initiatives to assess and address the risks of modern slavery, including due diligence and remediation. These initiatives can be summarised by the following actions which are to be integrated into Huon's operating framework:

- A Supplier Code of Conduct which sets out Huon's expectations of its supply chain, including in respect of modern slavery.
- A Sustainable Procurement Policy which outlines Huon's commitment to socially responsible procurement including a commitment to work towards eliminating modern slavery from its supply chain.
- A modern slavery risk assessment carried out for key tenders.
- A training program for staff raising awareness of the risks of modern slavery both in our supply chain and on construction sites.

A summary of each of the above is provided below.

### Supplier Code of Conduct

The Supplier Code of Conduct shall set Huon's minimum expectations and non-negotiable requirements of all participants in its supply chains in relation to:

- human rights and labour practices;
- environmental management;
- professional conduct;
- governance; and
- community engagement.

## Sustainable Procurement Policy

The Sustainable Procurement Policy shall outline Huon’s public commitment and expectations of employees, subcontractors and suppliers in three key areas:

- environmental sustainability;
- social procurement; and
- modern slavery.

## Risk assessment for key tenders

The Huon Modern Slavery Hot Spot Risk Analysis is used within key project tenders (targeted projects with a value >\$25m) to evaluate trades for risk of modern slavery exposure. If specific risks are identified that are a consequence of client materials preferences, consideration is given to suggesting potential mitigation measures, including alternative selections within Huon’s tender responses. Provided the opportunity, Huon will discuss these issues with our client with a view to influencing an outcome aligned with our commitment to reducing modern slavery.

## Training

Following awareness training delivered face-to-face to staff disciplines responsible for procurement, an online Modern Slavery Act training module has been prepared for release in early FY23, with a target uptake rate of 90% of all Huon direct employees across the business.

## Mandatory Criteria (e): Measuring Effectiveness

As set out in Mandatory Criteria (d) above, Huon’s response to modern slavery is incorporated into its operating framework, facilitating the following opportunities to measure effectiveness:

- Huon’s Internal Audit program measures compliance with our operating framework.
- The record keeping required by the framework will enable analysis of effectiveness year on year, including in instances where specific modern slavery risks are identified.
- Supplier Surveys from our supply chain partners are required to be updated biennially, enabling Huon to track increased comprehensiveness of responses and improved engagement practices within supply chains.

Huon’s engagement with suppliers through its Supplier Surveys and the discussions and actions that follow will foster an increased awareness of modern slavery and the expectations around it, particularly in respect of suppliers whose programs are still in early stages of implementation.

## Mandatory Criteria (f): Consultation with Entities

Huon acknowledges that all the entities have an equal role to play in understanding, identifying and reporting any known incidents of Modern Slavery.

The process of consultation involves discussions with Directors and Managers of our operating entities to inform them of Huon’s obligations under the Modern Slavery Act and to gather their input on our collective approach to addressing this social governance issue.

Our modern slavery training program, the roll out of which is in progress, will cover all relevant staff from the various entities.

This Statement has been prepared in consultation with each entity and has been approved by Huon’s Board.

## Mandatory Criteria (g): Other Relevant Information

### Next Steps

Implementation of the actions outlined in this MSS, and measuring the effectiveness of Huon's actions, will be Huon's focus in the next reporting period July 2022 – June 2023.

Huon will continue to engage its stakeholder groups to seek opportunities for improved awareness, due diligence, and cooperation amongst all parties.

### Approval of this Modern Slavery Statement

This statement has the approval of the Statutory Board.



ANISMA SACHDEVA MARAR

DIRECTOR

01/12/22.