



NEUMANN STEEL
REINFORCING

Modern Slavery Statement

neumannsteel.com.au

INTRODUCTION

Modern slavery is a term used to cover practices such as forced labour, slavery, debt bondage, extreme forms of child labour, forced marriage, deceptive recruitment, and human trafficking. It is a human rights violation and exploitative crime that has devastating consequences for the health and wellbeing of its victims.

The International Labour Organisation estimated that 50 million people were victims of modern slavery worldwide in 2021. The most prevalent form of modern slavery is forced labour, which disproportionately affects people in more vulnerable circumstances, such as children and young people, undocumented migrants and those living in poverty.

Neumann Steel Pty Limited (“Neumann Steel”) is a reporting entity for the Modern Slavery Act 2018 (Cth) (“the Act”) and has prepared this Statement for the July 1, 2022 – June 30, 2023, reporting period. It articulates our position on modern slavery and our plans in the 2024 financial year to understand and investigate the risk of modern slavery in our operations and supply chain.

To assist us with our reporting obligations, we have consulted with Unchained Solutions Pty Ltd, who are assisting us to develop our risk management framework and strategy for continuous improvement in supply chains due diligence.

Neumann Steel is committed to operating our business lawfully and ethically and working with contractors, partners and suppliers that are aligned to our values. Our aim with reporting our actions against Modern Slavery, is to be as transparent as possible. We hope our transparency will help other organisations to learn from our experiences, as they implement their own approaches. We welcome feedback, and look forward to learning from others, as we work together with our members and stakeholders to address this serious human rights violation.

CRITERION 1 IDENTIFY THE ENTITY

Neumann Steel Pty Ltd [59 009 818 035] is a privately owned family company registered in Queensland. Neumann Steel has distribution and manufacturing facilities throughout Queensland & New South Wales.

Neumann Steel has an annual consolidated revenue of AUD \$172m for the 2023 financial year.

Neumann Steel is governed by a Board of Directors, elected from and by the Shareholders. The Directors are responsible for ensuring the Neumann Steel has an appropriate corporate governance structure and Neumann Steel continues to grow and develop for the advancement of the steel manufacturing industry.

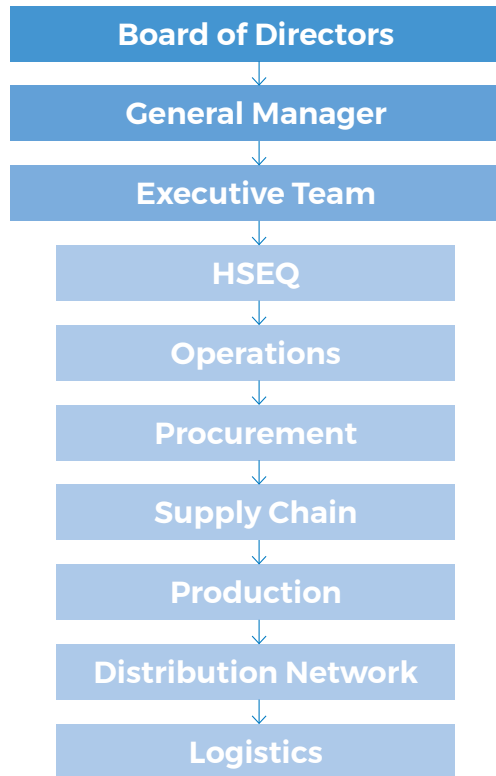
CRITERION 2 DESCRIBE THE ENTITY STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Neumann Steel has continuously operated for over 50 years and has a strong focus on innovation and sustainability of people, products and the environment.

Neumann Steel's primary function is to source raw material in reinforcing steel which is converted into reinforcing mesh and produced reinforcing bar for the building and construction industry.

Most of the raw material is sourced locally with small amounts of imported raw material.

Supplementary accessory products are also sourced locally and imported.

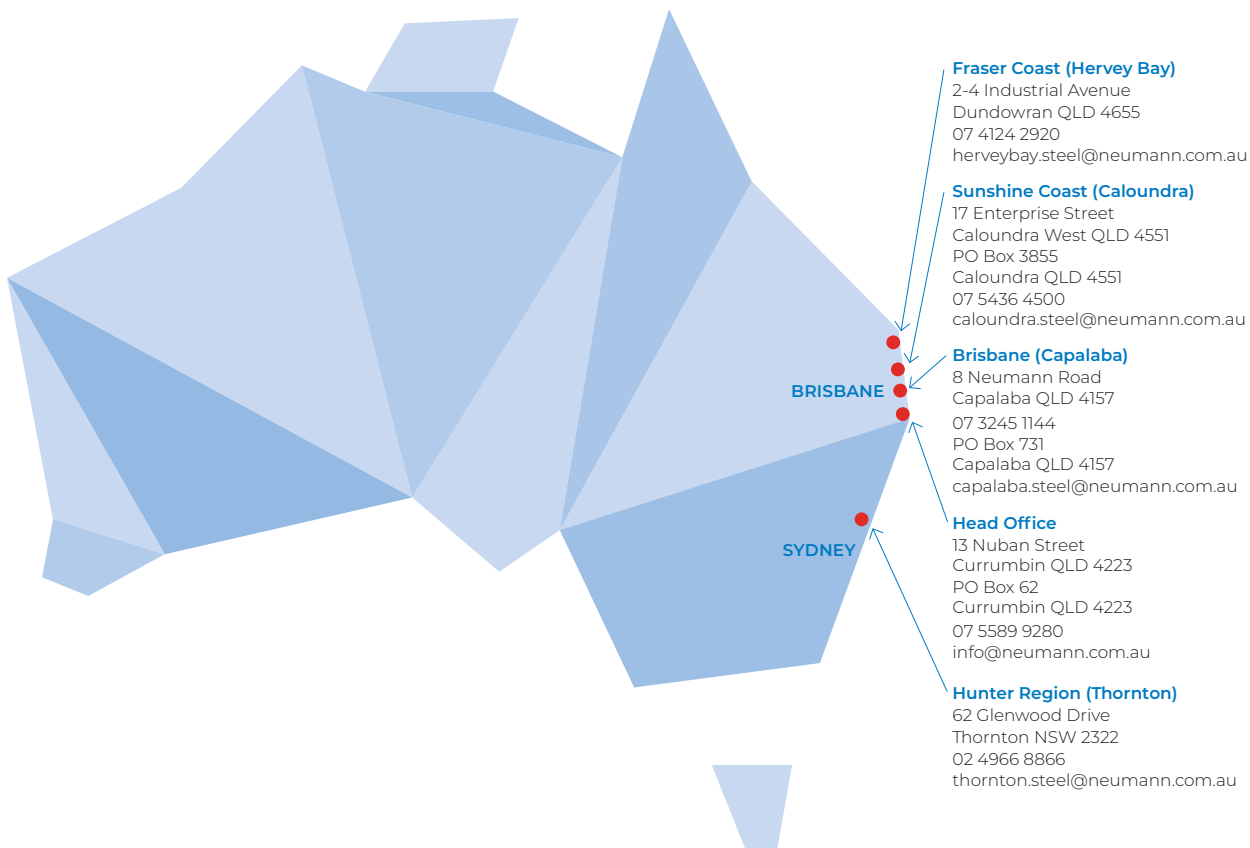




OPERATIONS

Neumann Steel employs approximately 300 people in its management, production and distribution network which all are in Australia.

Neumann Steel employment structure is 98% fulltime employees and remaining employees working part time or casual.



SUPPLY CHAIN

Neumann Steel has performed an analysis of its accounts payable data for the reporting period and has identified the following spend categories.

Supply chain sourcing (% of total spend)

- Raw Material Steel Australian Produced = **75%**
- Raw Material Imported = **11%**
- Reinforcing Accessories Australian Produced = **11%**
- Reinforcing Accessories Imported = **1.5%**

CRITERION 3

ACTIONS TAKEN TO IDENTIFY THE RISKS OF MODERN SLAVERY

The Act provides eight types of exploitation that meet the definition of modern slavery. They are:

1. **Trafficking in persons**
2. **Slavery**
3. **Servitude**
4. **Forced marriage**
5. **Forced labour**
6. **Debt bondage**
7. **Deceptive recruiting for labour or services; and**
8. **The worst forms of child labour**

The worst forms of child labour refer to slavery practices or hazardous work involving children.

RISK IN SUPPLY CHAIN

Neumann Steel primarily sources raw materials directly from manufacturers based in Australia but also sources raw materials through secondary distributors and representatives.

All importation & purchasing set-up is centralised through the procurement function. Through accredited and approved suppliers, all suppliers must be either pre-approved or evaluated before set-up for purchasing activities.

Neumann Steel only purchases raw material from accredited mill's conforming to all requirements and compliance, all trades are done on CIF/FOT and DDP terms through pre-approved traders.

Product/Service	Supplier	Source	Risk Class
Raw Material	Local	Local	Low
Raw Material	Local	Imported	Low/Med
Raw Material	Overseas	Imported	Med
Shipping	Overseas	Agency	Med
Transport	Local	Local	Low
Staff	Local	In-house	Low
Temporary Staff	Local	Local Agency	Low
Sundry Products	Local	Local	Low
Sundry Products	Local	Imported	Med
Sundry Products	Overseas	Imported	Med
Consumables	Local	Local	Low
Consumables	Local	Imported	Med
Services	Local	Local	Low

With 100% of our first-tier suppliers based in Australia, and 99% providing goods and services, it's likely that the potential to be linked with or contribute to modern slavery in our supply chain sit beyond the first tier of our supply chain and most probably outside of our national borders.

With that in mind we see the focus of our actions to strengthen our understanding of our suppliers' supply chain and raise their awareness of the issue, as well as strengthening our supplier on-boarding process procedures.

RISK IN OPERATION

Given that Neumann Steel only operates within Australia, which has strong labour laws, direct exposure to modern slavery risks is likely to be limited to provision of relatively low-skilled services such as cleaning or security.

CRITERION 4

ACTIONS TAKEN

GOVERNANCE FRAMEWORK

The company executive management team are responsible for the implementation of policy obligations throughout their respective areas of the business. Our current policy portfolio governs our actions taken to monitor and report on modern slavery risks, and comprises:

- Code of Conduct
- Workplace Health & Safety Policy
- Purchasing Policy
- Whistleblower

SUPPLIER RISK MANAGEMENT FRAMEWORK

Neumann Steel works collaboratively with key suppliers to identify and manage modern slavery risks and develop commercial and actionable solutions. However, the company will discontinue arrangements with suppliers where it is apparent that those suppliers have not taken reasonable steps to prevent or specifically prohibit modern slavery in their business operations.

Neumann Steel's current risk management strategy is governed by its supplier onboarding process which includes the completion of a supplier self-assessment questionnaire (SAQ), requiring suppliers to self-disclose steps taken to identify and mitigate the risk of modern slavery among other environmental and social impact areas.

The Procurement Team has overall responsibility for the management for the integration of supplier risk management throughout the organisation by providing:

- Approval and evaluations of suppliers centralised through the procurement team and Executive approved where applicable on set financial delegation.
- Provide awareness training for employees in relation to the obligations under this RMF and the Act.
- Ensure that all applicable contracts have clauses covering modern slavery inputs.
- Monitor suppliers and their compliance with the Act.
- Oversee sourcing activity, ensuring that an assessment of suppliers is conducted (where appropriate) on their compliance with the Act.
- Review annually the Modern Slavery Statement for approval.

ACTION ROADMAP

At the start of the FY24 financial year, Neumann Steel has commissioned Unchained to conduct a Strategic Framework Review of our current readiness to comply with the Act. This review will analyse and make recommendations on our:

1. Previous Modern Slavery Statements
2. Current Policy Portfolio
3. Current Training Module Presentation
4. Current Risk Management Framework including onboarding process map and supplier self-assessment questionnaires

Through this analysis, Neumann Steel will work with external consultants to formulate a new action roadmap to advance our implementation of the Act.

IN THE 2024 REPORTING PERIOD, WE HAVE COMMITTED TO THE FOLLOWING ACTIONS:

1. Awareness training of key stakeholders through an e-learning module
2. Executive briefing to the Board of Directors and Senior Executives on the reporting requirements of the Act
3. Supplier categorisation and initial risk assessment of first-tier suppliers to understand where the risks lie in our supply chain
4. Augment the current policy portfolio by integrating recommendations made through the Strategic Framework Review
5. Development of Modern Slavery Statement for 2024 financial year

ASSESSING EFFECTIVENESS

As we implement actions to address the risks of modern slavery in our operations and supply chain, we will identify the appropriate effectiveness indicators for measurement at regular interval and formulate an Impact Measurement Framework in future reporting periods.

CONCLUSION

This Modern Slavery Statement 2023, confirms Neumann Steel's commitment to assess, engage, address and monitor modern slavery risks and to implement positive actions against violation of human rights.

MODERN SLAVERY ACT 2018 (CTH)- STATEMENT ANNEXURE

PRINCIPAL GOVERNING BODY APPROVAL

This Modern Slavery Statement was approved by the Board of Directors and the Executive Leadership Team, as the principal governing body of Neumann Steel on 12 December 2023.

SIGNATURE OF RESPONSIBLE MEMBER

This modern slavery statement is signed by a responsible member of Neumann Steel as defined by the Act:



Paul J Neumann

Director Neumann Steel Pty Ltd

MANDATORY CRITERIA

Below table outlines the page number/s of our statement that addresses each of the mandatory criteria in section 16 of the Act.

MANDATORY CRITERIA	PAGE NUMBER/S
A) Identify the reporting entity	2
B) Describe the reporting entity's structure, operations and supply chains	2-3
C) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	5-6
D) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	7
E) Describe how the reporting entity assesses the effectiveness of these actions	8
F) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultations with the entity covered by the statement)*	*Do not own or control any other entities
G) Any other information that the reporting entity, or the entity giving the statement, consider relevant**	8-9

Neumann Steel Pty Ltd

13 Nuban Street
PO Box 62
Currumbin QLD 4223 Australia

☎ 07 5589 9280

✉ info@neumann.com.au