

NEPEAN

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Modern Slavery Statement 2020-2021



ABOUT THIS STATEMENT

This 2021 Modern Slavery Statement has been prepared for the period 1 July 2020 to 30 June 2021 and is NEPEAN's second statement since the inception of the Modern Slavery Register and introduction of the mandatory reporting regime.

Modern Slavery is a complex human rights issue and is further complicated by the nature of global supply chains and globalised workforces. Despite these challenges, NEPEAN remains fully committed to providing and adhering to the highest ethical standards across all of its areas of operations and throughout its various workplaces.

Modern Slavery is unacceptable and will not be tolerated across or within NEPEAN'S divisions or areas of operations, including its Supply Chains. Human Rights in all of its forms, must be respected and as a global organisation, NEPEAN considers that it is under a continued duty to safeguard the rights of others, free from servitude and from other forms of abuse.

A handwritten signature in black ink, appearing to read 'Miles Fuller', with the year '2021' written below it.

Miles Fuller
Sole Director & Secretary, Chief Executive Officer and
Executive Chairman

About NEPEAN

NEPEAN is Australia's leading privately owned engineering, mining services and industrial manufacturing organisation which delivers high value, innovative and sustainable solutions for the world's leading mining, construction and transport companies. NEPEAN employs over 1,400 people across 5 continents and operates in Australia, the USA, Canada, Europe, Africa, South East Asia, New Zealand and South America.

NEPEAN operates globally through a portfolio of national and international companies by providing specialist manufacturing and supply capabilities to the mining services, building products and engineering sectors.

STRUCTURE & OPERATIONS

Conveyor Systems and Components

Our businesses involved with the manufacture and supply of conveyor systems and components operate through our NEPEAN Conveyors, PROK, Gurtec and Roxon entities based in South America, Canada, United States, Indonesia, South Africa, Sweden, Finland and Germany as well as more locally in Mackay, Wollongong, Perth, Pilbara, Gosford and Gulgong.



Longwall Equipment & Systems

Our mining longwall business operating from Rutherford NSW and MacKay QLD concentrates on the design and construction of underground longwall mining equipment under our NEPEAN Longwall Pty Ltd entity including equipment and systems such as:

- Armoured Face Conveyors
- Powered Roof Supports
- Electro-Hydraulic and Chain Driven Conveyors
- Crushers; and
- Longwall System Packages

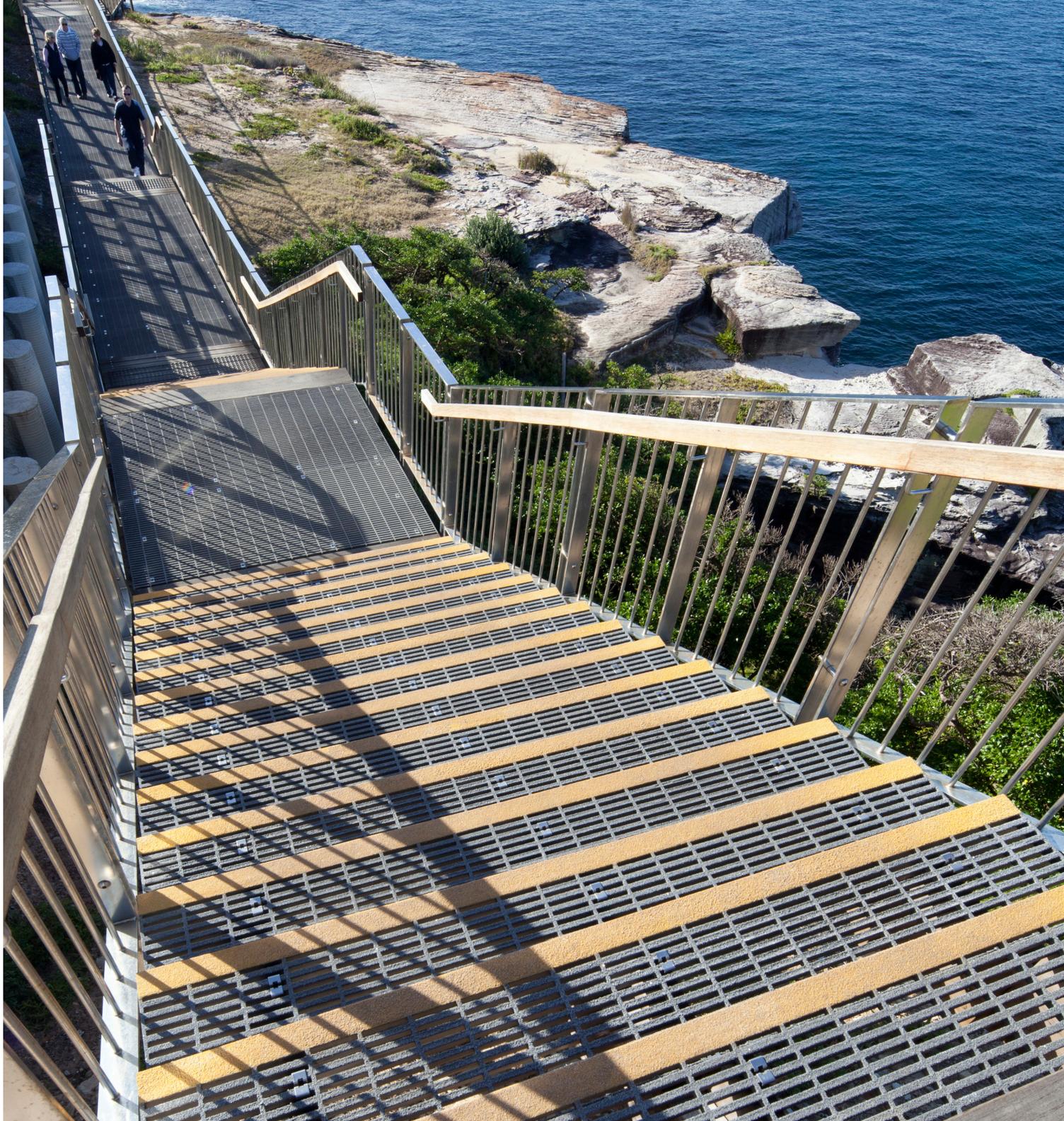




Electrical Components and Equipment

Our NEPEAN Power Pty Ltd entity operates from Thornton NSW and is focused on the supply and manufacture of:

- Power Supply Devices
- Substations
- Power & Electronic Device Services
- High Voltage Switchgear
- Switchrooms
- Control & Protection Devices
- Distribution Control Boxes; and
- Surface Methane Plant Management Services.



Building Products and Services

Our business includes the manufacturing, supply & galvanising of metal products through our entities of Weldlok, Galserv and Galintel for the architectural, civil, construction and industrial markets operating from Yagoona, Coffs Harbour, Mackay, Brisbane, Perth & Melbourne:

- Industrial Access Systems
- Drainage Products
- Expanded and Perforated metal sheets
- Lintels
- Retaining Wall Systems
- Galvanising Services

Engineering Services

Our engineering operations undertaken by NEPEAN Engineering & Innovation Pty Ltd provides specialist engineering services to the mining, manufacturing, infrastructure, scientific, defence, aerospace and pharmaceutical sectors from Narellan NSW. These specialties include:

- Surface & Spherical Grinding
- EDM Wire Cutting
- Heavy & Light Metal Fabrication
- Laser Cutting, Profile Cutting, Surface Treatment & Assembly
- Precision Inspection
- Design & Engineering
- Special Machines
- CNC Machining
- CNC Boring



Supply Chain

Our supply chain across our areas of operation continues to consist of a mixture of NSW, QLD, WA and VIC based suppliers as well as internationally from regions including Africa, Asia and the Pacific, Europe & Central Asia and the Americas. Broadly, our suppliers continue to cut across various industries and comprise of the following products and services:

- Belts and related monitoring systems
- Electrical components such as switches, gear boxes, motors and mechanical drives
- Pulleys and Idlers
- Steel
- Hydraulics equipment
- Winding equipment
- Magnet systems
- Roof supports and structures
- Coal clearance systems and associated structures
- Chains
- Handrails
- Gratings and wire mesh
- Fasteners
- Nuts and bolts
- Purlins
- Lintels
- Wearliners



OUR APPROACH

Human Resources

NEPEAN has company policies in place which promote legal and ethical business conduct. These are reviewed annually and receive Board approval. All new employees upon induction into procurement roles continue to receive initial and ongoing Modern Slavery awareness training and learn of NEPEAN's policies and approaches taken by the organisation to minimise the effects of Modern Slavery. For existing employees from NEPEAN's executive team downwards, employees receive Modern Slavery awareness training, which is on-going and continually assessed.

Our guiding principles are underpinned by the United Nations Guiding Principles on Business & Human Rights, Universal Declaration of Human Rights and the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work.

Speak Up

We have also introduced a confidential Speak Up reporting system within our operations and have appointed a dedicated Modern Slavery Complaints Officer, specifically tasked with the receiving and investigation of Modern Slavery suspected incidents or occurrences. This is also augmented by NEPEAN's Whistleblowing policy.

Supplier Due Diligence

Our Commercial, Project & Finance teams continue to carry out various supplier due diligence checks and enquiries including issuing on-boarding questionnaires, desktop assessments, visiting suppliers on site (subject to COVID-19 restrictions and related health advice) as well as holding discussions with suppliers as to what measures they are taking within their supply chains in order to identify, prevent and combat Modern Slavery.



Contracting

Our standard terms and conditions, conditions of sale together with our main supply and purchase agreements require our suppliers and customers to acknowledge that they have no knowledge of any Modern Slavery offences occurring within their organisation(s) or supply chain(s) and will take steps to address any issues arising throughout the life of the contract and throughout their supply chain generally.

Risk Assessment

Across the portfolio, each General Manager across our various business units (which includes our subsidiaries and related entities) reassessed its supplier geographical & contract value based risk identification process - which graded suppliers according to regions based upon the Global Slavery Index Walk Free Foundation Regional Prevalence & Vulnerability Data Index Matrix. Other factors were also taken into account including the sector and type of industry those suppliers operate within.

Adopting this process again enabled us to identify and consider risks that may possibly cause or contribute to modern slavery practices along with the type of industry and type of products and services being supplied. This assessment criteria enabled us to classify our suppliers as being at Minor through to Low, Moderate, High and Extreme Risk. The outcome of the assessment assists with our prioritisation and implementation of our supplier engagement.

We are monitoring the overall effectiveness of this assessment based approach against our current adopted processes and procedures in order to address the modern slavery risks that our business is linked to, in line with the UN Guiding Principles on Business & Human Rights. We will continue to assess the effectiveness of our actions in identifying and managing modern slavery risks by continuing to engage and work with our suppliers, undertake internal governance and awareness training and generally tracking and rating our actions. Monitoring these actions involves and requires a system of continuous improvement under which we will strengthen and improve our response to modern slavery as necessary.





COVID-19

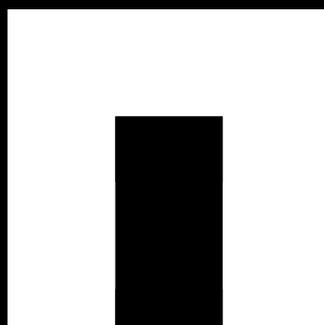
As both the domestic and global economies continue to deal with new strains of the virus whilst at the same time dealing with the after affects of previous Covid-19 outbreaks, industry disruption as well as disruption to supply lines remains prevalent. The risk of Modern Slavery occurrences also remains and we are cognisant of this and continue to build and work with our internal and external relationships whilst maximising the use of modern technology to find enhanced ways of engaging with our customers and suppliers. This enables us to build and maintain better relationships whilst at the same time increasing the visibility of our suppliers.

Our on-line dedicated learning hub for our managers, employees and procurement teams generally remains live where our training and assessment program can be undertaken remotely.

ONGOING REVIEW

Our response to Covid-19 is on-going and is subject to further monitoring. Our Modern Slavery Policy will be reviewed annually and updated where necessary. Any complaints brought to our attention will be investigated and further action taken, where necessary. Our complaints handling, reporting processes and procedures will be reviewed together with our remediation protocols and will be amended or updated. Our e-training education will continue to be available and will be updated as necessary with a view to the expansion and accessibility of it to all staff globally.

This statement is a joint statement and has been prepared in accordance with s14(2) of the Modern Slavery Act 2018 (Cth). The reporting entity is NEPEAN Consolidated Pty Ltd ACN 646 478 702 (NEPEAN) as the higher entity for our portfolio of companies. All references throughout this statement to NEPEAN are references to the NEPEAN portfolio of companies, its subsidiaries and related entities. This statement does not cover any non-controlled joint venture operations. During the reporting period that this statement covers, NEPEAN engaged and consulted with all companies owned or controlled by it in relation to the development and creation of this statement. Details and information of the requirements of the Modern Slavery Act 2018 were discussed together with the identification of relevant future actions.



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