

NATIONAL GROUP



Modern Slavery
Statement for the
period 1 July 2020 -
30 June 2021
National Group
Corporation Pty Ltd
ACN 629 791 153

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1. APPLICATION

This modern slavery statement is a joint statement for National Group Corporation Pty Ltd ACN 629 791 153 (**National**) and each of its wholly owned subsidiaries (the **National Group**) (as described in section 3) for the financial year commencing on 1 July 2020 and ending on 30 June 2021 (**FY21**).

Each entity in the National Group operates under the same policies and procedures and contracts with many of the same suppliers. For this reason, the National Group has a single, consolidated approach to minimising the risk of modern slavery.

2. INTRODUCTION AND BACKGROUND

Modern slavery is a severe violation of human rights and we are committed to identifying and addressing the risk of modern slavery practices in our operations and supply chains.

We welcome the Australian Government's efforts to help Australian businesses reduce modern slavery in domestic and global supply chains. The *Modern Slavery Act 2018* (Cth) (the **Act**) requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains.

This modern slavery statement is prepared in accordance with section 16 of the Act and is intended to describe the steps taken by the National Group during the financial year ended 30 June 2021 to minimise the risk of modern slavery. However, the National Group recognises that modern slavery issues can manifest themselves in many ways and this statement also covers the National Group's broader efforts to prevent any form of worker exploitation in its business.

3. THE NATIONAL GROUP'S STRUCTURE

National is an Australian proprietary company headquartered in Queensland.

The National Group comprises companies from the mining and resources industries, with National's wholly owned subsidiaries set out below (the **National Group**):

Entity	Purpose
National Plant and Equipment Pty Limited ACN 078 654 323 (Australian proprietary company)	National Plant and Equipment Pty Limited specialises in the dry hire of heavy earthmoving equipment for the mining sector. In this reporting period, it had approximately 25 contracts with 20 companies and supplied approximately 280 equipment items.
Resolute Equipment Pty Ltd ACN 087 609 050 (Australian proprietary company)	Resolute Equipment is primarily a financing entity and equipment owning entity.

Entity	Purpose
National Plant Services Pty Ltd ACN 117 613 546 (Australian proprietary company)	Dormant entity.
National Mining Services Pty Ltd ACN 117 613 537 (Australian proprietary company)	National Mining Services is a contracting entity within the National Group, focused on contract mining.
Mynbou Pty Ltd ACN 613 321 672 (Australian proprietary company)	Mynbou Pty Ltd is a holding entity of Wolff Group, Wolff Equipment, Wolff Mining and Safecross.
Wolff Group Pty Ltd ACN 126 257 789 (Australian proprietary company)	Wolff Group is an equipment owning entity.
Wolff Equipment Pty Ltd ACN 105 508 370 (Australian proprietary company)	Wolff Equipment is an equipment owning entity.
Wolff Mining Pty Ltd ACN 117 334 228 (Australian proprietary company)	Wolff Mining is a contracting entity and equipment owner – focusing on contract mining operations.
Safecross Pty Ltd ACN 106 133 251 (Australian proprietary company)	Dormant entity.

The National Group directly employs approximately 200 people, the majority of which are based in Queensland and Western Australia. The registered office for each National Group entity is 480 Queen Street, Brisbane, Queensland with its corporate headquarters located in Southport, Queensland.

The National Group does not engage in external lending activities.

More information on the National Group is available at <https://www.nationalgroup.co/>.

4. NATIONAL GROUP'S OPERATIONS

The National Group is a supplier of heavy earthmoving equipment and ancillary equipment to the mining industry in Australia. It supplies this equipment primarily on a dry-hire basis (which involves providing equipment to the customer for a stipulated hire period, without an equipment operator) and also on a wet-hire basis (which involves providing equipment to the customer in conjunction with providing qualified operators and project management support during the contract term). We also provide repairs and maintenance services.

The National Group's operations are primarily located in the following places:

- Southport, Queensland – corporate headquarters;
- Yatala, Queensland; repairs and maintenance facility;
- Nebo, Queensland – repairs and maintenance facility; and
- operational presences at approximately 40 mine sites in Queensland, New South Wales, Northern Territory and Western Australia.

5. NATIONAL GROUP'S SUPPLY CHAIN

In FY2021, the National Group spent more than \$161 million purchasing products and services from more than 800 suppliers.

More than 90% of our direct suppliers are based in Australia, accounting for approximately the same percentage of our total procurement spend. Most of our international suppliers are located in Western Europe and the United States of America.

Our largest categories of procurement spend comprise:

- new large scale earthmoving equipment from original equipment manufacturers located in Asia, the United States of America and Germany;
- spare parts for our equipment; and
- consummables such as fixings, fasteners, and welding gear used in the operation of our equipment.

The services category of spend is predominantly made up of professional services and consultants.

We engage contractors to support our operational requirements, including fitters and operators.

As we recognise that risk management is an integral part of good management practice, National Group has a well-established risk management framework and contracts with reputable suppliers. Through this risk management framework National Group has recognised that there is a risk of modern slavery within all of our supply chains.

6. NATIONAL GROUP'S ACTIONS?

6.1. General approach

We recognise that tackling the risk of modern slavery in our supply chains will require ongoing commitment, dedicated effort and resources, and a willingness to be open and transparent when incidents or concerns of modern slavery are identified. We have implemented a risk-based approach and focussed our efforts on areas assessed as at higher risk of modern slavery practices in our supply chains.

6.2. Assessment

We completed an initial mapping of our supply chain to identify areas at higher risk of modern slavery practices during FY20 (as reported previously). We have undertaken further assessment during the course of FY21.

7. ASSESSING EFFECTIVENESS OF OUR ACTIONS

National Group has reviewed the findings of its initial assessments completed during FY20, and undertaken ongoing assessments and further internal discussions regarding the risks of modern slavery in its current supply chain. While the initial steps at board and senior management level undertaken in FY20 were important precursors to developing awareness of the issue of modern slavery within the group's business, it has become an issue requiring ongoing awareness and action at board and operational levels.

The working group established to manage modern slavery risks has determined that replicating the work undertaken to complete our initial assessments to be the most appropriate method for managing our ongoing requirements.

8. MODERN SLAVERY RISKS IN OUR SUPPLY CHAINS

8.1. Initial assessments

In the FY20 reporting period we commenced our work to identify areas of greatest modern slavery risk in our operations and supply chains. We assessed the risk of modern slavery practices based on the potential to cause, contribute to or be directly linked to modern slavery through our operations and supply chains, as defined in the *Modern Slavery Act 2018 Guidance for Reporting Entities*.

Those preliminary assessments presented us with no material or immediate concerns. This was primarily because the National Group did not directly source material volumes of goods or services from suppliers located in markets considered at high risk of modern slavery.

Work conducted in FY 21, building upon our initial assessments, has not identified any information that materially alters those preliminary assessments. The key modern slavery risks that may be in our supply chains as set out below.

8.2. Key potential risk areas

- Imported Goods – machine components and materials used to repair and maintain our equipment and other consumables used by our equipment such as fuels, oils, tyres, wheels are generally manufactured overseas by companies that may not comply with Australian labour laws. There is a risk that modern slavery exists in these supply chains. The risk varies depending on the country and the product type.
- Facilities management – National Group operates sites which require, machinery and process maintenance, waste disposal, security and cleaning services. National Group uses contractors for many of these services. There is a risk that these contractors, in managing their own workforce, may not comply with Australian labour laws.
- Logistics – distribution, transport and delivery. National Group, from time to time, uses road, air, and sea freight companies for inbound or outbound deliveries. There is a risk that some of these contractors, in managing their own workforce, may not comply with Australian labour laws.

8.3. Summary of actions taken and next steps

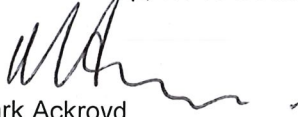
Area	Actions completed	Next steps
Policies and standards	Ongoing review and consideration of policy position and requirements for further development and implementation	<p>Requested and / or reviewed modern slavery statements from all material suppliers (where available, noting that many of our suppliers are not required to prepare modern slavery statements due to their size).</p> <p>Developed questionnaires to be completed by our material suppliers</p> <p>Inserting or agreeing to modern slavery clauses in our material contracts (where possible)</p>
Due diligence	<p>Ongoing desktop assessment of modern slavery risks in our operations</p> <p>Progressed desktop due diligence with respect to our key suppliers</p>	<p>Ongoing implementation and reviews focussed modern slavery risk assessments and formalised, interactive due diligence with our material suppliers</p> <p>Conducted detailed assessment of existing material suppliers identified as being at highest risk of modern slavery practices based on country of origin and category risk</p>
Capacity building	Established modern slavery awareness within management team and the board	Ongoing development of modern slavery awareness training program for the human resources and procurement team
Engagement and collaboration	Key functional leaders participated in sessions to highlight modern slavery issues	Actively seek to collaborate in multi-stakeholder initiatives to build further capacity and knowledge, and leverage resources across the industry

9. CONSULTATIONS AND APPROVAL

A number of steps have been undertaken to consult with the entities covered by this statement:

- The statement was reviewed and approved by the senior leadership team.
- The Directors of the relevant subsidiary companies were given the opportunity to review and provide feedback on the statement.

This statement was approved by the Board of National, the principal governing body for the National Group, on 16 December 2021.



Mark Ackroyd

Chair

National Group Corporation Pty Ltd