

COMMONWEALTH MODERN SLAVERY ANNUAL STATEMENT – 2020

Richards Group

This statement discloses the actions taken by the Richards Group to understand all potential modern slavery risks related to our business and to implement processes to prevent modern slavery in our business operations and supply chains, during the year ending 30 June 2020. This statement is intended to comply with the requirements of the Australian Government's *Modern Slavery Act 2018* (Cth) (**Act**).

OUR BUSINESS

The Richards Group (**RG**) provides a wide range of commercial, liquid, industrial and residential waste management services throughout New South Wales, as well as engineering and design within the industry. Since establishing in 1958, RG's goal as a privately owned Australian family company, based on traditional values, is to provide cost effective waste and recycling solutions to Australians. RG employs over 500 people across New South Wales.

RG is aware of the many forms modern slavery can occur in Australia and around the world, including human trafficking, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour. An awareness of the forms of modern slavery helps RG to identify risk factors within our business structure, operations and supply chains. We are aware that any company is at risk of being involved in modern slavery through its own operations and supply chains.

CONSULTATION WITH RELATED ENTITIES

This Statement is given on behalf of JR & EG Richards Pty Ltd and JR & EG Richards (NSW) Pty Ltd. As both companies substantially operate in the same sector and have many shared suppliers, both entities share the same policies and processes to manage modern slavery risks. Furthermore, the two entities share the same board of directors and CEO, which allowed the entities to develop this Statement together and with the minor variations in company operations in mind.

OUR STRUCTURE, OPERATIONS & SUPPLY CHAINS

Our business activities include, but are not limited to the:

- supply of domestic waste and recycling collection services for New South Wales local government areas;
- supply of commercial waste and recycling collection services;
- supply of specialised mining services and total waste management solutions;
- supply of liquid waste collection services and treatment facilities;
- collection of organics and reprocessing to produce mulch and compost products; and
- design and manufacture of a compaction equipment.

OUR APPROACH

At RG we are committed to approach every aspect of our business operations with respect, integrity and accountability. This is especially so with respect to our employees, contractors and persons our operations may impact on. We have a variety of policies already in place that reflect our zero-tolerance approach to modern slavery and to provide legally compliant and ethical companywide conduct.

Our Workplace Health and Safety Policy seeks to promote the highest degree of safety, health and wellbeing of our staff, contractors and those our operations may impact upon. The scope of this policy extends to ensuring our staff, contractors and person impacted by our operations are not exposed to human rights violations, including, modern slavery. The policy also outlines that special protections will be given to stakeholders who make disclosures about misconduct, breaches of any international, federal or state laws, general wrongdoing, or the like by the company, including RG's officers and its employees.

RISK IDENTIFICATION

In 2019, with close consideration of the *Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities document* (“**Guidance Document**”), RG's management sought to carry out a due diligence review of its business to identify, prevent, mitigate and account for how RG can address the potential risks of modern slavery practices across our operations and supply chains.

The Guidance Document assisted us to identify risk areas that could be exposed to modern slavery practices, including RG operational employees and management employees (all based in New South Wales), as well as typically higher risk areas

such as the supply of products and materials from overseas where there may be a greater risk of exposure to modern slavery practices and reduced human rights regulation.

We identified that the risk posed through our supply chains are minimized considerably as all plant, equipment and materials are procured locally (in Australia). However, we are aware that the Australian companies that we contract with may ultimately source products and materials from overseas.

Our risk is further reduced as RG does not engage in any offshore dumping or international waste storage. We are passionate about our environment and are constantly looking at ways to minimize our footprint and achieve sustainability. RG conducts ethical waste storage entirely within Australia.

ACTION TAKEN TO ADDRESS THE RISKS

With respect to addressing RG's operational and management employees, RG broadened the scope of its Workplace Health and Safety Policy ("**WHS Policy**"). Our WHS Policy has been updated to include a direct commitment to preventing modern slavery in our operations as well as providing for special protections for whistle-blowers. In application, this has involved providing training for staff about modern slavery, including but not limited to, defining the term, outlining our zero-tolerance approach to modern slavery, personal indicators of exposure, vulnerable aspects of our operations and supply chain and procedures for incident reporting.

RG expects all employees and suppliers to operate in compliance with the Act. In this regard, RG is seeking to implement contractual obligations mandating this requirement.

RG conducts due diligence when we establish a relationship with a new supplier and on existing suppliers, which includes assessing the supplier's reputation, their compliance with health, safety and environmental standards, their respect and compliance with the law, ensuring their labour relations and employee contracts comply with the law and references.

As part of our updated process when engaging with a supplier, we require our suppliers to confirm:

- they provide all employees with an employment contract containing a reasonable notice period for terminating their employment;
- they do not engage in any form of forced, compulsory or slave labour;
- their employees work voluntarily and are entitled to leave work;
- they don't require employees to post a deposit/bond and don't withhold their salaries for any reasons;
- they don't require their employees to surrender their passports or work permits as a condition of employment; and
- they operate in compliance with the Act.

EFFECTIVENESS OF ACTION TAKEN

RG seeks to communicate with employees, suppliers and other stakeholders involved in our business operations to encourage open discussion about the risks and incidences of modern slavery.

We are unaware of any of our suppliers engaging in modern slavery activities, however, if we became aware of such activities, we would immediately act against the supplier and report the activities to authorities. While RG has not identified any causes or contributions to modern slavery in our operations and supply chains, we are committed to the immediate remediation of any adverse impacts caused by modern slavery. The form of remediation RG implements will depend on the case, however, broadly RG will endeavor to ensure the harm cannot recur, give a formal apology and/or compensation for the victim/s.

In assessing the effectiveness of RG's actions to prevent modern slavery, we are committed to a biannual review and audit of RG's response to modern slavery, consultation with our human resources team and obtaining legal advice to ensure compliance with the Act, working with suppliers to ensure they remain aware of the risks and have put in place processes to address modern slavery and considering any trends of any reported cases.

IMPACTS OF COVID-19

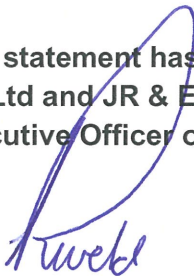
As RG's operations are localised within New South Wales and because we supply waste management services, we have fortunately not been adversely affected by the COVID-19 pandemic as our services are regarded as essential. RG's employee work conditions, business operations and supply chains have not needed restructuring. Despite this, we have implemented a COVID-19 safe work environment including social distancing, organisation wide flu vaccinations and remote meetings and training.

LOOKING AHEAD

RG will continue to analyse any risks to the exposure of modern slavery caused or contributed to by our business operations and supply chains. We have learned a great deal from our first reporting year under the Act and are focussed on our continued training of employees to identify and manage modern slavery risks.

In an effort to eliminate or prevent RG's contribution to the risk of modern slavery that may arise from contracting with suppliers who may source products and materials internationally, we are implementing a clause in all our supply contracts providing for an expectation that all our suppliers conduct all business in a manner that respects and adheres to human rights including modern slavery.

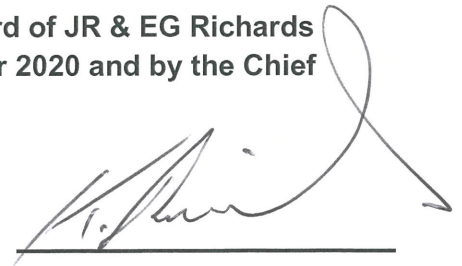
This statement has been approved and endorsed by the Board of JR & EG Richards Pty Ltd and JR & EG Richards (NSW) Pty Ltd on 17 December 2020 and by the Chief Executive Officer of both companies



Paul Welch

Chief Executive Officer of both companies

Dated 17 December 2020



Ken Richards

Chairman of both Boards

Dated 17 December 2020