

MODERN SLAVERY POLICY



Our commitment

At ADCO, we recognise and oppose modern slavery in all its forms. We understand that being part of the construction industry, there may be a higher risk and prevalence of modern slavery in our supply chain, both locally and globally. This is an issue we take seriously and we know that combatting modern slavery cannot be achieved by one organisation alone. We are committed to operating at the highest ethical standards, and in doing so, encourage our supply partners to do the same. We aim to ensure that our employees and suppliers are aware of ADCO's position on modern slavery and we provide information and guidance to our employees on how to recognise and deal with modern slavery issues.

Application of this policy

This policy applies to all Board members, management, staff and contractors engaged and undertaking work on behalf of ADCO, wherever they may be located (collectively referred to as personnel in this policy), in ADCO's operations, activities and all dealings with third parties including private organisations, individuals or any representatives of such persons. ADCO expects all suppliers to uphold the same standards and ADCO commits to working in partnership with all suppliers to implement this policy.

What is Modern Slavery?

Modern slavery is the use of coercion, threats or deception to exploit victims and undermine their freedom, including:

- Slavery, including slavery resulting from a debt or contract made by the victims;
- Where victims are not free to stop working or leave their workplace due to coercion, threats or deception (also called servitude);
- Where individuals have large debts to their employer, for example, excessive recruitment fees, and they are not able to leave employment until the fee is paid and it is impossible to repay those fees (this is an example of debt bondage);
- Where people are forced to do work against their will under threat of punishment (forced labour);
- Deceptive recruiting, where a victim is deceived as to whether they will be exploited through a form of modern slavery;
- Forced marriage;
- Human trafficking;
- The worst forms of child labour, for example, exploiting children through slavery activities, using or procuring a child for sexual activities and illicit activities, and engaging children in work

which is likely to harm their "health, safety or morals"; and

- Offences relating to use of children for production of child abuse material and related activities.

Modern slavery is a term used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers, though these practices are also harmful and may be present in some situations of modern slavery.

Ethical standards for ADCO and its personnel

ADCO endeavours to ensure that ADCO and its personnel comply with all modern slavery legislation in its operations, activities and supply chains, endeavouring to ensure:

- Employment is freely chosen;
- Child labour is not used;
- A living wage is paid to all individuals;
- Individuals are not required to work excessive hours;
- Entities promote a no tolerance discrimination policy; and
- There is freedom of association and collective bargaining.

Ethical standards for suppliers

ADCO mandates that all suppliers comply with the following requirements:

- Suppliers shall not employ children under the legal age of employment in any country or local jurisdiction. If the minimum age of employment is not defined, it shall be 15 years of age. Workers under the age of 18 shall only perform work in accordance with legal requirements (e.g. with regards to working time, wages and working conditions) and subject to any requirement regarding education or training.
- Suppliers shall not use any form of forced, bonded or involuntary labour. All labour must be voluntary. Workers must be allowed to maintain control over their identification documents (e.g. passports, work permits or any other personal legal documents). The supplier shall ensure that workers do not pay fees or make any payment connected to obtaining employment throughout the hiring process and the employment period. The supplier shall be responsible for payment of all fees and expenses

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(e.g. licences and levies) relating to workers, where legally required.

- Punishment and/or coercion are prohibited. Disciplinary policies and procedures shall be clearly defined and communicated.
- Suppliers shall comply with all applicable laws and mandatory industry standards regarding working hours, overtime, wages and benefits. Suppliers shall pay workers in a timely manner and clearly convey the basis on which workers are being paid.
- Deductions from wages as a disciplinary measure shall not be allowed, if not legally permitted and even where legally permitted, should be minimised.
- The supplier's employees must be free to join or not to join a union/employee representation of their choice, free from threat or intimidation. Suppliers recognise and respect the right to collectively bargain in accordance with applicable laws.
- Suppliers shall promote an inclusive work environment that values the diversity of its employees. The supplier shall not discriminate or tolerate discrimination with respect to gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic protected under applicable laws.
- ADCO expects all suppliers to strive to implement the standards of occupational health and safety at a high level by applying a health and safety management approach appropriate to business. Suppliers shall comply with applicable occupational health and safety regulations and provide a work environment that is safe and conducive to good health, in order to preserve the health of employees, safeguard third parties and prevent accidents, injuries and work-related illness. This includes regular workplace risk assessments and the implementation of adequate hazard control and precautionary measures. Employees are to be adequately educated and trained in health and safety issues.

Compliance

The Board is responsible for ensuring this policy complies with ADCO's legal and ethical obligations. Each of our State Managers has primary and day-to-day responsibility for implementing this policy, and the Head of Risk and Compliance has responsibility for monitoring its use and effectiveness.

Management are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate training on it at appropriate intervals. ADCO supports and encourages personnel to raise genuine grievances about modern slavery matters in the workplace. All personnel and representatives of suppliers may report to their manager any instances that suggest:

- That there is a potential or actual risk of modern slavery occurring in the supply chain, activities or recruitment function of ADCO or its suppliers; and
- That suppliers or third-party contractors engaged by ADCO are engaging in potential or actual modern slavery.

Breaches of this policy

If you believe that a breach of this policy may have occurred, you should report the matter to our State Manager.

All suppliers must notify our State Manager of any breaches (including any pending charges) of any laws related to modern slavery as part of their commitment to full and frank disclosure.

ADCO may amend or vary this policy, in its absolute discretion from time to time.

Guidelines

As a guide, set out in Schedule 1 are some practical guidelines to assist personnel in complying with this policy.

This list is indicative only and does not address all potential circumstances to which this policy may apply.

Our contact

If you have any queries about this policy, please contact the relevant State Manager.

A stylized blue ink signature of Neil Harding.

Neil Harding
Managing Director

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Schedule 1 – Modern Slavery Guidelines

Set out below are a number of guidelines to assist personnel in complying with this policy. The list is not intended to be exhaustive and is for illustrative purposes only.

Always:

- Conduct appropriate due diligence throughout the lifecycle of the engagement with a supplier to address the risks of modern slavery in connection with supply.
- Communicate ADCO's modern slavery requirements for suppliers and ensure that, where appropriate, suppliers are required to confirm their compliance with the Modern Slavery Act 2018 (Cth).
- Seek to anticipate and plan in advance for new or potential circumstances where modern slavery or risk of modern slavery may occur, for example, via the introduction of new products, services or suppliers.
- Acknowledge the necessity to prevent, and address risks of, modern slavery in ADCO's business operations and supply chains when setting key performance indicators (**KPIs**) and do not penalise individuals and teams for failing to meet KPIs as a result of such compliance. For example, make sure KPIs do not promote a focus on securing the lowest possible costs and rapid delivery times from suppliers as this may inadvertently contribute to modern slavery risks.
- Regularly review supplier's compliance with the requirements of this policy.
- Immediately report any indications of modern slavery or any concerns you have about risks of modern slavery, in ADCO's operations and supply chain.
- Ensure all actions taken in the response to any instances of modern slavery are in the best interests of the suspected victim or victims.

Never:

- Engage in practices of modern slavery such as using forced, compulsory or involuntary labour.

- Do anything to enable someone else, including a supplier, agent or representative of ADCO to engage in or facilitate practices of modern slavery.
- Allow detrimental treatment (dismissal, disciplinary action, threats or unfavourable treatment connected with raising a concern) as a result of an employee reporting, in good faith, a suspicion that modern slavery may be taking place in any part of ADCO or its supply chains.
- Attempt to resolve a situation of modern slavery yourself.

Be cautious of:

- Processes that promote a 'tick box' approach to compliance in lieu of continuous improvement in the management of modern slavery risks.
- High risk procurement and recruitment practices, such as engagement with indirect suppliers, employment agencies and sub-contracting arrangements.
- High risk indicators of modern slavery in connection with supply, including but not limited to:
 - the industry (i.e. frequent use of unskilled, short-term or temporary labour);
 - the product or service (i.e. materials reported to involve a risk of labour exploitation);
 - geography (i.e. goods are made or labour is sourced in a country where there is a risk of labour exploitation); and
 - the entity (i.e. an entity has been previously reported as noncompliant with labour standards).
- Background information about existing or potential suppliers and their representatives that may indicate the prevalence of improper practices, such as information from international organisations and NGOs regarding human rights and unethical business practices and information related to their reputation, beneficial ownership and qualifications.