

GEORGIOU GROUP MODERN SLAVERY STATEMENT

2022

This is Georgiou Group Pty Ltd's (Georgiou) second statement pursuant to the *Modern Slavery Act 2018* following Georgiou's review of its supply chains and operations in compliance with reporting obligations under the Act for the financial year ending **30 June 2022**.

As part of this Statement, Georgiou will address the seven mandatory reporting criteria required by the *Modern Slavery Act 2018* (Cth) as follows:

1. Identify the reporting entity
2. Describe the structure, operations and supply chains
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls
4. Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address these risks, including due diligence and remediation processes
5. Describe how the reporting entity assess the effectiveness of these actions
6. Describe the process of consultation with any entities the reporting entity owns or controls
7. Any other relevant information

1. REPORTING ENTITY

This Statement has been prepared and submitted under section 13 of the *Modern Slavery Act 2018* (Cth) by Georgiou as a single reporting entity. This Statement will detail the strategies in place within Georgiou and its subsidiaries to identify and prevent any potential modern slavery activities within its operation and supply chain.

2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Structure

Georgiou Group Pty Ltd (Georgiou, ABN 82 073 851 948) is an Australian Private Company domiciled in Australia with its registered office in Western Australia. Georgiou is 100% Australian owned, was established in 1977 and is today one of Australia's leading privately owned construction companies. As at 30 May 2022, Georgiou has approximately 852 directly engaged employees, 2587 companies in its supplier network and approximately 613 subcontractors engaged as required to deliver construction requirements.

Operations

With almost 50 years' experience in providing a diverse range of civil and building construction services to government and private clients, Georgiou is located and delivers projects in Western Australia, New South Wales and Queensland. Even with its operations limited to Australia, Georgiou understands the imposed risks of modern slavery practices that can arise in the construction industry through its supply chain and local operations with exploited workforces.

Georgiou is predominately engaged in the design and construction of road, building and infrastructure projects, as well as the development of capital projects. All executed head works contracts are with clients who are domiciled and based in Australia. Approximately 77% of Georgiou's work in hand is State Government entities and a further 8% for Local Government entities, therefore 85% Government and 15% for private clients. Georgiou are also engaged in a number of joint ventures and is an alliance partner on some infrastructure projects.

Supply Chain

Georgiou's supply chain plays an integral role in our success. The Georgiou Way sets out our company values that define how we do business - both internally and externally - and are vital towards achieving our vision. One of our key values is Relationships - we build lasting relationships through trust and performance. We work closely with our supply chain to ensure they comply with all applicable legislative and regulatory requirements, as well as actively sharing our Georgiou values.

Georgiou's supply chain consists predominately of Australian entities. This supports the 'buy local' policies and commitments our clients often require, as well as providing Georgiou with greater oversight and ability to manage any risks associated with the performance of our supply chain. During this reporting period Georgiou has only contracted directly with one overseas entity for the provision of outsourced administrative services. Although this entity only sits just inside the top 200 suppliers on spend (less than 0.001% of total spend on suppliers), Georgiou has undertaken an extensive due diligence and auditing process to ensure their full compliance with all relevant legal obligations including modern slavery requirements. Further information on this is provided below.

Several Georgiou vendors do source components of their works from overseas entities at some point in the supply chain. The nature of the work Georgiou performs can be complex and technical, which results in varied supply chains sourcing limited or niche products or services.

3. RISKS OF MODERN SLAVERY IN GEORGIOU'S OPERATIONS AND SUPPLY CHAIN

Georgiou has assessed our operations and supply chains to identify any risk factors for modern slavery practices to be inadvertently incorporated into our business. Our review identified the following key risk factors which may be susceptible to these practices:

Nature of Workforce

The construction industry can be at risk of engaging vulnerable populations and workforces due to the nature of the ebbs and flows of project work which can include a number of different trades and contractors working concurrently. Securing contracts in the industry is usually by way of competitive market tenders, in which the lowest price plays a significant factor in determining who work is awarded to. This can translate to a lower paid, lower skilled workforce which is transient by nature, which poses a risk to Georgiou by way of a large number of personnel mobilised for a relatively short period of time. This can make personnel difficult to monitor across projects and different subcontractors.

High Risk Nature of Works

Construction industry projects require a diverse range of intersecting subcontractors to be successful. This includes categories which can be inherently high risk - such as labour hire personnel and cleaning subcontractors. By the nature of a competitive tendering process contracts may be awarded based on the lowest price which may ultimately cascade to lower rates of pay and poorer conditions of pay for the incumbent employees of these subcontractors. Georgiou's robust vendor assessment and procurement process seeks to identify and mitigate these practices by undertaking a broader risk and rating assessment which allocates a weighting system against categories including health and safety systems, sustainability measures, industrial relations policies and the recently introduced modern slavery questionnaire.

Long Supply Chains

Our projects are technical and complex in nature, requiring equipment and materials which may need to be sourced from suppliers who in turn are sourcing individual components or raw materials from vendors in locations where modern slavery practices have been known to exist. Although all our operations are undertaken in Australia with Australian suppliers, it is important that Georgiou continues to develop our due diligence process in identifying and mitigating these risks through the procurement and contract management cycles, as well as flowing these processes and requirements down our supply chains.

Georgiou has identified the following supply elements which have been identified as having higher risk elements:

SUPPLIED COMPONENT - GEORGIOU SOURCED	COMMENTS
Steel - including structural and reinforcing steel	<p>Processed product is sourced from Australian suppliers directly contracted to Georgiou.</p> <p>Entities involved in the mining and processing of product (for which Georgiou does not contract for) may be a mix of Australian and overseas entities.</p>
Plant and Equipment - including earthworks machinery, light vehicles, tools and PPE	Manufacturers of these products are predominately overseas, however Georgiou purchases its final products from Australian based suppliers.
Building Components - such as roofing systems, façade systems and fixings	<p>Components for installation are sourced from Australian suppliers directly contracted to Georgiou.</p> <p>The manufacture of these components from raw materials are generally based overseas.</p>
Manufactured Technical Components - such as IT equipment, generators and switchboards	<p>Completed product is sourced from Australian suppliers directly contracted to Georgiou.</p> <p>The manufacture of these components from raw materials are generally based overseas.</p>
Outsourced Labour - administrative services performed by specialised outsourcing entity	<p>Georgiou has engaged an entity registered in Hong Kong, to provide outsourced administrative services from the Philippines.</p> <p>Georgiou has executed a contract which requires this entity to engage employees in accordance with the relevant laws of the Philippines and ensures pay and conditions are better than the required minimum standards in their country of origin.</p>

Georgiou will focus on developing our understanding of the depth and complexities of these supply chains over the following reporting periods, to give greater clarity on the extent Georgiou is exposed to the risk of modern slavery practices, and allow us to mitigate and remediate any risks arising.

COVID-19 Impact

The effects of the Covid-19 pandemic are still being felt throughout businesses in Australia at the end of this current reporting period, with the construction industry being highlighted as an industry particularly hard hit with price escalations and staff and material shortages. It has been well documented that the effects of the pandemic hit high risk categories the hardest - low skilled and low paid personnel, casualised workforces and women in the workforce bore a significant brunt of the impacts. Shutdowns and isolation requirements have affected these groups most significantly and the industry has had to drastically change the way we operate to continue to manage our business.

Georgiou established a COVID-19 Management Team at the beginning of the pandemic to provide rapid response to the continually changing requirements associated with virus impacts. A significant part was to change the way we work, shifting to flexible, remote working practices for any roles which could reasonably be facilitated. For those on projects who couldn't feasibly work remotely, this meant split crews, social distancing on sites as much as possible (including changing the methodology and durations for some tasks), increased cleaning and PPE on sites and providing accommodation for staff required to isolate away from home to avoid any spread. Our ability to adapt quickly has ensured the business remained resilient in times of crisis, and ensured personnel were able to continue working in a way that allowed them to keep themselves and their families as safe as possible at all times.

4. ACTIONS TAKEN BY GEORGIOU TO ASSESS AND ADDRESS THE RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES

Georgiou promotes a culture of continuous improvement in our business and we have applied this same thinking to combating the risk of modern slavery arising within our operations and supply chain. We have reviewed our policies, processes, and actions from an end to end perspective, to ensure we are capturing every opportunity for compliance. We have thereby adopted several improvements to develop our existing systems over this reporting period.

PROCUREMENT

Georgiou has an established procurement procedure for external services, materials, and plant. All subcontractors and suppliers are subject to the staged pre-qualification, evaluation and assessment prior to any approval, engagement, and contract execution. Additionally, yearly audits are now also undertaken with vendors who are either high value and/or deemed higher risk to demonstrate continued compliance with modern slavery requirements.

The following components of Georgiou's procurement process demonstrate steps currently taken by Georgiou to address and eliminate modern slavery in its business and supply chain through the initial procurement stages:

1. Identification of any hazards which may be introduced with the purchase of goods and services and labour hire arrangements and conducting a risk assessment to identify controls to be implemented to eliminate or reduce the risk to as low as reasonably practicable.
2. Georgiou's subcontracts for Major and Minor Supplies and Services require the supplier to warrant it has not engaged in any collusive or anti-competitive behaviour in connection with the tender or the agreement for the supply. Additionally it contains a modern slavery clause whereby the supplier warrants to comply with applicable modern slavery laws, take all reasonable and necessary steps to identify, investigate and eliminate modern slavery in its operations and supply chains, and provide all information reasonably necessary as requested by Georgiou regarding the supplier's operations and supply chains to enable Georgiou to comply with its obligations under Modern Slavery Laws.
3. Georgiou's subcontractors and supplier management procedure sets out the process for Georgiou's management of subcontractors and suppliers to ensure externally provided processes, products and services conform to requirements in accordance with legislation, client and Georgiou standards including Georgiou policies and procedures.
4. Georgiou vendor pre-contact assessment for evaluation of pre-qualified subcontractors and suppliers includes an extensive checklist to be completed by subcontractors and suppliers seeking information on sustainability and initiatives on social and ethical responsibilities and diversity programs. The tender process for subcontractors and suppliers also requires vendors to complete Georgiou's modern slavery audit questionnaire as part of its deliverables for all requests for tenders and quotations.

Georgiou subcontractor and supplier selection process requires adherence to Georgiou's values, policies, and procedures. Georgiou will work with subcontractors and suppliers who commit to operating to the same standards as Georgiou applies including mandatory modern slavery clauses into all supply chain contracts.

The products and services supplied by Georgiou's subcontractors and suppliers have been primarily sourced in Australia.

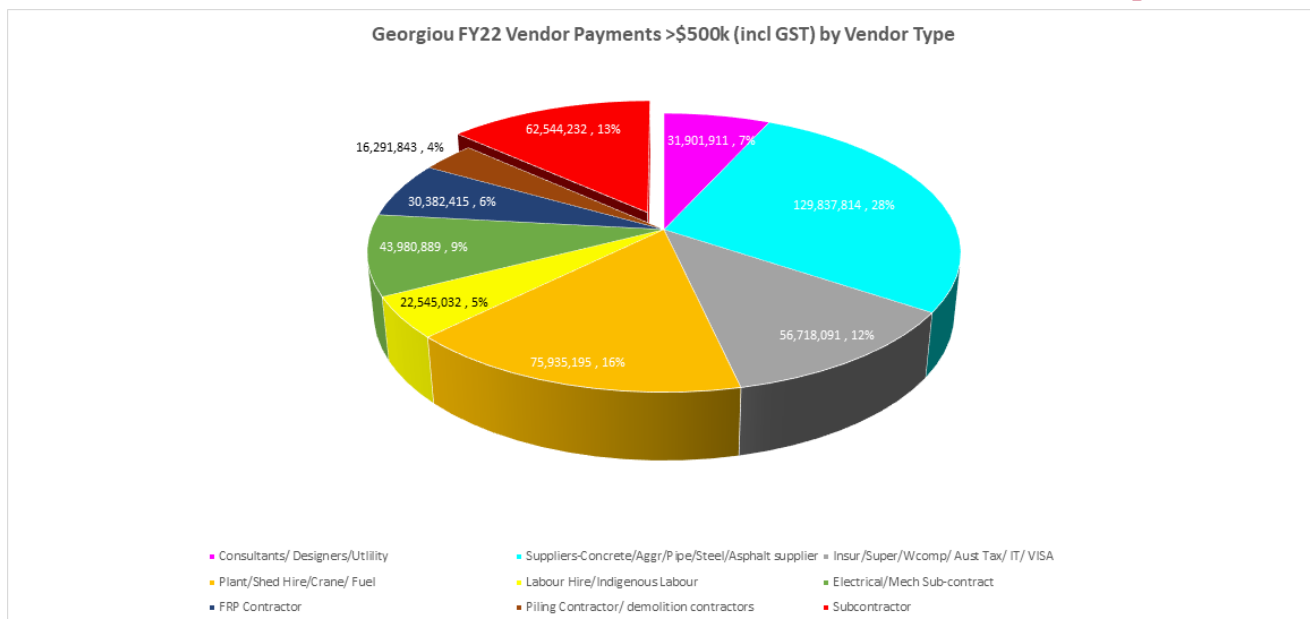
Georgiou has implemented an audit schedule and plans to continue undertaking yearly assessments against key and high-risk vendors to progressively address any potential for exposure to modern slavery in its business and supply chain. As part of this process for this period, the top 10 suppliers and subcontractors (by value spent) as well as any identified high-risk vendors (such as those operating and based overseas) were interviewed and asked to complete a questionnaire to identify any potential exposure in their identified supply chain network into second and third tier suppliers, as well as nominate their policies and procedures to mitigate risk of modern slavery and advise of the course of action if such risks are identified.

As a result of this process, we have identified:

- Approximately 80% of those nominated have identified major Tier One suppliers (a manufacturer who provides products directly to a company without dealing with middle parties or other manufacturers) and have partially or fully mapped the supply chains for their key products or services.
- All entities reviewed screen prospective suppliers to assess risks of modern slavery or other human rights harms and have some form of ethical sourcing process which ties into their procurement and subcontractor management processes.
- The majority of entities employ labour directly and source materials from within Australia. Except for our outsourced administrative contract, we found no evidence of any goods or services procured from overseas suppliers who had not been thoroughly vetted for modern slavery practices.
- Our international contract for outsourced administrative personnel had a detailed Modern Slavery Policy in place which outlined what risks it perceived within its business, how it managed its risks to modern slavery practices, confirmed the policy applied to themselves as well as any third parties and committed to disciplinary action for breaches of the policy.

As a result of the analysis of our supply chain, Georgiou identified that its top ten subcontractors and suppliers by spend account for approximately 28% of its overall spend on vendors. Most of these vendors are large, Australian based companies who provide materials sourced from within Australia or the provision of labour and services including subcontractors who are completing discreet scopes of works on our projects.

During our supply chain analysis, we reviewed all vendors and grouped these by type to give us a snapshot of risk areas, which are represented in the graph below. Going forward, Georgiou is committing to delving into the next 'phase' of vendors, which may be of a lower spend value but whom the scope of their supply agreements may be sourced from high risk jurisdictions.



POLICIES AND GOVERNANCE

Georgiou sets policy and governance from the Board of Directors and Leadership/Executive Team. Georgiou Executive team includes a Chief Risk Officer, and Shared Services Executive General Manager(encompassing Human Resources and policy and procedure development and review) reporting to the Chief Executive Officer. Georgiou has a suite of Group policies relevant to modern slavery including Workplace Discrimination Policy, Sustainability Policy, Code of Conduct and Whistle-blower Procedure.

Georgiou’s Risk business unit oversees the company’s compliance with the Modern Slavery laws and the auditing of its suppliers and subcontractors.

CULTURE – THE GEORGIOU WAY

Georgiou has the vision to be ‘*the best people to work with*’. The Georgiou Way Values define how business is conducted internally and externally and sets the foundation on which the business operates and succeeds. These values include safety and creating an environment where people speak up on safety concerns. Georgiou also values relationships which includes leading by example and never damaging the brand. This culture is demonstrated in the implementation of policies and procedures such as the Sustainability Policy, Code of Conduct and Whistle-blower Procedure, which are applicable to businesses within their supply chain and are publicly available for download from our corporate website at <https://www.georgiou.com.au/responsibility/policies/>.

WORKPLACE DISCRIMINATION POLICY

Georgiou is committed to creating a workplace environment for its employees, and persons who work on behalf of Georgiou, supporting the vision to be ‘the best people to work with’ and free from unlawful discrimination. This policy includes wording ‘Georgiou does not employ forced, bonded or child labour’ and managers must act on any matter brought to their attention in accordance with this Policy.

SUSTAINABILITY POLICY

Georgiou is committed to a culture of sustainability and manages its operations to minimise environmental and social impacts while integrating sustainability principles and practices into the business, the management of our projects and the materials procured. Sustainable objectives and targets are established for our projects and Georgiou facilitates the sharing of ideas, knowledge, and

innovation. Georgiou implements risk and hazard management principles to maintain the health and safety of people and minimise any disruption on our projects, the community and environment.

CODE OF CONDUCT

Georgiou's Code of Conduct sets out conduct expectations and applies to Georgiou's employees, subcontractors, partners, and consultants. Under this Code of Conduct, all subcontractors and suppliers are expected to act consistently with fundamental Georgiou values, ethical behaviour, respect for others and accountability and transparency in their business conduct.

This code provides protections against conflicts of interests and bribes in Georgiou's business and supply chain. Subcontractors and suppliers are required to avoid conflicts of interest.

Any gifts of hospitality to or from state or Federal Government representatives must be entered into the Georgiou Gift Register, regardless of value. Any gift or hospitality received from or given to (other than government representative) of a value of \$250 or greater must also be entered into the Gift Register. In all cases, there must be no expectation of favours or repayment. Acceptance of cash or any other incentive, inducement or reward in any form is not permitted.

WHISTLEBLOWER PROCEDURE

Georgiou's Whistle-blower procedure which includes a confidential and anonymous reporting process is available and accessible on its intranet and corporate website and applies in respect of its business operations and supply chain.

Georgiou is committed to ethical practices across all areas of our business and encourages reporting to an independent provider of any information regarding misconduct, the existence of an improper state of affairs, illegal activities, unethical behaviour, breaches of legislation, behaviour which is oppressive, discriminatory or grossly negligent, unsafe work practices, serious risks to public health, safety or the environment or any conduct which poses a serious risk to health and safety of any person at the workplace.

5. MEASURE OF EFFECTIVENESS OF ACTIONS

Georgiou has established a range of actions to enhance our abilities to identify, mitigate and prevent modern slavery risks from our business, and we have implemented the following key performance indicators which we will continue to develop as we review their effectiveness through these early stages:

1. Continue to undertake a yearly audit of the top ten high value (by spend) as well as other high-risk vendors (including any vendors which are located overseas or which we believe may source goods or services from high-risk geographical locations). All new suppliers and subcontractors are vetted during the initial evaluation process and those which become a top ten vendor by value will be audited annually.
2. Include the Modern Slavery Questionnaire as part of our standard due diligence process during procurement for all projects to assess all vendors pricing works for Georgiou projects.
3. Review of relevant policies and procedures by the Leadership Team to ensure that adequate controls are in place to appropriately manage modern slavery risks through Georgiou's workflows.
4. Continue to monitor the whistle-blower hotline and address any reports or grievances directly and efficiently. Over the past 12 months, Georgiou has had no grievances through the whistle-blower hotline or otherwise regarding modern slavery or any other supply related grievances.

Georgiou is committed to continually reviewing and improving these metrics over the following reporting periods as we further develop and assess our actions.

6. PROCESS OF CONSULTATION

Georgiou Group is a single reporting entity in accordance with the requirements of the Act. Georgiou's Leadership Team is responsible for the operations of Georgiou Group and any related subsidiaries and ensure that all policies and procedures conform to legislative and regulatory requirements and are in

accordance with the Georgiou values.

The Leadership Team, through its delegated Business Unit leaders, have actively ensured all project and support staff understand the importance and implications of this Act on our business via these policies and procedures as standard operating practices. Project and support teams have cascaded these requirements onto our third-party vendors through our project documentation and via publication of our processes, policies, and our Modern Slavery Statement on our publicly accessible internet site.

It is on this basis that Georgiou's Board of Directors have reviewed and approved this statement prior to its submission.

7. MOVING FORWARD

Georgiou has implemented processes and practices within its business including its extensive staged procurement process and contractual terms to minimise any potential risk of modern slavery within their own and their first-tier suppliers and subcontractors.

Future plans to enhance the measures Georgiou has already undertaken, as set out above in this statement, supports commitment to effectively identify and address any potential risk exposure of modern slavery in the business and supply chain as part of the ongoing modern slavery roadmap.

This statement was approved by the Georgiou Group Pty Ltd Board of Directors.



Robert Monaci
Chief Executive Officer
For Georgiou Group Pty Ltd