

Bremick Modern Slavery Statement 2023

1. Introduction

Bremick Pty Ltd (ABN 68 000 496 131) Modern Slavery Statement (the Statement) is made in accordance with the requirements of the Modern Slavery Act 2018 (Cth) (the Act). This Statement sets out the actions and strategies to identify, assess, and address modern slavery risks across operations and supply chains for the 2023 financial year reporting period.

We consider the definition of modern slavery in line with the Act which includes eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour services; and the worst forms of child labour.

Bremick Pty Ltd and its consolidated subsidiaries (together referred to as Bremick) is a reporting entity for the purposes of the Act.

Bremick respects the human rights of every person involved in its operations, supply chain and the communities in which it operates. Bremick is commencing to undertake due diligence activities to identify, prevent and mitigate adverse human rights impacts on operations. Bremick do not accept any form of Modern Slavery in the conduct of its operations and in its supply chains and are committed to ensuring that all workers are treated fairly, ethically and with respect.

2. Business Overview

Bremick has been family owned since 1965 and our family values are still the values that drive our team today, which includes our stance on eliminating modern slavery.

Bremick's 3 core divisions manufacture and wholesale fasteners and ancillary products to the industrial, roofing, building, construction, petrochemical and retail trade markets primarily in Australia and New Zealand. Bremick operates 10 sales and distribution centres across Australia and New Zealand, a NATA accredited quality control laboratory and manufacturing facility at our national distribution centre in Sydney and two manufacturing facilities in China.

Bremick is organised into a number of core divisions, which are overseen by senior management, as follows:

1. Sales teams with a focus on Hardware, Industrial, Roofing & Roll forming and Petrochemical Industries.
2. Operations teams that focus on warehousing, distribution and Australian manufacturing.
3. Manufacturing teams that focus on the manufacturing operations in Australia and China and testing laboratories; and
4. Purchasing and supply teams that focus on third party sourcing and supply.

3. Supply Chain

Bremick's purchasing and supply teams procure goods both for sale, as well as not for sale as set out below:

- Goods purchased for sale include our range of fasteners and ancillary goods.
- Goods purchased not for sale include marketing products, bulk raw materials used in our manufacturing production and packaging items.

Bremick sources globally from suppliers based in Australia, Asia, Europe, and North America. Bremick utilises online tools that provide information covering the modern slavery risk profiles of various countries. These profiles assist in the preparation of appropriate mitigation strategies that can be implemented during the purchasing process for new and existing suppliers.

4. Identifying Risks in Operations and Supply Chains

We are a diverse manufacturing and distribution business with complex international supply chains, through which we are exposed to human rights risks.

We believe the risks of modern slavery in our Australian and New Zealand facilities are very low given the nature of our businesses in these locations, the application of our internal policies and the strong regulatory environment which applies in these countries. All new Bremick employees go through a thorough interview and onboarding process. This includes checking that all required employment regulatory requirements are met, and that appropriate residency and work rights laws are complied with. Bremick are also subject to third party audits related to compliance with Enterprise Bargaining Arrangements and state level awards.

We also believe the risks of modern slavery risks in our offshore manufacturing facilities are low. These manufacturing facilities are governed by policies & procedures developed by the Australian management team that drive an overall culture of compliance, ensure prompt employee wage payments, adherence with local laws and promote a safe work environment. The Australian management team provide ongoing oversight of these locations including a regular visitation program.

The greatest risk of modern slavery exposures within our supply chain exists primarily in the sourcing of raw materials and finished goods from third party suppliers.

Potential risk exposures

Given the complexity of our supply chain and the inherent sectoral and geographic risk exposures across our operations, we consider the following risks to be our main potential exposure areas:

- **Forced labour** – Both the extraction of metals and alloys used in fastener & ancillary goods production and downstream manufacturing processes are risk areas for exploitation, including forced labour and unsafe working conditions.

- **Low skilled and migrant worker exploitation** – Workers in the fastener & ancillary industries, particularly those engaged in lower-skilled tasks, may be vulnerable to exploitation through low wages, informal labour arrangements, and/or deceptive recruitment practices.
- **Supply chain complexity and opacity** – Lack of transparency in the supply chain can make it challenging to identify and address Modern Slavery risks. Outsourced manufacturing processes also increase potential exposure to Modern Slavery risks.

Risk identification procedures

In the FY23 year, supplier risk assessments were conducted through the depth of knowledge of relevant supply chains within the Bremick sourcing and supply team. Many supplier relationships have been held for long periods of time with a regular visitation program undertaken by senior Bremick staff.

5. Risk Mitigation Actions

We mitigate our exposure to these risks using a combination of modern-day slavery risk assessment processes, supplier due diligence programs and rigorous staff training.

At the start of FY24, Bremick established a ‘Purchasing Risk Assessment Process’ to assess and identify the risk exposure across our operations. This includes a ‘Risk Determination Matrix’, which assesses the potential risk exposure across four main areas:

- **Sector/Industry Risk** – Considers the sector-specific risk exposures of various goods and services in our supply chain, including a review of the common risk factors associated with the sector e.g., seasonal labour exposure, unsafe working conditions, forced labour in raw material extraction etc.
- **Product/Services Risk** – Considers the risk associated with the goods or services being sourced based on how they are used, made, or distributed.
- **Geographic Risk** – Considers the risk associated with the location of the goods or services being sourced. This assessment goes beyond looking at a country level risk and considers local regulation, transparency, and supplier engagement.
- **Supply Chain Model Risk** – Considers how the risk of Modern Slavery in the supply chain is influenced by various factors related to the structure and practices of the supply chain model e.g., complexity, transparency, sub-contracting etc.

Bremick’s Modern Day Slavery (MDS) Risk Determination Matrix has been introduced to enable all team members to review suppliers, using a systematic process to determine appropriate candidates to engage in modern slavery reviews, based on multiple risk inputs. The outcomes of these will determine the engagement approach for interactions with suppliers and will facilitate meaningful dialogue between both parties to ensure suppliers meet expectations.

We are also committed to the continuous review and improvement of the risk identification and management processes. This is evident in the additional work being completed post this 2023 end of financial year reporting period which includes:

- seeking external legal advice on our processes to ensure they meet and exceed market standards.
- Assessing third party software tools to use for ongoing third-party modern slavery assessment processes; and
- Regular internal team training to ensure they have current knowledge of all Bremick modern day slavery processes and procedures.

a) Governance

Modern day slavery processes and procedures within Bremick are conducted day to day by the sourcing and supply team who hold direct relationships with the suppliers and are overseen by the General Manager of Sourcing and Supply.

Bremick's governance practices are contained within an Internal Procedures document which contains key elements of our approach to addressing Modern Slavery, providing clear direction to our Manufacturing and Supply Purchasing Team. The document also provides important links to Australian Border Force support information and guides.

b) Activities

Risk Assessment Practices

Bremick has commenced initial aspects of surveillance and engagement processes across our supply chain to actively reduce the risk of Modern Slavery within our operational value chain.

Bremick surveillance and engagement processes include:

- **Supply Chain Mapping** – mapping activities are undertaken to understand the source of key inputs within third party suppliers. In some cases, suppliers for key inputs are specified by Bremick. Such suppliers are generally large international suppliers.
- **Key Supplier Site Visitation** – Key Supplier site visitation is an ongoing activity performed by the Bremick Purchasing team. Regular site visitation for key suppliers is an important aspect of understanding key supplier activities as they relate to modern slavery requirements.
- **Supplier Due Diligence Questionnaire** – Bremick send Supplier Questionnaires to all new suppliers to understand their visibility across their own supply chain, assess their supplier's policies and procedures, identify who has accountability for managing modern slavery risks, and the training undertaken by their staff. This questionnaire enables the Operations & Procurement team to minimise the exposure to modern slavery risks to their supply chains.

- **Internal Anti-Modern Slavery Training** – The Purchasing team engage in ongoing & thorough modern slavery training activities to keep them up to date on the latest internal policies and procedures as well as receiving any updates on Australian Border Force requirements.

6. Commitment to Improvement

Bremick is committed to enhancing and advancing our modern slavery management practices. We recognize the gravity of the issue and are dedicated to continuous improvement, implementing robust measures to identify, prevent, and address any risks of Modern Slavery within our operations and supply chains. Our pledge is rooted in improving transparency, diligence, and a proactive approach to ensure the highest standards of ethical conduct throughout our business practices.

As outlined above in this statement, we have commenced a number of processes in subsequent reporting periods that will continue to improve our approach to Modern Slavery management practices.

7. Measuring Effectiveness

Bremick will continue to review its processes and policies to make these more effective. For example, Bremick's processes and policies are continually being assessed by management to ensure that they are working effectively, are current and provide our team members with clear guidance on Modern Slavery.

Further activities that are planned to for the following reporting period will include issuing select suppliers with self-assessment questionnaires which will be analysed for any potential issues or red flags.

Bremick will continue to assess the effectiveness of its actions through:

- Regularly reviewing supplier compliance with our Anti-Slavery Policy
- Monitoring the number and range of suppliers who have been issued with and completed the self-assessment questionnaires
- Reviewing all 'whistle-blower' feedback from staff for potential issues.

The effectiveness of these actions will become more evident as we start implementing and measuring the outcomes of the actions identified in Section 3 & 4 in FY23 -24 and beyond.

Bremick will continue to work to prevent Modern Slavery and has a continual improvement approach to all business operations to ensure the processes and policies remain current and compliant.

8. Consultation

This Statement is made pursuant to the Act and constitutes Bremick's Modern Slavery Statement in respect of the 2023 financial year. It is approved by the principal governing body of Bremick, being its Board of Directors.

Approved by Bremick's Board of Directors, dated 20th December 2023

Signed in accordance with the requirements of the Modern Slavery Act 2018 (Cth);



Luke Hawksford, CEO, 20th December 2023