

Introduction

This Modern Slavery Joint Statement is provided by Southern Cross Electrical Engineering Limited (“SCEE Group”) and its controlled entities pursuant to the requirements of the Modern Slavery Act 2018 (“the Act”) to report on the actions taken to assess and address modern slavery risk exposures in its operations and supply chain during the financial year ended 30 June 2022 (“the period”).

The Act defines modern slavery as including eight types of serious exploitation:

- trafficking in persons;
- slavery;
- servitude;
- forced marriage;
- forced labour;
- debt bondage;
- deceptive recruiting for labour or services; and
- the worst forms of child labour

SCEE Group is not aware of any instances of modern slavery within its operations or supply chain during the period.

Reporting Entity

The reporting entity is Southern Cross Electrical Engineering Limited (ABN 92 009 307 046) and its controlled entities. Details of the controlled entities during the period can be found in SCEE Group’s 2022 Annual Report.

References to SCEE Group, the group, our and we should be taken to refer to all entities under SCEE Group’s control.

Our Commitment to Protecting Human Rights

SCEE Group has adopted a Human Rights Policy which sets out our commitment to protect and uphold fundamental human rights at all our operations and projects by conducting ourselves and our business with due care in accordance with relevant laws and regulations. Our activities will be guided by the International Bill of Rights and the UN Guiding Principles on Business and Human Rights.

Our commitments under the policy include:

- respecting that all employees have a right to reasonable work conditions and remuneration;
- not using forced, compulsory or child labour;
- respecting the diverse cultures and heritages of local communities;
- respecting the rights of indigenous peoples;
- not tolerating harassment or adverse discrimination; and
- requiring that relevant personnel, receive appropriate human rights and cultural training and guidance.

Our Human Rights Policy is supported by our Code of Conduct and Diversity Policy.

SCEE Group also has a Whistleblower Policy which encourages the reporting of any actual or suspected unethical, unlawful or undesirable conduct and provides a mechanism to ensure that such matters are dealt with appropriately while offering protection to the individuals reporting the misconduct. Copies of these policies can be found on our website at www.scee.com.au.

Structure, Operations and Supply Chain

SCEE Group is an ASX listed electrical, instrumentation, communication and maintenance services group recognised for our industry leading capabilities. The group included the SCEE Electrical, Heyday, Datatel, SJ Electric, Trivantage Manufacturing and SEME Solutions businesses for the whole period. There have been no material changes to the nature or structure of the group's operations during the period.

Headquartered in Perth the group has offices across Australia. For the year ended 30 June 2022 SCEE Group had revenues of over \$550m and a workforce that peaked at approximately 2,000.

During the period all of our projects were within Australia in our three core sectors of Infrastructure, Commercial and Resources. All of our clients are Australian Registered Businesses and therefore also subject to Australian Modern Slavery legislation, albeit some are subsidiaries of non-Australian enterprises.

Projects were delivered primarily through a direct employment model with employees being engaged under enterprise agreements or relevant modern awards as applicable. In some instances the direct workforce was supplemented by local labour hire engaged at market rates.

Certain project scope was subcontracted by SCEE Group to third parties. All subcontractors used by SCEE Group during the period were Australian based businesses and were engaged on industry standard terms and conditions.

SCEE Group's supply chains include the manufacture and supply of the products it uses in delivering its projects such as cables, switchboards, fixtures and fittings. The vast majority of products used during the period were procured directly from Australian wholesalers.

The group utilises overseas service providers to engage employees to deliver certain of the groups administrative and support functions.

SCEE Group has previously operated internationally and retains overseas subsidiary entities which are all now dormant with no operations or employees during the reporting period.

Modern Slavery Risk Identification and Mitigation

A review of SCEE Group's exposure to modern slavery risks during the period has been undertaken.

The risk across the group continues to be assessed as low given the geography, industry and sectors in which we worked during the period. Areas where it was identified that a higher risk could exist, or be perceived to exist, are discussed below along with the steps that have been taken to mitigate this risk where appropriate.

In utilising subcontractors to perform parts of our project scope we may not always have full visibility of the subcontractor's supply chain. To address this our standard subcontract terms and conditions include specific representations from the subcontractor that:

- they have no knowledge of any modern slavery offence currently occurring within their organisation or supply chain;
- they will continue to take reasonable steps to identify the risk of, and prevent the occurrence of, modern slavery offences within their organisation or supply chains; and
- for any services or goods procured from, or subcontracted or outsourced to, third parties, the subcontractor has taken all reasonable steps to confirm that such third party is not

engaging in modern slavery offences including by ensuring all such supply agreements contain similar provisions to the SCEE Group subcontract.

While we typically procure the materials and products used on our projects from Australian wholesalers, some of these products are manufactured overseas. We note that none of the main products commonly procured for SCEE Group's projects are included in the Walk Free Foundation 2018 Global Slavery Index's list of products imported into G20 countries with an identified risk of forced labour. As such, we have not required specific representations with regards to modern slavery from our wholesalers during the period but are considering introducing this going forward.

The overseas service providers referred to in the 'Structure, Operations and Supply Chain' section above are located in the Philippines. Prior to engaging with these service providers the group performed appropriate levels of due diligence including site visits to the office locations. Employees engaged by the service providers are done so at the direction of SCEE Group and remuneration is benchmarked regularly to ensure it is set at appropriate levels. Employees have a direct line of reporting to functional managers in the SCEE Group and there are regular communications with both the employees and the service providers including periodic visits by SCEE Group management to the Philippine offices. Due to ongoing COVID related travel restrictions no such visits took place during the current period, however these have recommenced subsequent to the period end.

Assessment of Effectiveness

We view the modern slavery risk exposures in our current operations as low and believe that the steps taken to assess and address these exposures as set out in the previous section are appropriate for the business at this time.

We are committed to maintaining this low level of modern slavery risk exposure and to ensuring that we remain alert to any changes to our risk exposure as the business grows and evolves. This includes:

- Managing our supply chain due diligence processes to ensure appropriate consideration of modern slavery risks prior to engagement of suppliers;
- Ensuring that modern slavery risks are considered as part of the due diligence process prior to any acquisition;
- Providing modern slavery awareness training to relevant employees as appropriate;
- Remaining up to date with developments in industry and international best practice.

Consultation Process

During the period SCEE Group management has engaged with each of the businesses covered by this Joint Statement to ensure that they understand their obligations under the Modern Slavery Act and that they are taking appropriate steps to identify and mitigate against modern slavery risk in their operations and supply chain. This consultation included representatives from across the businesses including operations, human resources, procurement, contracts and commercial.

Each business has also reviewed this Joint Statement to ensure that it accurately reflects the key modern slavery risks in their operations and supply chain and the steps taken to mitigate against these.

Approval

The Board of Southern Cross Electrical Engineering Limited has approved this statement on behalf of the group on 29 November 2022.

A handwritten signature in blue ink, appearing to read 'D. Parkin', written in a cursive style.

Derek Parkin
Chairman