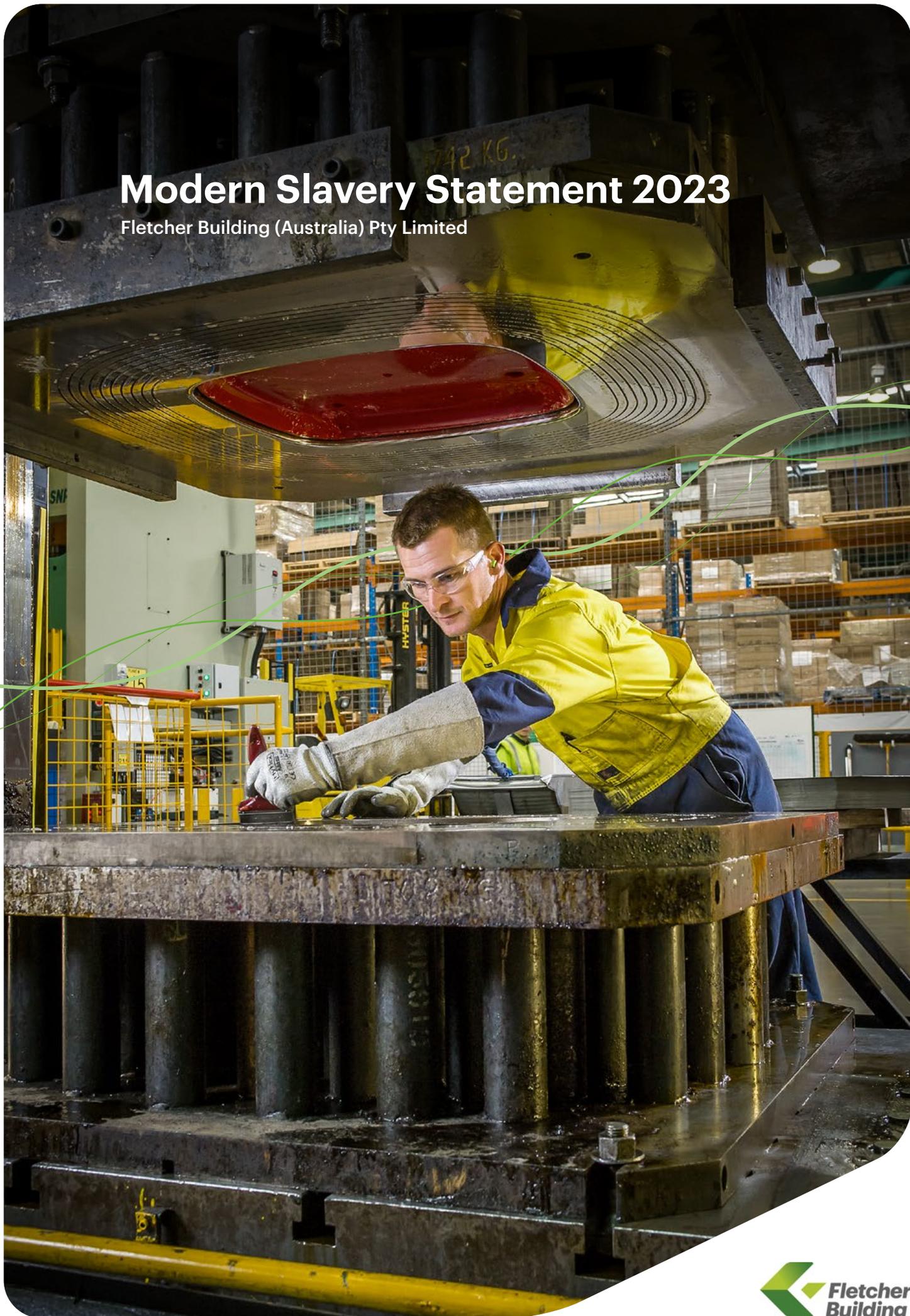


Modern Slavery Statement 2023

Fletcher Building (Australia) Pty Limited



A message from our Chief Executive of Fletcher Building (Australia) Pty Ltd



Dean Fradgley, Chief Executive Australia, with learning and organisational development team members, Rita Slogrove (left) and Jordyn McCosker (right).

Over the past year, Fletcher Building Australia has continued to implement new ways to identify, manage and mitigate the risks of modern slavery in its operations and supply chain.

In our drive to achieve the highest standards of ethical behaviour in the conduct of our business and activities, Fletcher Building Australia undertook a significant project to identify a tool to assist us in improving our due diligence and monitoring processes. The result of the project is the engagement of Ethixbase360, a market-leading online platform that allows Fletcher Building Australia to implement an ongoing due diligence process developed by Norton Rose Fulbright's Business Human Rights practice. This is an important step in our continuous improvement approach to our Modern Slavery Framework and we expect it to positively impact the management of the risks of modern slavery that exist within supply chains.

In addition to the engagement of Ethixbase360, Fletcher Building Australia continued to implement improved and expanded training across our workforce to ensure our approach to eliminating modern slavery is embedded within our culture. We do not tolerate slavery or human trafficking or abusive or unfair treatment in any part of our own business, or in any of our supply chains. To achieve this, we firmly believe that our approach to modern slavery must be business wide, business led and part of our day-to-day operations.

I am confident that we have the people and governance to enable us to respond to the risks of modern slavery as they evolve and change over time.

Over the coming year, Fletcher Building will continue to obtain and listen to feedback allowing it to improve and adapt its processes. We will also continue to evolve and digitise our processes through the full deployment of Ethixbase360 and make further investments in training, guidance and modern slavery processes for our employees. Our ongoing commitment is to engage more stakeholders across our business as we all have a responsibility to eradicate the risks of modern slavery.

A handwritten signature in black ink, appearing to read 'Dean Fradgley'.

Dean Fradgley

Chief Executive of Fletcher Building (Australia) Pty Ltd

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At a glance

Fletcher Building
Group Revenue FY23

\$8,469m*

Australian Revenue FY23

\$3,016m*

Business locations
across Australia

310+

Suppliers to
Australian businesses

5,700

High risk suppliers¹

900+

Employees in Australia

4,494

Employees in Australia,
New Zealand and the
South Pacific

14,900

¹ As identified by reference to the criteria set out in our Modern Slavery Framework.

* From Fletcher Building Limited Annual Report 2023. All references to currency in this Modern Slavery Statement use the Fletcher Building Group currency which is New Zealand dollars.

This statement is made and published on behalf of Fletcher Building (Australia) Pty Limited and its subsidiaries pursuant to s.14 of the Modern Slavery Act 2018 (Cth) (Aust) (the Act). References to "Fletcher Building", "we", "us", "our" are to these bodies, together with the related entities that carry on the Fletcher Building business inside Australia.

Our structure, operations, supply chain

Dual-listed on the ASX and NZX, Fletcher Building Limited operates through six divisions – Building Products, Distribution, Concrete, Australia, Residential and Development, and Construction. Fletcher Building (Australia) Pty Limited (“Fletcher Building Australia”) is Fletcher Building’s holding company for its Australia Division.

The Australia Division manufactures and distributes high-quality building materials for a broad range of industries across Australia. Its businesses include:



Fletcher Insulation provides energy efficient and acoustic solutions to the residential, commercial and industrial markets. It manufactures in Australia and distributes a wide range of insulation products specially designed for thermal and acoustic systems.



Iplex manufactures PVC, Polyethylene and Polypropylene pipe in Australia along with a range of fabricated fittings. Iplex distributes a range of products procured domestically and internationally to complement the manufactured products.



Laminex manufactures in Australia and/or distributes a range of premium decorative surfaces including engineered stone, modern laminates, acrylic surfaces and timber panelling products.



Oliveri distributes a comprehensive range of sinks, taps, water filter systems and bathroom products that are manufactured in Australia or imported from offshore.



Stramit is one of Australia's leading manufacturers and suppliers of roll formed steel building products.



Tradelink is Australia's oldest plumbing merchant and sells a range of plumbing products.

Supply chain

Fletcher Building Australia is committed to act in an ethical and sustainable manner when sourcing, interacting, and engaging with its supply chain. To achieve this, we have implemented practices into our business to understand who makes up our supply chain.

We procure approximately \$2.1bn of goods and services each year, of which \$57m is procured overseas directly from suppliers in 27 different countries:



Australia	Finland	Malaysia	Spain
Austria	France	Netherlands	Switzerland
Belgium	Germany	New Zealand	Taiwan
Canada	India	Pakistan	United Arab Emirates
China	Ireland	Singapore	United Kingdom
Czechia	Italy	South Africa	United States
Denmark	Japan	South Korea	Vietnam

Supply chain (continued)



Finished goods:

We source some of our finished goods which are sold to our end-customers including taps, sinks and a range of other items.



Raw materials:

We source raw materials for use in our manufacturing processes to produce a wide range of goods which are sold to our customers.



Services:

We engage with a range of service providers who enable our operations across Australia.



Site, office and home locations:

We have physical locations for manufacturing, distribution, retail, back-office administration and private homes.



Technology providers:

Our IT hardware and software service providers are primarily based in Australia with additional support based in Europe.



Our workforce:

Our workforce is made up of a mix of employees and labour-hire workers. Much of our workforce is based in Australia with a minor portion based in New Zealand.



Our modern slavery risk assessment

Identification of modern slavery risks

Fletcher Building Australia uses a risk-based approach to modern slavery which allows us to take appropriate action to address risks within our supply chains.

Our methodology for identification of modern slavery risks includes these key factors:

Supplier location:

Various regional influences such as cultural, political, regulatory or developmental status in some countries or regions may increase risks related to modern slavery. These geographical locations are reviewed annually to ensure they are reflective of current global conditions and additional monitoring is conducted on higher risk locations.

History of modern slavery related risks:

Suppliers in industries which are predisposed to low cost labour or have a history of unethical behaviour continue to be monitored by the Dow Jones reporting tool and reported to our procurement team. During the next reporting period, this step will also involve assessments through Ethixbase360.

Spend with supplier:

Suppliers are categorised by spend and supplementary information is sought when our spend is higher.

Direct or indirect supply:

The type of goods or service procured will impact the chain of supply relating to that product or service with some goods having tiers of suppliers (indirect) and others being directly procured by Fletcher Building businesses. Our visibility into each supplier reduces the more indirect the level of procurement. Generally speaking, finished goods will have a longer supply chain (more indirect) which will be further removed from Fletcher Building and have less transparency than raw materials or services supplied directly to us, where we will have more control and visibility with direct relationships.

Ability to audit:

Suppliers which are audited either by Fletcher Building Australia representatives or by third parties on behalf of Fletcher Building Australia (and successfully pass our criteria) have a reduced risk to our businesses. We have an ongoing relationship with an independent third-party service provider who undertakes stringent assessments of potential manufacturing sites located in China on behalf of Fletcher Building. This assessment involves a multi-step process that includes a review of the factory operations (management team review, employment practices, workplace health and safety, quality management system, etc.) and a further independent audit that includes assessment against globally recognised Corporate Social Responsible criteria. Periodic audits are also performed throughout the life of any contract.

Product category:

We continue to consider certain product and services categories as being high risk, regardless of spend, including garments, building and maintenance services, cleaning services, travel and security.

Our modern slavery risk assessment (continued)

Our risk assessment and associated actions for our businesses are outlined below:

Modern Slavery Risk

Supply chain risk:

i.e. suppliers of goods and support services for our production and distribution sites and/or office locations may subject their staff and contract workers to conditions which might be considered to constitute modern slavery.

Suppliers of goods:

i.e. the suppliers of raw materials used in our supply chain (e.g. resins, steel) and consumables and hired assets (e.g. forklifts, trucks), present for the most part a low risk as the vast majority are sourced from within Australia. In accordance with our risk methodology, those suppliers which manufacture overseas (e.g. Asia), or have a heightened industry related risk of modern slavery, or those that have longer, indirect supply chains present a higher risk.

Service providers:

i.e. the suppliers of services to enable our sites and office locations to operate such as catering, security and cleaning, as well as freight and travel service providers, in some instances present a heightened industry related risk and have been monitored closely with all suppliers falling into our risk framework being assessed by our reporting tool.

Technology providers:

i.e. IT hardware and software and print services that support our business is generally considered low risk given the maturity of the industry, strong supplier reputations and professional nature of the services rendered.

Action taken to reduce the risk of modern slavery

Our suppliers and service providers participate in our supplier procurement processes which involves review and acceptance of our Supplier Code of Conduct.

Modern Slavery Risk

Workforce (including labour hire) risk:

i.e. any person in Fletcher Building's workforce, whether employees or temporary labour hire workers, are subject to conditions which might be considered to constitute modern slavery.

Action taken to reduce the risk of modern slavery

Where we engage labour hire, we require all labour hire agencies to comply with our Supplier Code of Conduct. All of our workforce is subject to our Employee Code of Conduct which sets out what we consider to be acceptable behaviour and conduct. As a business, we adhere to the Fletcher Building Human Rights Policy which sets out how we uphold and monitor human rights within our business operations.

Modern Slavery Risk

Site, office and home locations:

i.e. the manufacturing, distribution and retail sites together with the offices and private homes we work from present a low-risk as they are all located within Australia.

Action taken to reduce the risk of modern slavery

All of our workforce is subject to our Employee Code of Conduct which sets out what we consider to be acceptable behaviour and conduct. As a business, we adhere to the Fletcher Building Human Rights Policy which sets out how we uphold and monitor human rights within our business operations.

Our modern slavery risk assessment (continued)

Additionally, Fletcher Building engages an external provider to operate our Global Whistleblowing Protection Service which includes a free phone service known as 'FBuCall' which can be used by any Fletcher Building personnel, customer, supplier or other individual to report suspected unacceptable, unethical or illegal behaviour. While we focus on education and awareness as our primary tool for employees to understand and reduce risks of modern slavery in our supply chain, any breach of our policy on human rights is treated seriously and intentional breaches are a disciplinary offence.

Reviewing and improving our practices

In this reporting period, we reviewed our approach to assess how we could improve our practices and take the next step toward our goal of achieving the highest standards of ethical behaviour in the conduct of our business and activities.

As a result of this review, Fletcher Building Australia decided to engage Ethixbase360, a market-leading online risk management platform operated by Ethixbase360 in collaboration with Norton Rose Fulbright to assist us in our modern slavery due diligence processes. By engaging Ethixbase360, Fletcher Building Australia can independently identify risks of modern slavery within its supply chain by having access to risk assessment tools developed by Norton Rose Fulbright's leading Business Human Rights practice.

Over the next reporting period, Ethixbase360 will be deployed across all Australian businesses.

Case Study

Demonstrating the effectiveness of our modern slavery process

During this reporting period, through the use of our Dow Jones modern slavery reporting tool, we identified a potential risk within our supply chain. This risk related to the location of some of our supplier's workforce. Once the risk was identified, we communicated our concerns to the supplier and requested further information to determine if there was a risk of modern slavery within our supply chain.

Following a review of the further information, which included the supplier's workforce policies, Fletcher Building Australia was able to determine that the supplier did have adequate processes to mitigate the risk of modern slavery. This case study demonstrates that our Modern Slavery Framework is working as intended as it is identifying potential risks and providing processes to mitigate those risks.



Our governance, policies and procedures

We have a zero-tolerance approach towards modern slavery and all forms of discriminatory or exploitative behaviour and treatment.

Risk Management Governance

Fletcher Building’s risk management framework is aligned with ISO31000: 2018 Risk Management - Principles and Guidelines Standard. By adopting this risk management framework, we have in place processes to identify, assess, control, monitor and report key risks.

The risk management framework is based on the three lines of defence model, as shown in Figure 1 below. As part of its risk management responsibilities, the Audit and Risk Committee (ARC) receives regular reports of existing and emerging key risks, and reviews the adequacy of internal controls to identify, monitor and manage Fletcher Building’s material strategic, financial, operational and emerging risks.

In this reporting period, the Modern Slavery Steering Group continued to report to the Safety, Health, Environment and Sustainability Committee (SHES) on responsible procurement processes and practices and Fletcher Building’s approach to management of human rights including modern slavery aspects.

1st Line of Defence:

Responsibility for operational risk management sits with the managers in the individual business units and the divisional Chief Executive which our risk management and assurance processes support through our corporate and governance functions.

2nd Line of Defence:

In addition to the dedicated group functions, we have an established Steerco. The Australian Modern Slavery Steering Group (which includes members from across Procurement, Supply Chain, Finance and Legal) is responsible for developing and implementing initiatives that address and minimise the risk of modern slavery in our businesses via a set of policies and procedures.

3rd line of Defence:

Risk management and assurance processes are overseen by the ARC and the Executive Committee. A dedicated Internal Audit team takes a risk-based approach to auditing key business activities and reports directly to the ARC.

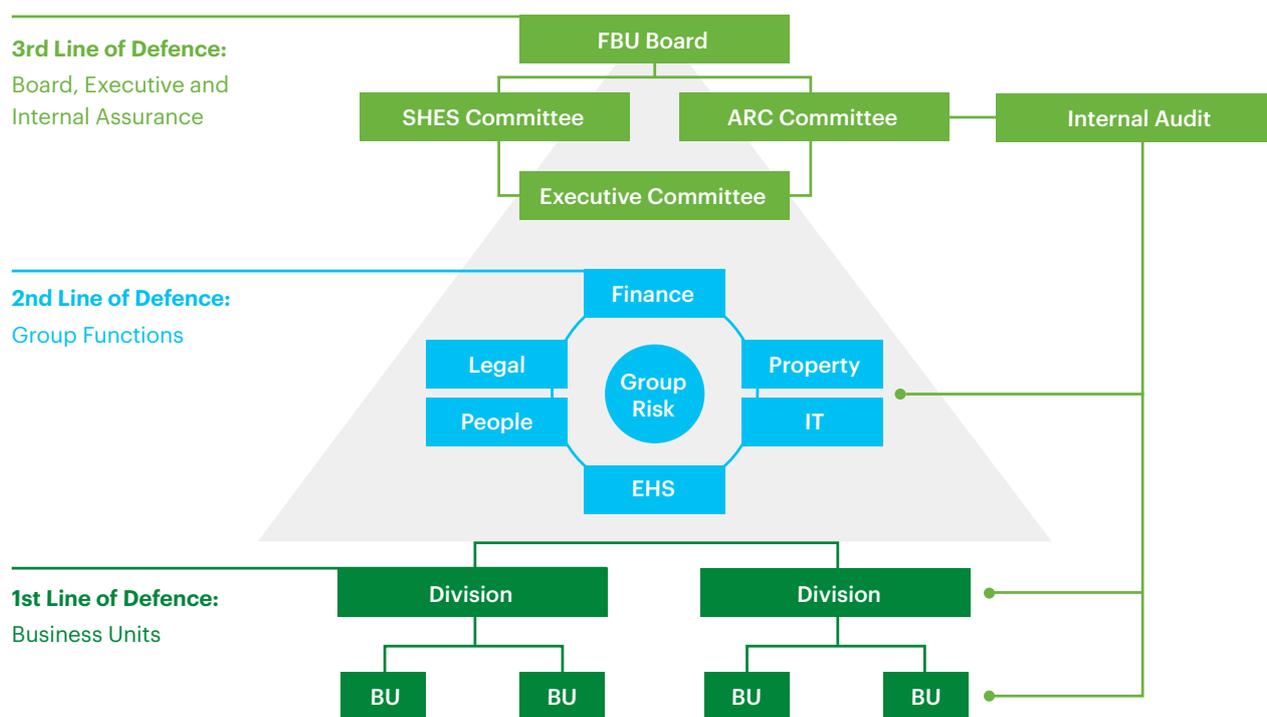


Figure 1

Our actions

We recognise that the greatest risk of modern slavery is in our supply chain.

From a modern slavery perspective, we have taken the following action to embed our policies and procedures:

Modern slavery framework:

Our embedded scalable framework identifies, tracks, escalates and seeks to remediate modern slavery risks across our businesses. Last reporting period, we set a goal to decentralise the responsibility and management of the framework. During this reporting period, we took a significant step towards this goal with the engagement of Ethixbase360 and during the next reporting period, we will have fully deployed and decentralised the framework. This will mean that each business area will have better control and oversight over their particular supply chain risks. Our framework continues to require that any breaches are referred to the Australian Modern Slavery Steering Group for assessment and action.

Modern slavery resources:

Risk assessment tool:

A risk assessment tool is used to support our review of supplier compliance with the Act by providing both historical and current information based upon tailored filters relevant to our Businesses.

Supplier questionnaire:

The questionnaire is used for (i) new suppliers and (ii) existing suppliers operating in high-risk industries / geographies or otherwise identified as higher risk to us that are renewing their agreement with us. The questionnaire requires suppliers to self-assess against the Fletcher Building Supplier Code of Conduct.

Third parties:

Third parties: We use trusted third parties to support our risk assessments via the provision of supplier information and the performance of independent reviews. We continue to partner with Dow Jones to perform ongoing monitoring of suppliers that fall within the high-risk category in our Modern Slavery Framework. Any information collected on these suppliers is then actioned in accordance with our Modern Slavery Framework.

Training and best practice:

In 2023 we further updated our modern slavery assessment and awareness materials. We continued to identify the key people in procurement roles across each Australian business and have compulsory online modern slavery training to increase awareness and understanding for these individuals.

Modern slavery processes:

Our modern slavery risk assessment process for both existing and new suppliers involves:

New suppliers:

Our supplier onboarding process includes a risk-based assessment of new suppliers using a combination of the Dow Jones reporting tool, the completion of the supplier questionnaire by the supplier and a review by our employees.

For existing suppliers:

We continue to identify those suppliers operating in high-risk industries, geographies or similar and require the completion of the supplier questionnaire.

Contractual protections:

Our supplier contract terms include warranties that suppliers comply with all Fletcher Building's required 'attributes' including applicable laws, regulations, and Fletcher Building's Supplier Code of Conduct in an ethically compliant manner including with our standard business practices terms. These terms cover (amongst other things) labour and workplace management, and address matters such as child forced and involuntary labour, fair pay and working conditions, training, learning and development opportunities.

Supplier audits:

The content and scope of our supplier audits include reference to our Supplier Code of Conduct, workplace safety, labour laws and human rights compliance. In some instances, these audits are outsourced where location and/or greater modern slavery risks are identified. Where issues are identified, follow up audits are arranged to ensure that remediation measures are incorporated and, if not, escalated.

Outcome of these measures in 2023:

Where we have identified a supplier who does not meet the requirements set out in our supplier questionnaire, we investigate further including undertaking follow up reviews and/or mitigation actions in accordance with our Modern Slavery Framework.

We also aim to work with each supplier, even where a risk has not been identified, to better understand their response to modern slavery to ensure they have processes in place to mitigate the effects of modern slavery in their supply chain.

During the 2023 reporting period, we monitored over 900 higher risk suppliers and their industry, receiving on average 40 to 50 industry related modern slavery risk alerts each month. Through a review process, we assessed the alert's relevancy to determine if further action was required. On average, this monthly review resulted in 4 to 5 industry related alerts being relevant to Fletcher Building Australia. We would then update our supplier risk profile to take into account the additional industry related modern slavery risk for the specific supplier.

Effectiveness of our actions to assess and address modern slavery risk and future plans

We recognise that our efforts to identify and address the modern slavery risks in our supply chain is an ongoing and evolving process and we are committed to continue to build upon it.

Whilst we have to date not identified any material modern slavery risks in our businesses and we can confirm our suppliers are actively engaging with us to assess risks within their supply chain (and therefore our supply chain), in our effort to continuously improve and move toward process maturity, we have identified processes within our Modern Slavery Framework that can be enhanced.

During the next reporting period, such enhancements will include:

- **deploy Ethixbase360 across the Australia Division;**
- **conducting joint in-person audits of the manufacturing sites located in China with our third-party service provider;**
- **continue to review our risk framework to ensure it is in line with global modern slavery standards; and**
- **continue to review our actions to be taken in the event we identify instances of modern slavery in our supply chain.**

Below we set out the objectives we committed to in the last reporting period, tracked against the outcomes we achieved.

Focus Area	Objective	Outcome Achieved
Awareness	Broader modern slavery training by an external provider for key business stakeholders;	We have implemented compulsory training for key Procurement employees and other key employees throughout the business. A plan was created to roll-out training to more employees during the next reporting period.
Risk identification	Update to how our supplier questionnaire is utilised (including the possibility via an online platform) to increase our reach and quality of responses; Review of our risk framework to ensure it is in line global modern slavery standards;	We appointed Ethixbase360, a third-party risk management platform designed to assess our modern slavery risks during all stages of our engagement with a supplier.
Risk mitigation	Review of our actions to be taken in the event we identify instances of modern slavery in our supply chain.	We continue to review our proposed actions should we identify modern slavery within our supply chain against the recommended remediation process as recommended by NGOs and other human rights groups.



List of companies

This statement was approved by the board of Fletcher Building (Australia) Pty Limited for and on behalf of the relevant entities:

Amatek Holdings Pty Limited
Amatek Industries Pty Limited
Amatek Investments Pty Limited
Banelle Pty Limited
Baron Insulation Pty Limited
Crane Enfield Metals Pty Limited
Crane Group Pty Limited
Crane Share Plan Pty Limited
Crevet Pipelines Pty Limited
Crevet Pty Limited
CTCI Pty Limited
EE-Fit Pty Limited
FBHS (Aust) Pty Limited
FBSOL Pty Limited
Fletcher Building (Australia) Pty Limited
Fletcher Building Products Australia Pty Limited
Fletcher Industries Australia Pty Limited
Fletcher Insulation Pty Limited
Gatic Pty Limited
Geraldton Independent Building Supplies Pty Limited
Iplex Pipelines Australia Pty Limited
Iplex Properties Pty Limited

Key Plastics Pty Limited
Kingston Bridge Engineering Pty Limited
Laminex Group Pty Limited
Milnes Holdings Pty Limited
Morinda Australia Pty Limited
Northern Iron and Brass Foundry Pty Limited
Oliveri Solutions Pty Limited
Polymer Fusion Education Pty Limited
S Cubed Pty Limited
Stramit Corporation Pty Limited
Tasman Australia Pty Limited
Tasman Building Products Pty Limited
TBP Group Pty Limited
Tradelink Pty Limited
Water Filters Australia Pty Limited

This Modern Slavery Statement was approved by the Board of Fletcher Building (Australia) Pty Ltd.

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Matthew Brodie

Director of Fletcher Building (Australia) Pty Ltd.



