

# Sustainability, Environmental Social and Governance (ESG) Policy

## 1. Purpose

The purpose of this policy is to recognise the value of sustainability through environmental, social and governance (ESG) to Higgins decision-making processes and day to day operations. The policy will also be used as a tool to communicate to clients how Higgins integrates ESG considerations into operations of its business.

## 2. Introduction

Higgins Coatings understands its social license is inextricably linked to its brand and reputation – intangible assets which all companies need to nurture and protect.

Higgins Coatings believes companies which act in a responsible way are likely to perform better over the long term. It believes factoring ESG matters into decision making will help it mitigate risks, particularly in relation to environmental and reputational damage.

## 3. Reference Documents

- IMS-MAN-001 Integrated Management System Manual
- IMS-POL-001 Quality Policy
- IMS-POL-002 WHS Policy
- IMS-POL-003 Environment Policy
- IMS-PRO-003 Management System Records Procedure
- IMS-PRO-011 Communication and Consultation Procedure
- IMS- MAN - 003 Supply Chain Sustainability Plan

## 4. Mandatory Requirements

Compliance to:

- AS/NZS 4801: 2001;4.3.2 Legal and other requirements
- ISO 14001:2004;4.3.2 Legal and other requirements;4.3.3 Objectives and Targets
- ISO 31000:2009 Risk Management-Principles and Guidelines
- ISO/IEC 31010:2009 Risk Management - Risk Assessment Techniques



## 5. Roles and Responsibilities

Role	Responsibility
Managing Director	Holds responsibility for Environmental, social and governance compliance for Higgins Coatings Ensure risks are tabled at advisory meetings.
COO/General Managers	Review and assess risks as reported from WHSE manager's report.
National HSEQ Manager	Provide known risks to the advisory Board, WHSE committees, staff and contractors. Ensuring all ESG documents are reviewed at least annually and where a need requires a review and updating of documentation. Regularly review the Master Risk Register and update where required.
National Operations Manager	Ensuring all operational activities are conducted in compliance within the ESG Framework.
HR Manager	Maintains and updates ESG training records for Higgins Employees. Ensure roles that require risk management training are identified and needs assigned. Ensure Position Descriptions identify accountabilities and responsibilities for ESG.
Advisory Board	Review and assess risks as reported from WHSE managers' report.
Chief Financial Officer	Monitor procurement processes include Risk management processes.
Divisional/Regional Managers	Monitor that ESG processes are implemented and complied with Monitor Risk Management compliance. Maintain Risk Management records that confirm risk assessments conducted taken Monitor Worksite audits are conducted as per auditing schedule.
Branch Managers	Monitor ESG processes are implemented and complied with Maintain ESG records that confirm risk assessments conducted taken Monitor Worksite audits are conducted as per auditing schedule.
Project Managers	Maintain records that confirm actions and decisions taken. Conduct audits as per auditing schedule.
Workers	Participate in Inductions, training, prestart meetings for each job site and office environments. Comply with any Risk Assessment mandatory controls. Stop work and report non-conformances of Risk management documentation and conditions to Project Managers and rectify within level of responsibility and competency.

## 6. Environmental considerations and sustainability

Higgins Coatings is committed to reducing waste, energy consumption, water usage, and carbon emissions, and the promotion of strategies which push towards encouraging these reductions.

Higgins Coatings believes taking financially responsible steps towards improving environmentally sustainable operational practices represents good and responsible corporate citizenship and serves in the best interests of our customers.

Any environmental sustainability initiatives implemented by the business must be practical and cost-effective. Clients should expect such initiatives to have the potential for adding value to products and services provided through a variety of means. Such outcomes include reduced operating expenses, sustainable performance certifications to help distinguish assets within their respective markets, and reduced risk of functional obsolescence.

Higgins Coatings commitment to environmentally sustainable business will also keep abreast of long-term trends towards emission reduction. This will leave the Higgins better placed for increased regulatory and consumer scrutiny of environmental practices, and changes in consumption patterns to more environmentally friendly products.

Higgins Coatings is committed to the following sustainability goals:

- reducing the environmental impact of our business.
- exceeding local environmental regulations where appropriate; and
- driving innovation on sustainable delivery of services within our industry.

## 7. Social responsibility

Inclusion, diversity, and equality are becoming more important considerations in relation to the way in which businesses operate and can generate competitive advantage.

Higgins Coatings is committed to making decisions and taking actions which enhance the welfare of its own employees, and to acting in the interests of society as a whole. Socially responsible initiatives which relate to human rights, workplace, community and societal issues reflect what Higgins believes to be sound social standards for any business.

As an organisation, Higgins is committed to being a responsible member of the community and aims to support a range of programs and activities which enhance local, regional and broader communities.

Higgins Coatings will be mindful of how third-party service providers, joint venture partners and other contractors address 'social responsibility' and will take appropriate steps if it becomes aware of any cases where it believes satisfactory standards of 'social responsibility' are not maintained.

### 7.1 Modern Slavery

Higgins Coatings is committed to limiting the risk of modern slavery occurring within its own business, infiltrating its supply chains or through any other business relationship.

Higgins Coatings has developed a Modern Slavery policy and annual statement. The policy applies to all persons working for or on behalf of the Company, in any capacity, including employees, directors, officers, agency workers, contractors, consultants and any other third-party representative.

Higgins Coatings expects all who have, or seek to have, a business relationship with the Company to familiarise themselves with this policy and to act in a way consistent with its values.

The Company will only do business with organisations who comply with this policy, or those who are taking verifiable steps towards compliance.

This policy will be used to underpin and inform any statement on slavery and human trafficking that Higgins Coatings is required to produce further to the transparency in supply chain requirements of the Modern Slavery Act (2018).

## 8. Governance

Corporate governance covers the rights and responsibilities of the management of a company – its structures, corporate values and accountability processes.

Higgins Coatings is governed by a series of policies, procedures, best practices and guidelines, rooted in sound ethics that place Higgins in a position to confirm it maintains good corporate governance.

Higgins also relies on structures to ensure its most senior and experienced professionals focus on core business objectives and oversee the implementation and maintenance of key governance policies.

In addition to organisational documents, Higgins operates in accordance with applicable Federal and State/Territory legislation, laws, rules, regulations, policies and procedures. Higgins aims to benchmark the governance aspects of the business against others within the industry, as well as guidelines established by trade associations or non-governmental organisations to ensure Higgins keeps abreast of best practice governance trends.

Higgins has established an external Whistleblower service provider, Stoptline, to allow employees to anonymously report any dealings of fraud, corruption, inappropriate and unethical behaviour, poor safety practices.

Section 5 provides a summary of the roles and responsibilities in relation to governance at Higgins Coatings.

## 9. Retention of Records

Any documentation raised pursuant to this procedure shall be retained in accordance with the procedure IMS-PRO-003 Management Systems Records Procedure.