Environmental, Sustainability, 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 Coatings decision-making processes and day to day operations. The policy will also be used as a tool to communicate to clients how Higgins Coatings integrates ESG considerations into operations of its business.

This policy applies to all directors, officers, employees, labour-hire workers, contractors and other persons working for or on behalf of Higgins Coatings, at every office, site and project. It is approved by the Managing Director, communicated to all workers, made available to clients and other interested parties on request, and reviewed at least annually and whenever there is a significant change in applicable law.

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
- Whistleblower Policy
- Modern Slavery Policy

4. Mandatory Requirements

Higgins Coatings identifies, records and maintains access to the legal and other requirements that apply to its activities, products and services in a legal and other requirements register. It evaluates its compliance with those requirements and updates the register when laws, licences or customer

requirements change. The register is reviewed at least annually as part of the review of ESG documents under Section 5.

Higgins Coatings complies with all applicable Commonwealth, State and Territory laws, including the model Work Health and Safety laws in each jurisdiction in which it operates, the Environment Protection and Biodiversity Conservation Act 1999 (Cth) and State and Territory environmental protection legislation, the Modern Slavery Act 2018 (Cth), the Corporations Act 2001 (Cth), the Fair Work Act 2009 (Cth), the Sex Discrimination Act 1984 (Cth) and other Commonwealth and State and Territory anti-discrimination laws, the Privacy Act 1988 (Cth), and the Competition and Consumer Act 2010 (Cth) (including the Australian Consumer Law).

It also complies with the following standards:

- ISO 14001:2015 Environmental management systems; 6.1.3 Compliance obligations; 6.2 Environmental objectives and planning to achieve them
- ISO 31000:2018 Risk management - Guidelines
- IEC 31010:2019 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.
Chief People Officer	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 beyond those required to comply with the law must be practical and cost-effective. Such initiatives may add value to products and services provided to clients, for example through reduced operating expenses, support for sustainable performance certifications that help distinguish assets within their respective markets, and reduced risk of functional obsolescence. These outcomes are not guaranteed, and Higgins Coatings will not represent them to clients without evidence to support them.

Higgins Coatings commitment to environmentally sustainable business will also keep abreast of long-term trends towards emission reduction, such as using electric powered access machines. 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.

Any environmental, sustainability or ESG claim made by Higgins Coatings in tenders, marketing, client communications or reports must be accurate, specific, not misleading, and supported by reasonable grounds and records. Vague terms such as 'green', 'eco-friendly' or 'sustainable' will not be used without clear qualification. Forward-looking statements, targets and commitments will only be made where there is a reasonable basis for them, and will be approved before publication.

Higgins Coatings is committed to the following sustainability goals:

- reducing the environmental impact of our business, such as carbon emissions.
- 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.

Higgins Coatings respects internationally recognised human rights, including the fundamental principles and rights at work set out in the International Labour Organization's Declaration: freedom of association, the elimination of forced and child labour, and freedom from discrimination. It provides a safe, respectful and inclusive workplace free from discrimination, sexual harassment and victimisation, and complies with the Fair Work Act 2009 (Cth), the Sex Discrimination Act 1984 (Cth), the Workplace Gender Equality Act 2012 (Cth) where applicable, and State and Territory anti-discrimination laws. Higgins Coatings takes reasonable and proportionate measures to eliminate unlawful discrimination and harassment as far as possible and to manage psychosocial risks under work health and safety laws.

Higgins Coatings 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.

Higgins Coatings applies risk-based human rights due diligence, consistent with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, to identify, prevent, mitigate and account for modern slavery risks in its operations and supply chains. This includes supplier screening and self-assessment, contractual

requirements, monitoring, training for relevant personnel, and a process for reporting concerns and providing remediation. Where Higgins Coatings identifies modern slavery, it will take action to remediate, or cooperate in the remediation of, the harm.

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 the annual Modern Slavery Statement that Higgins Coatings is required to prepare, have approved by its principal governing body and lodge with the Australian Government's Modern Slavery Statement Register under the Modern Slavery Act 2018 (Cth), addressing the mandatory reporting criteria in section 16 of that Act, and any equivalent statement required by the law of another jurisdiction in which Higgins Coatings operates.

8. Governance

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

The Managing Director, directors and other officers of Higgins Coatings are required to exercise due diligence to ensure that Higgins Coatings meets its legal obligations, including their duty of care and diligence under section 180 of the Corporations Act 2001 (Cth) and their due diligence duty under the work health and safety laws (in Queensland, section 27 of the Work Health and Safety Act 2011 (Qld)). Legal compliance, ESG risks and the effectiveness of controls are reported to the Advisory Board in accordance with Section 5.

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 Coatings also relies these 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 Coatings complies with all applicable Federal and State/Territory legislation, laws, rules, regulations, policies and procedures, and with the laws of any other jurisdiction in which it operates, trades or sources goods and services. Higgins also monitors changes to ESG-related legal requirements and assesses whether and from when, they apply to it. Higgins aims to benchmark the governance aspects of the business against others within the industry, as well as guidelines established by trade associations to ensure Higgins keeps abreast of best practice governance trends.

Higgins Coatings does not tolerate bribery, corruption or fraud in any form. All persons working for or on behalf of Higgins Coatings must comply with the bribery and corruption provisions of the Criminal Code Act 1995 (Cth), including the offences of bribing a public official and of a company failing to prevent foreign bribery, and with applicable State and Territory laws. Higgins Coatings maintains procedures to prevent, detect and respond to bribery and corruption, including controls over gifts, hospitality and payments made through third parties.

Higgins has established an independent external whistleblower service provider, Stopline, through which eligible whistleblowers, including current and former employees, officers, contractors, suppliers and their employees, and relatives and dependants of those people, may report concerns anonymously about fraud, corruption, unlawful or unethical behaviour, modern slavery, unsafe work practices, or any other misconduct or improper state of affairs. Higgins Coatings will protect whistleblowers in accordance with Part 9.4AAA of the Corporations Act 2001 (Cth), including by

keeping their identity confidential and not subjecting them to detriment or victimisation. Further information is set out in the Whistleblower Policy.

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, and for no less than the minimum periods required by applicable law, including work health and safety, Fair Work, Corporations Act and modern slavery record-keeping requirements. Personal information held in these records, including whistleblower reports, will be collected, stored, secured and destroyed in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles.