

# CTC Precast Pty Ltd and Precast Civil Industries Pty Ltd

## 2020-2021 Modern Slavery Statement

The reporting entity is CTC Precast Pty Ltd ACN: 614 966 059 (CTC), of Level 13, 664 Collins Street Docklands, Vic. This statement sets out the actions CTC and its controlled entity has taken to address the risks of modern slavery in its business operations and supply chains during the financial year, commencing 1<sup>st</sup> July 2020 and ending 30<sup>th</sup> June 2021 **(2020-21 Financial Year)**.

### Our Business Operations and Structure

CTC is a privately owned proprietary limited company, based in Australia, that for the 2020-21 financial year wholly owned and controlled its subsidiary Precast Civil Industries Pty Ltd **(Precast)**.

CTC does not actively trade, with all trading activities conducted within Precast.

Given the closely held relationship of the entities, it was deemed appropriate to prepare a joint statement, with the emphasis on Precast's activities.

Precast is an Australian manufacturer of precast concrete products and supplier of a broad range of associated materials, equipment and tools into the civil infrastructure/building constructions sectors across Australia and Pacific regions, trading as Civilmart ([civilmart.com.au](http://civilmart.com.au)) and associated brands.

Our product range is made up of products such as reinforced concrete pipes, box culverts, pits, headwalls, gully units and tanks. Supported by an extensive range of ductile iron covers and frames, galvanized mild steel grates and frames and a variety of aluminum, brass and FRP ancillary products.

For the 2020-21 Financial year, Precast operated 13 manufacturing sites across Queensland, New South Wales, Victoria and South Australia that employs in excess of 400 staff and subcontractors domestically.

### Supply Chains

Precast sources components for its manufactured products and a large range of resale items, from both within Australia and overseas, with our primary overseas supplies coming from China and India.

Our global supply chain is made up of many 100's of suppliers, with the greater majority of our main suppliers being part of long-term, well established business relationships. However, some procurement for both goods and services is conducted on an ad hoc or on-the-spot basis, with most of these transactions being conducted locally.

Precast has audited its supplier list against published industry and geographic modern slavery risk indicators to categorise them into low, medium and high risk.

The majority of Precast's suppliers fell into the low-risk category, with some falling into medium and high-risk categories.

### Our Commitment

Precast is committed to taking all reasonable steps to ensure that there is no modern slavery present in our supply chains, nor in any part of our business. We acknowledge our role and



responsibility in seeking to safeguard human rights through ethical and sustainable business practices.

As a demonstration of the commitment, Precast has developed a Modern Slavery Policy. The Policy outlines that Precast is committed to eliminating modern slavery throughout our business and supply chains. We expect the same standards from our suppliers, contractors and business partners.

These objectives are an integral part of Precast's core values of corporate responsibilities, leadership, respect, social responsibility and accountability.

We have acquainted all of our overseas suppliers with our Modern Slavery Policy and requested that they complete our zero tolerance to modern slavery declaration, which sets out our expectations for suppliers within our supply chain to conduct themselves and their business dealings in an ethical and equitable way.

## Our Policy

Precast's Modern Slavery Policy has been tool-boxed and explained to our employees and published on the internal intranet, as well as on our website.

The policy details how Precast intends to address modern slavery across our business and supply chains.

We expect that same standard from our contractors, suppliers – both international and local -, and other business partners.

These objectives are a non-negotiable part of the Precast business strategy to achieve our goals for corporate responsibility, statutory compliance and demonstrated due diligence.

The actions outlined in the Policy are a shared responsibility. All stakeholders are responsible for aligning all business and procurement activities. To ensure we are doing everything we can to eliminate the presence of modern slavery within our business and/or supply chains.

## Moving Forward

Precast Civil Industries understands the process is going to be an ongoing journey of increasing education and investigation for both our precast staff and our business partners over time. With this in mind, Precast Civil Industries is committed to continuous improvement in our methods for identifying modern slavery risks and its mitigations. Significant planning has been undertaken to improve Civilmart's internal system of identification and reporting in regard to modern slavery, ensuring that should an issue arise, it is dealt with swiftly and comprehensively. Precast Civil Industries strives for excellence in all aspects of business and ensuring the human rights of every individual that is impacted by the company is no different.

A number of actions planned and undertaken during the 2020-2021 year, included:

A review by way of visitation and inspection (spot checks) was planned for our supplier's factories overseas with regards to safety, working conditions, compliance to local awards, compliance to the UN Modern Day Slavery Act, and quality control. However, due to the COVID-19 pandemic and the subsequent closure of international travel by the Australian Government, our planned trips to inspect factories overseas were forced to be postponed. We did however embrace modern technology to inspect the factories and consult with our suppliers, to ensure they are aware of the Modern Slavery Act and the expectation from Precast Civil Industries to not only meet the standards

but to exceed them. Precast Civil Industries intends to resume inspections and spot checks of international suppliers once restrictions allow, and it is safe to do so.

We undertook further due diligence and risk assessment to assess suppliers where there could be the potential for breaches or abuses of fundamental human rights by way of a new created Risk Assessment Questionnaire, to help identify potential breaches to the Act. We have taken proactive measures in reviewing our procedures to include due diligence and risk assessments to assess our suppliers. Further to this we are continually updating our processes and providing internal training to our employees, raising awareness within our organisation and improving our ability to identify signs of modern slavery. The Risk Assessment Questionnaire has been delivered to suppliers, in order to identify potential breaches.

We have issued letters of request for further information to all high- and medium-risk suppliers identified in our review. These letters confirmed Precast Civil Industries' position on Modern Slavery and requested information on our supplier's processes, in particular their policies on Modern Slavery and the ways they are identifying and addressing these issues. In doing this, we were able to ensure they have appropriate policies and protocols that align with those of Precast Civil Industries regarding human rights, fair pay, forced labour, health, and safety. All high- and medium-risk suppliers were contacted regarding Modern Slavery expectations, with suppliers having confirmed Precast Civil Industries' position on Modern Slavery. As a result of our communication and subsequent investigation, two high-risk suppliers were found to be in breach of the Modern Slavery Act, and as such Precast Civil Industries has terminated our accounts with these organisations.

The introduction of a new supplier onboarding screening process that requires our business units to complete a comprehensive Supplier Survey. Where red flags are identified, suppliers are required to complete the Risk Assessment Questionnaire, detailing what steps they are taking within their operation to address modern slavery risks within their own business and respective supply chains. These completed Questionnaires are assessed by our supply chain managers to ensure we are only dealing with ethical businesses who align themselves with Precast Civil Industries' policies and protocols. The Risk Assessment Questionnaire has been introduced to the business and implemented in each state, with audits taking place to ensure its use.

All future formal Supply Agreements Precast Civil Industries engage in with our supply chain partners now include a clause relating to the Modern Slavery Act and the Precast Civil Industries Modern Slavery Policy. This has been adopted as a companywide policy within Precast Civil Industries, with audits regularly taking place. Any agreement made with new suppliers or partners within the organisation include clauses relating to compliance to the Modern Slavery Act, ensuring all suppliers are adhering to the policies outlined in the Act.

All Precast Civil Industries staff have been given ongoing training in identifying and dealing with supply chain risks of modern slavery, in line with the Precast Civil Industries' Modern Slavery Policy. Education and training regarding Modern Slavery and the identification of potential breaches has been implemented throughout the business with in-person training sessions completed. On the occasion when circumstances prevented the delivery of in-person training sessions due to COVID-19 restrictions, Precast Civil Industries used digital communication technology such as Microsoft teams, to ensure all staff received the appropriate training to prevent modern slavery in its entirety



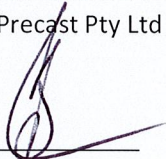
throughout our supply chains. Continual training sessions will take place in the future, to both ensure new staff are aware of the Modern Slavery Act and their responsibilities, and also to keep current staff refreshed and updated.

Beyond this, Precast Civil Industries is committed to maintaining its high standard of operation regarding Modern Slavery, continuing to improve our identification methods and put processes in place to ensure Modern Slavery remains eliminated from our supply chains.

## Assessment and Effectiveness

Steps taken by Precast since the last reporting period have proven to be highly effective. Precast has been able to conduct an audit of all suppliers, ensuring all suppliers are compliant with both the Modern Slavery Act and Precast's Modern Slavery Policy. Where non-compliance or breaches of the policy were found, Precast has terminated contracts, providing a strong statement on our commitment to eliminating Modern Slavery.

This statement was approved by the board of CTC Precast Pty Ltd, as the principal governing body of CTC Precast Pty Ltd and Precast Civil Industries Pty Ltd, 20<sup>th</sup> December 2021.



Stephen Copulos  
Chairman and Director  
CTC Precast Pty Ltd; and

Director – Precast Civil Industries Pty Ltd