

MODERN SLAVERY STATEMENT

SEPTEMBER 2021

deluca

We inspire people to make it happen



deluca

BSA 62822 / ABN 80 055 193 514 / ACN 055 193 514

This statement is made pursuant to Modern Slavery Act 2018 (Cth) for the Financial Year 2020/21

We INSPIRE People to Make it Happen

About De Luca

De Luca was first established in 1994 as De Luca Properties by our Managing Director and Owner, Nic De Luca.

With a rich 25-year history built with a clear purpose "to inspire people to make it happen", De Luca Corporation develop, design and construct large format retail projects, bulky goods, commercial, industrial, residential and childcare.

De Luca actively look for opportunities in these sectors whilst creating value for our clients and the community.



deluca



FOREWORD

This statement applies to De Luca and its operations and associated subcontractors and suppliers within our supply chains. The purpose of this statement is to outline our approach to ensuring that De Luca has robust frameworks and processes in place to minimise the risk of modern slavery in our business of operations and supply chains.

We recognise that slavery and human trafficking can occur in many forms, as considered in the Act. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services. It also includes actions of parties who are involved in commercial transactions involving modern slavery.

OUR COMMITMENT

We affirm De Luca's commitment to operating responsibly and establishing and adhering to the highest ethical standards across our business. We will not tolerate any forms of slavery or human trafficking in our business. We strongly support decent work and economic growth with the commitment to working to eradicate the many forms of modern slavery.

De Luca has taken and is continuing to take measures to ensure that modern slavery or human trafficking is not taking place within our business of operations.

De Luca has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all our dealings and to put effective systems and controls in place to safeguard against any form of modern slavery taking place within our business or supply chain.





OUR STRUCTURE, OPERATIONS & SUPPLY CHAINS

Our experience as both developer and builder gives us clear insight into how Australians like to live, work and relax.

We create outstanding value and lasting worth within places that people are proud to live and work. We are structured as a single operational entity with the following operational lines:

- » Corporate
- » Construction
- » Development
- » HSEQ & Compliance
- » Marketing
- » Design
- » Estimating & Commercial
- » Asset Management
- » Support Services



Primarily operate in QLD



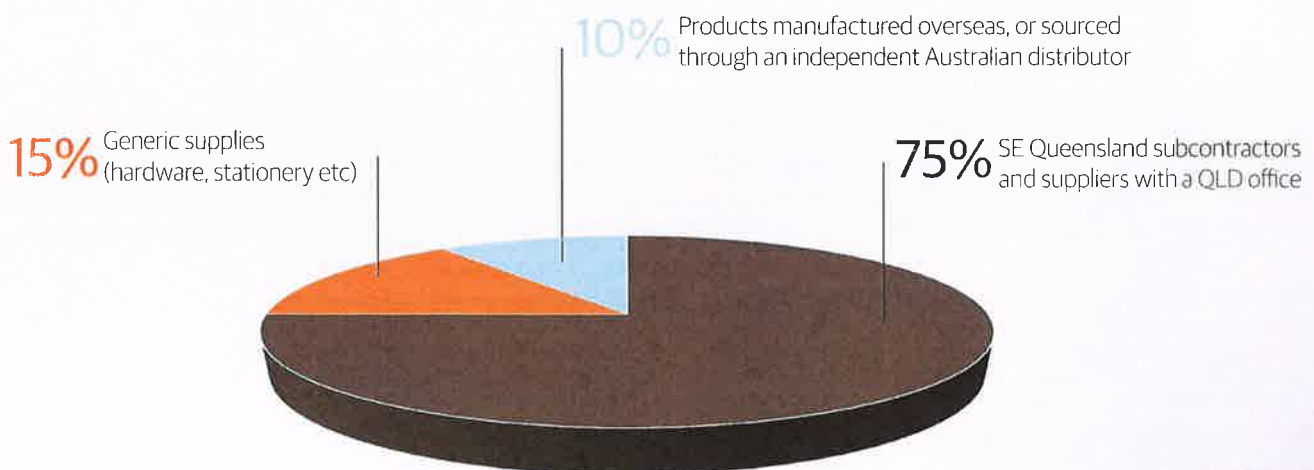
Over 45 employees that **make it happen**



An annual turnover in excess of \$100 million

SUBCONTRACTORS

De Luca doesn't directly employ its own installers, these are subcontracted out. Our subcontractors that are engaged for our projects are mostly small to medium businesses with personnel ranging from 5 to 30 employees. Our material and supply chain can be segmented as:





THE RISKS OF MODERN SLAVERY PRACTICES

De Luca operates a preferred subcontractor/supplier list. To ensure all those in our preferred list comply with our values, we conduct a due diligence overview on all subcontractors and suppliers before allowing them to become one of our preferred.

One of our approaches is to cease the operational use of a supplier and subcontractor should we object to their treatment of workers. In practice the choices aren't limited, the culture within Australia's construction industry is one where high individual responsibility is being valued.

We see already that many of our key subcontractors and suppliers have published their own policies. While the policies focus on construction, most policies include a statement on employee conditions. Fair working conditions are cultivated in such economic environments and the risks of modern slavery fade. For these reasons, we believe that the risks of modern slavery practices in our key supply chains are low.

Finally, there is a potential risk with the direct subcontracting of works in less developed businesses where their understanding of modern slavery is unknown.

These activities could potentially be at risk of the modern slavery within De Luca, this list will be reviewed and updated periodically:

>> Use of staff by subcontractors or suppliers to De Luca, where the suppliers' processes are not compliant;

>> Employment of sub-consultants, suppliers & sub-contractors by De Luca Corporation, where their work practices may be non-compliant.



ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

De Luca has approached the task of minimising the risks of modern slavery according to the level of supply:

<p>Minor</p> <p>Suppliers Products manufactured overseas or sourced through an independent Australian distributor</p>	<p>19.5% of our supply chain</p>	<ul style="list-style-type: none"> >> Reviewed company policies and statements of our minor suppliers (e.g. Modern Slavery) >> Understanding that these suppliers as to the existence of Modern Slavery. >> Factory Inspections: As part of our ethical purchasing drive, our management may inspect factories to met with manufacturers.
<p>Moderate</p> <p>Australian Wholesalers Generic supplies (hardware, stationery etc)</p>	<p>39.5% of our supply chain</p>	<ul style="list-style-type: none"> >> Reviewed existing company policies and statements of originating manufacturers where they exist (e.g. Modern Slavery and CSR Report) >> Educated suppliers as to the existence of the Modern Slavery Act.
<p>Major</p> <p>SE QLD subcontractors & suppliers (all with a Queensland Office)</p>	<p>41% of our supply chain</p>	<ul style="list-style-type: none"> >> Reviewed existing company policies and statements (e.g. Modern Slavery and CSR Report) >> Buy from larger companies with turnover of more than \$100m so that by 2021 they will have made a Modern Slavery Statement (e.g. Office-works, Bunnings etc)

ADDITIONAL STEPS

Our Pre-Subcontract Assessment Checklist and Policies forms an integral part of our contracts for subcontractors/suppliers which confirm that no part of their business operations contradicts these policies and procedures.

We are committed as an organisation to tackling modern slavery and human trafficking and want to work with suppliers and subcontractors who share our values to meet our De Luca Way.

We operate with a number of internal policies and procedures to ensure that we are conducting business ethically and transparently, these include:



>> Corporate Social Responsibility Policy:

De Luca believes that its Corporate Social Responsibility Policy will provide long-term benefits to its employees, customers, and individuals in all communities by applying effective systems and processes.

>> Industrial Relations Policy:

De Luca tracks Workplace Relations Management and identifies industrial relations issues relevant to commercial construction and prescribe specific actions for occurrences of grievance disputes, site issues or any other unforeseen action that may impact De Luca by respecting and upholding principles concerning freedom of association and oppose coercion by sustaining employment practices that are fair and just.

>> Code of Conduct the De Luca Way.

This code sets De Luca's expectations of ethical behaviour incorporates our purpose and the core values and behaviours of 'The De Luca Way', summarised in one word-INSPIRE. This is how, we behave as an organisation and how we expect our employees, suppliers and subcontractors to act.

To ensure a high level of understanding senior management have been educated on the risks of Modern Slavery. This has already and will be continued to be expanded to all staff, in the 2020/21 period.





ASSESSING EFFECTIVENESS

To date, we have found no incidents of modern slavery in our supply chain, and have not been required to act. At this early stage, there is a range of ways in which De Luca will demonstrate the effectiveness of our actions, including:

1. The senior leadership team will annually review and report De Luca's response to modern slavery.
2. Track actions that have been implemented, the number of high-risk suppliers engaged, and levels of awareness among staff. This to be included in the annual review.
3. Prequalification checks "Pre-Subcontract Assessment Checklist" for suppliers to be expanded to include a Modern Slavery Assessment. This process is to be audited annually and to include a determination if mitigation measures have been consistently actioned.
4. Factory Visit: A factory visit included observations around supply and Modern Slavery. Pre-trip briefings will include a section on Modern Slavery: what to look for and what to ask.
5. Annually review with major suppliers, how they are progressing any actions they have put in place to address modern slavery risks.





THE PROCESS OF CONSULTATION WITH ENTITIES THAT DE LUCA OWNS OR CONTROLS

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chains if:

No reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

GOALS 2020/21

- >> Continue to provide support and training for all staff on Modern Slavery, what their company is doing and their role.
- >> Encourage subcontractors and suppliers to make their Modern Slavery commitment.
- >> Look for continual improvement opportunities.

This statement was approved by the Sole Director of De Luca Corporation on 30 September, 2021.



Nic De Luca
Managing Director of De Luca Corporation Pty Ltd
30 September 2021