

Modern Slavery Statement

2021/2022



mpa

BUILDING
GENUINE
PARTNERSHIPS

Contents

1 Introduction

2 Our structure, operations & supply chains

- 2.1 Structure
- 2.2 Operations
- 2.3 Supply chain

3 Modern slavery risks in our operations & supply chains

- 3.1 In our operations
- 3.2 In our supply chain

4 Actions taken to assess and address modern slavery risks

- 4.1 Risk assessment
- 4.2 Recruitment

5 Assessing the effectiveness of our actions

- 5.1 2021/2022 Modern slavery goal tracking
- 5.2 New goals for FY2022/2023

6 Consultation & approval

Annexure A

- 1 Existing actions to assess and address modern slavery risks
 - 1.1 Risk assessment
 - 1.2 Supplier accreditation program

1 INTRODUCTION

This statement is made by MPA Holdings (Aust.) Pty Limited pursuant to the Modern Slavery Act 2018 (Cth) and sets out the actions taken by it and its subsidiaries (together, “MPA”, “we”, “us” and “our”) to assess and address modern slavery and human trafficking risks within our business and supply chain for financial year ending 30 June 2022 (Reporting Period) and actions taken to address those risks in 2022.

2 OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

2.1 STRUCTURE

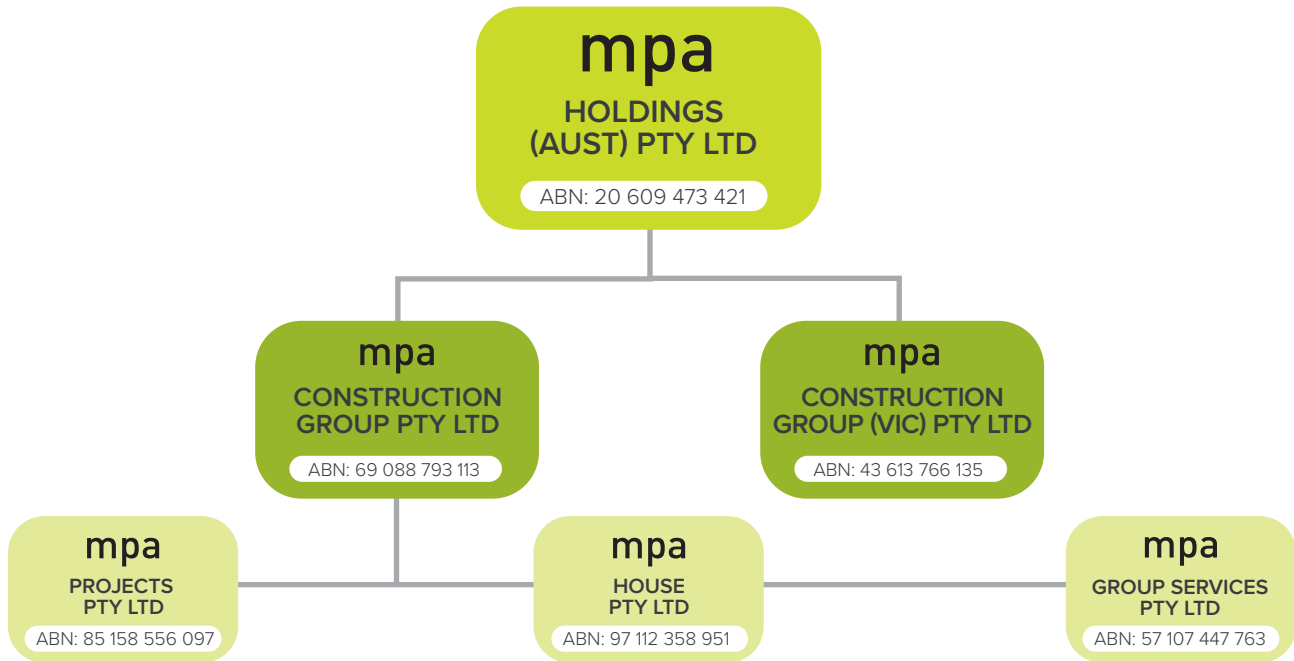
MPA Construction Group Pty Limited (MPA Construction Group) is a Proprietary Limited Company, which is part of a corporate group which is entirely registered and controlled within Australia, being headed and wholly owned by MPA Holdings (Aust.) Pty Limited. MPA Construction Group is the primary trading entity within the corporate group.

MPA Group Services Pty Limited is an entity within the corporate group that is wholly owned by MPA Construction Group.

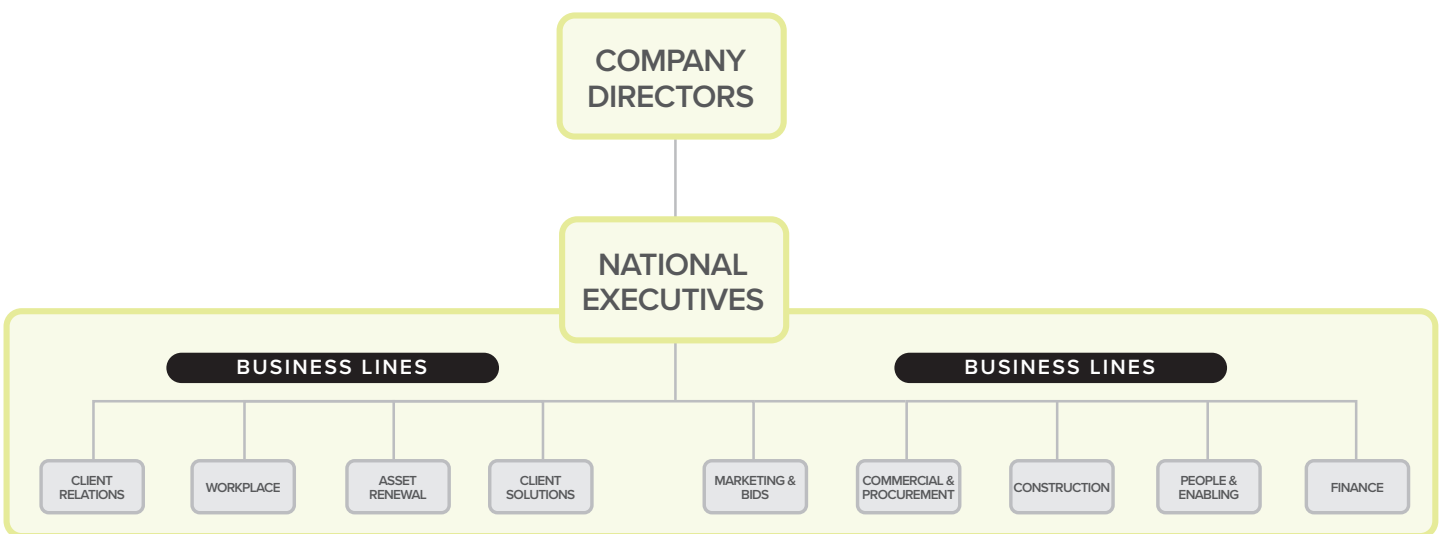
Other related entities within the group are:

- (1) MPA Holdings (Aust.) Pty Limited – this is the head of the corporate group as mentioned above and currently registered with ASIC. It has no employees.
- (2) MPA Construction Group (VIC) Pty Ltd – 100% owned by the group head entity MPA Holdings (Aust.) Pty Limited and currently registered with ASIC. However, this company is dormant and has no employees.
- (3) MPA House Pty Ltd – 100% owned by MPA Construction Group Pty Limited and currently registered with ASIC and has no employees.
- (4) MPA Projects Pty Ltd – 100% owned by the group head entity MPA Construction Group Pty Limited and is dormant and has no employees.

CORPORATE STRUCTURE



ORGANISATIONAL STRUCTURE



2.2 OPERATIONS

MPA operates out of two offices, with the Sydney office being the main office in which most of the support functions employed in MPA Group Services are located.

The addresses of the offices are:

- L12/50 Goulburn St, WORLD SQUARE NSW 2000
(the registered office and principal place of business)
- L2/99 King St, MELBOURNE VIC 3000

MPA Construction Group Pty Limited and MPA Group Services are the only entities within the group that have employees. Further detail about the roles of employees in each entity is described below.

MPA Construction Group is the primary trading entity within the corporate group, and employs thirty eight (38) employees, who are all normally based in both NSW and VIC. The employees are all project site employees, such as Site Managers who help to manage and coordinate subcontractors and activities at project locations.

MPA Group Services Pty Limited is an entity within the corporate group that is wholly owned by MPA Construction Group. It employs the most employees within the group, and provides the basic corporate support functions and office based project activities that support MPA Construction to deliver the projects that are contracted to it. MPA Group Services employs one hundred and eight (108) employees across various roles including project management, procurement, design, marketing, finance, people & culture, reception and executive roles.

All employees are employed in either MPA Construction Group or MPA Group Services, and all employees are employed under common law employment contracts. All employees are all paid well above the minimum wage threshold and are managed in accordance with Fair Work Australia requirements.

OUR PROJECTS

Construction of projects is performed by suppliers engaged by MPA Construction Group. Any new suppliers for construction projects must undergo an accreditation process, where they are assessed in various stages to ensure that they are financially viable, able to meet WHS requirements, and meet the commercial, policy and operating requirements set out by MPA.

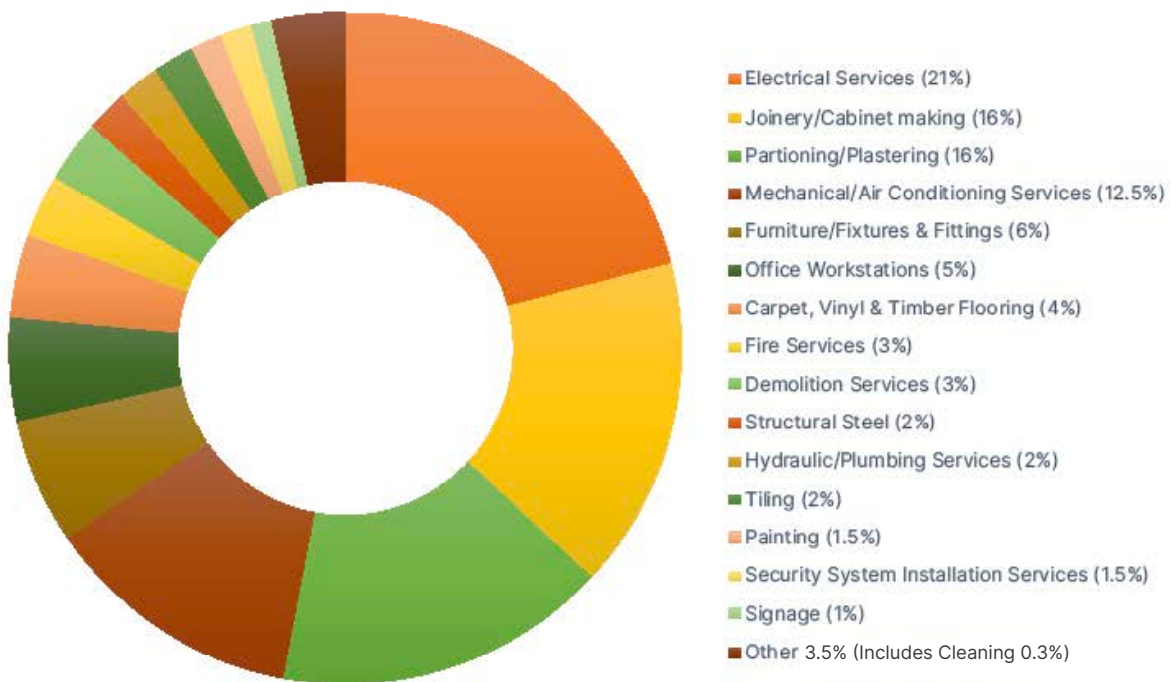
The bulk of project activity occurs in the CBD and metro areas of both Sydney and Melbourne. Some occasional project work is conducted in other locations such as Perth, Canberra and Brisbane as well as smaller cities such as Wollongong, Newcastle or Geelong.

MPA Holdings (Aust.) Pty Limited holds Lots in a commercial office investment property that it holds in 80 Cooper St, Surry Hills NSW.

2.3 SUPPLY CHAIN

MPA’s suppliers are predominantly located within Australia, although some suppliers may procure material items from overseas locations. Very rarely will MPA procure direct from overseas suppliers.

For the financial year 2022, MPA’s procurement spend was approximately \$228M. The distribution of this spend through our suppliers of construction materials, design and construction services is shown below:



During the reporting period, we also procured goods and services to support our office operations. These included insurance, travel, office rent (including utilities), telephone, professional services, IT services, legal services, IT hardware, software licences, training, PPE and corporate merchandise.

3 MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

3.1 IN OUR OPERATIONS

We consider that the risk of modern slavery in our operations remains low for the following reasons:

- (1) Our employees are all located in Australia.
- (2) Most of the roles performed by our employees are by tertiary qualified professionals and skilled workers.
- (3) We comply with all industrial relations laws and regulations.
- (4) Employees are paid at least award wages and all are paid above minimum wage.

3.2 IN OUR SUPPLY CHAIN

Labour hire, materials and construction services remain the main areas of exposure to modern slavery risk in respect of our supply chain. In terms of the risks in the supply chain supporting our head office operations, there are risks of modern slavery in office supplies, IT and telecommunications equipment and corporate merchandise.

As noted previously, the majority of our suppliers are based in Australia. However, we recognise that our suppliers are likely to source products from overseas which in turn creates risk in our own supply chain (both as a result of risk arising from where they were manufactured and also the process of transporting the products to Australia). The risks are heightened in relation to the materials used in the construction sector where the sourcing of raw materials and the manufacturing of products often occurs in countries where there are increased risks of forced labour, debt bondage, worst forms of child labour and other forms of modern slavery. Other factors that increase the risk profile for modern slavery in the construction sector are as follows:

- (1) prevalence of outsourcing
- (2) contract terms with low margins and significant pressure on delivery times
- (3) reliance on a migrant workforce with limited English competency and temporary visa arrangements
- (4) multiple sub-contracting arrangements with informal agreements
- (5) low barriers for entry for labour hire providers
- (6) dangerous or substandard working conditions, including:
 - workers who are not paid fairly or withheld entitlements
 - workers who may be required to work excessive hours
 - workplace safety concerns

We recognise the complexity of the global supply chains supporting our business and the importance of gaining greater visibility beyond the first tier of our supply chain.

4 ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

The actions taken to assess and address modern slavery risks in 2021/2022 are set out in Annexure A for completeness and we have set out below the actions we took during FY21/22.

The actions we have taken to meet our goals as described in our last statement are described in part 4 of this statement, which explains how we assess the effectiveness of our actions.

4.1 RISK ASSESSMENT

As mentioned in our 2020/2021 statement, we implemented a Modern Slavery Risk Assessment within our Supplier Accreditation program. Following the roll out of this program, we conducted a review of the responses provided to the questionnaire. 98 supplier questionnaires were reviewed and a summary of the results are set out below:

MPA MODERN SLAVERY QUESTIONNAIRE RESULTS FY21/22								
NO.	QUESTIONS	AUS/NZ ONLY	AUS/ EUROPE/ UK/US	AUS/ASIA/ LATIN AMERICA	YES	NO	COMMENTS	RISK
1	Company Location	95%	3%	2%			-	Low
2	Manufacture of Goods Location	67%	11%	22%			-	Low
3	Categories of high risk workers				14%	86%	The 14% surveyed use workers supplied by registered labour hire providers	Low
4	Employee recruitment fees				-	100%	No suppliers make employees or contractors pay recruitment fees. These are paid for by the company	Nil
5	Retaining of worker passports				-	100%	-	Nil
6	Labour Hire company risk				11%	89%	Labour hire companies are permitted to charge fees to the company not the worker and are not permitted to retain passports.	Low
7	Compliance with MPA's Supplier Code of Conduct				100%	-	-	Low

After our assessment of our suppliers Modern Slavery Questionnaires, it was identified that no suppliers were high risk. Hence the overall risk rating of our suppliers was assessed to be low - moderate. Furthermore the majority of our suppliers are Australian based (a low risk country for modern slavery).

During the Reporting Period, no incidences or practices of modern slavery were identified. In the event that our business is found to have caused or contributed to an actual instance of modern slavery, our immediate priority would be the safety and wellbeing of the victim and then to work with the supplier(s) in question to facilitate change of practices to minimise the risk of future recurrence. Specific remediation activities would be determined on a case-by-case basis to ensure the most appropriate and effective actions are undertaken.

In Victoria, all labour hire providers must be licensed. When engaging with Victorian labour hire providers, we continued to undertake checks to ensure that they are licensed.

4.2 RECRUITMENT

MPA's recruitment processes continued to ensure that:

- (1) Hiring is via registered recruitment agencies or direct placement, or employee referrals (standard interview practices are followed in either instance).
- (2) All employee are of the minimum age. Child labour is not to be used under any circumstances.
- (3) Processes are in place to check that all workers are working of their own free will (i.e. there is no slavery or servitude, forced or compulsory labour or trafficked labour).
- (4) MPA pays employees through electronic payroll systems.
- (5) All new hires must submit proof of work rights by either submitting a copy of their passport or birth certificate. If the new hires are on working visas, we conduct VEVO checks.
- (6) All candidates who are successful through the hiring process are offered employment which they have the opportunity to voluntarily accept by signing an employment agreement with MPA.
- (7) All new starters are required to complete the Modern Slavery Template module.

5 ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

MPA recognises the need to review the processes in place to assess modern slavery risks and to adjust those processes as and when required to ensure that it is responsive to emerging risks both in Australia and abroad and the potential impacts on our supply chain.

Responsibility for designing, implementing and assessing the effectiveness of our modern slavery program sits with MPA's Commercial & Procurement Director.

During the Reporting Period, we tracked our progress against the goals that we set for ourselves in 2021/2022 and we were able to achieve the following actions as noted below:

- (1) We implemented and completed Modern Slavery Training course for all MPA Employees and have retained records of satisfactory completion. This training is now conducted annually as part of our compliance training program.
- (2) We have updated all our relevant policies to take into consideration modern slavery risk and compliance. Our new Supplier Works Contracts has now been implemented into our contracting processes.
- (3) We have undertaken a review of the responses to our Modern Slavery Questionnaire by our newly accredited suppliers in an effort to better understand the modern slavery risks within our supply chain.
- (4) We have undertaken a review of published 2020/2021 Modern Slavery Statements from major that participate in our direct industry to inform our purchasing decisions.

5.1 2021/2022 MODERN SLAVERY GOAL TRACKING

NO.	GOAL	STATUS/PROGRESS	ACTIONS FOR FY2020/21
1	Implementation of a Modern Slavery Training course for all our staff	100% Complete for 2021/2022	Provide Modern Slavery Training to all new starters and ensure that all existing staff complete the training on an annual basis
2	Updating of our relevant policies to take into account modern slavery and compliance	100% Complete for 2021/2022	Take modern slavery into account if and when new policies are prepared
3	Reviewing of results from our Supplier Modern Slavery Questionnaire and identify higher risk suppliers	100% Complete for 2021/2022	Continue to issue the Modern Slavery Questionnaire to suppliers and review the responses provided
4	Improving ways that modern slavery concerns can be raised both internally and externally	0% Complete	Will be addressed in FY2022/2023 goals
5	Reviewing modern slavery statements of major suppliers to enable informed purchasing decision to be made	100% Complete for 2021/2022	Ensure that modern slavery statements of major new suppliers continue to be assessed

During the next reporting period FY2022/23 we have set ourselves goals to assess, address and mitigate modern slavery risks within our business. We have listed these in the table below.

5.2 NEW GOALS FOR FY2022/2023

NO.	GOAL
1	Improving ways that modern slavery concerns can be raised both internally and externally
2	Review the Modern Slavery Questionnaire and amend or include new questions that take into account emerging modern slavery risks
3	Commence a deep dive in collaboration with suppliers into the materials used in the furniture and flooring supplied to MPA
4	Include modern slavery terms in our contracts with suppliers

We will seek to assess the effectiveness of our actions by tracking against these goals during 2022/2023 and report on progress in our next Modern Slavery Statement

6 CONSULTATION AND APPROVAL

This report was produced in consultation with our Finance and People and Culture Department.

We have consulted with our owned or controlled entities in the development of this statement.

This statement was approved on 28 October 2022 by the board of MPA Holdings (Aust.) Pty Limited which is the principal governing body of the reporting entity, and it has been signed by the responsible members of the body, Benjamin Ritchie and Edward Singleton, in their capacity as Chairman and CEO respectively on the same date. The responsible members are also the same directors for each of the subsidiaries of the reporting entity.



Benjamin Ritchie
 Managing Director
 Date: 28 October 2022



Edward Singleton
 Managing Director
 Date: 28 October 2022

Annexure A



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1 EXISTING ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

1.1 RISK ASSESSMENT

We referenced this data to a modern slavery risk matrix provided to us by experts in the field of business human rights. The risk matrix allowed us to review our suppliers through the lens of industry and jurisdictional risks as well identifying the risks associated with products linked to child and forced labour as listed by the US Department of Justice data. The suppliers from the Reporting Period that provided goods and/or services from industries with higher modern slavery risks included:

1. Cleaning
2. Glass and Glass Product Manufacturing
3. Ceramic Product Manufacturing
4. Cement, Lime, Plaster and Concrete Product Manufacturing
5. Fabricated Metal Product Manufacturing
6. Waste Collection, Treatment and Disposal Services
7. Basic Material Wholesaling

Although we did not directly source products listed in the US Government's list of products linked to child and forced labour from the specified countries, we are mindful that modern slavery risks can exist in the supply chain of the businesses from which we procure bricks and carpets. These risks are mitigated to some extent by the fact that the bulk of our major suppliers are captured by the scope of the Modern Slavery Act 2018 (Cth) and are required to report on their actions to assess and address the risk of modern slavery in their supply chains.

1.2 SUPPLIER ACCREDITATION PROGRAM

All suppliers that intend to or have worked for MPA on a construction project are required to have successfully completed our accreditation program and then remain accredited which is reviewed every 12 months.

The supplier accreditation is a program that pre-qualifies our suppliers across numerous key attributes and benchmarks, these include:

1. Corporate Structure
2. Ownership
3. Trading History
4. Financial Capacity
5. Insurance Coverage
6. Indigenous Procurement
7. Capability and Capacity
8. Resourcing
9. Supplier Code of Conduct
10. Modern Slavery
11. Corporate Compliance
12. Industrial Relations
13. WHS, Quality and Environmental Systems compliance

By incorporating the above requirement, our aim is to communicate our commitment to only work with suppliers that are aligned to our values.



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