



**Buildcorp**

# Modern Slavery Statement 2020

Buildcorp Holdings Pty Limited

# Introduction

Modern slavery is a significant global issue, involving grave abuses of human rights and serious crimes. It includes human trafficking, slavery, servitude, forced marriage, forced labour or services, and the worst forms of child labour. The International Labour Organization (ILO) and the Walk Free Foundation estimates some 40 million people around the world are currently suffering some form of modern slavery.

Buildcorp respects the human rights of every person involved in our business. We do not accept any form of modern slavery in our operations and are committed to treating all workers fairly, ethically and with respect. We have policies in place to ensure we do not cause or contribute to modern slavery through our operations or business dealings. Our policies also help to create a culture of fair play and social responsibility as described in our core values.

To test the effectiveness of our policies, during the year, Buildcorp reviewed our policies and procedures to ensure we are effectively addressing the risk of modern slavery in our operations and supply chain. This review led us to strengthen our policy and governance documents which, together with their associated business processes, were subsequently reviewed by an independent expert.

This statement has been prepared by Buildcorp Holdings Pty Limited ACN 140 508 685 and developed in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) (the Act). It describes how Buildcorp has begun identifying, assessing and addressing modern slavery risks in our operations and supply chain in the year ended 30 June 2020, our values-based culture and determination to eliminate modern slavery from our supply chain and our plans to rapidly strengthen our modern slavery protocols across our subcontractor and supplier networks.

At the date of this statement, Buildcorp had not identified any instances of modern slavery in our operations or supply chain. However, we remain vigilant and recognise we must build on our existing modern slavery framework to ensure that we prevent and mitigate all forms of modern slavery. We have a long history of successful quality and process improvement initiatives. We plan to use similar practices to continually improve our ability to identify and eliminate modern slavery from our supply chain.



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## KEY TERMS

'Buildcorp' or 'The Group' or 'we/our' refer to Buildcorp Holdings Pty Limited ACN 140 508 685. 'year' refers to the financial year ended 30 June 2020, unless otherwise stated.

# Structure and operations

Buildcorp's business operations are headquartered in Sydney with offices in Brisbane and Melbourne. At 30 June 2020, we employed 316 staff under permanent, fixed term, part-time or casual contracts, or under enterprise bargaining agreements.

Buildcorp operates in the non-residential construction industry across three broad market sectors, each with similar supply chains:

- ▼ New build projects such as health, education, sporting facilities and commercial offices
- ▼ Fit-out and refurbishment projects, primarily in existing commercial office buildings
- ▼ Building remediation projects in residential, commercial and infrastructure facilities



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## New South Wales

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## Victoria

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Level 3, 31 King Street  
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# Supply chain and risk of modern slavery

This section describes the different aspects of our supply chain and our understanding of the risk of modern slavery across our business.



## Trades and subcontracting

On Buildcorp sites, most specialist trade works, such as plumbing, electrical and structural elements, are undertaken by subcontractors. In many instances, these subcontractors engage their own subcontractors or material suppliers. Buildcorp's subcontract engagement agreements require subcontractors to seek approval before subcontracting any of their own works, but we are realistic about the fact that, currently, this may not always occur in practice.

**Buildcorp deals with approximately 250 subcontractor businesses at any one time, with approximately 750 subcontractor lettings in the year to 30 June 2020. All of these subcontractors and nearly all their suppliers are domiciled in Australia. Many employ low or unskilled labour.**



## Operational procurement

In addition to subcontractor and/or supplier procurement, we also source a diverse range of goods and services including:

- Construction materials
- Plant and equipment hire
- Professional engineering services
- Workforce labour hire
- Business services and products including cleaning



## Imported construction materials

We recognise that, as our imported construction materials are sourced, processed and assembled, they may traverse several countries, which may have an elevated risk of modern slavery. The construction supply chain for raw materials is long, complex and often opaque, making it virtually impossible for end users to trace their origins. We will continue to work with our suppliers to push for greater transparency around modern slavery issues. However, our focus is our Tier 1 supply chain where our visibility and influence is greatest.

## Risk of modern slavery in our business

Our internal modern slavery risk analysis found that, as an Australian owned and operated business, Buildcorp's greatest exposure to modern slavery exists in our supply chain, particularly regarding imported construction materials. While we have deemed the risk of modern slavery on our sites as low, we also acknowledge there is a risk of modern slavery occurring in hidden parts of our operations and supply chain. We are particularly mindful of this type of risk in areas of our operations such as cleaning characterised by low skilled, sub-contracted or temporary labour.

# How we prevent and mitigate the risk of modern slavery

## Subcontractor and supplier due diligence

The vast majority of our supply chain businesses would be classified as small to medium enterprises (SMEs) employing fewer than 200 employees (using the ABS definition of SMEs). Many are quite small 'husband and wife' businesses, which may not yet be aware of modern slavery issues.

We recognise that due diligence enquiries with our subcontractors and suppliers is the single most important step we can take to avoid, identify and remediate instances of modern slavery in our operations and supply chain.

In the later part of the 2021 financial year, we will begin implementing systems and processes with our suppliers and subcontractors to establish modern slavery avoidance, identification and remediation. This will include awareness campaigns, and supplier and subcontractor due diligence exercises, which will run into the 2022 financial year.

Initial activities to support ongoing due diligence activities will include:

- ▶ Conducting an independent risk screening assessment of our supply chain to identify key vulnerabilities
- ▶ Introducing a modern slavery questionnaire to be used when selecting subcontractors
- ▶ Using a modern slavery questionnaire when undertaking mandatory site inductions

During the 2022 financial year and beyond, Buildcorp will implement a range of treatment strategies to address any concerns identified during the subcontractor assessment process. These treatments are intended to address risk while also supporting our suppliers with modern slavery education, so SMEs are not disadvantaged.

We intend to take an escalation approach to our process of due diligence encompassing:

- ▶ **Clarification** – where additional visibility or context is required
- ▶ **Education** – raising supplier understanding and awareness of modern slavery risks
- ▶ **Enhanced assessment** – additional supplier assessment activities such as onsite focused audits of labour right and hiring practices
- ▶ **Remediation** – when modern slavery practices are suspected or found, we will firstly protect any person through the appropriate avenues and secondly work with the supplier to improve practices



We recognise that due diligence enquiries with our subcontractors and suppliers is the single most important step we can take to avoid, identify and remediate instances of modern slavery in our operations and supply chain.

# Policies and governance

The Buildcorp Governance and Risk Committee is responsible for overseeing our governance and risk management, including our modern slavery framework. Supporting the modern slavery framework are a set of policies outlining Buildcorp’s commitment and expectations in relation to modern slavery.

In the 2021 financial year, we will establish an employee-based Modern Slavery Working Group that will report to the Governance and Risk Committee. The Working Group will have day-to-day responsibility for implementing the modern slavery policies and procedures mandated by the Governance and Risk committee. The Working Group will initially comprise employees from our three Sydney-based businesses together with a representative from Buildcorp’s group services area. In time, this may be expanded to include representatives from the Queensland and Victorian businesses.

Buildcorp’s modern slavery framework aims to prevent, detect and respond to incidents of modern slavery abuses in our operations and supply chain. The framework aligns with the Group’s overarching risk management framework as depicted below.

## Buildcorp Risk Management Framework



Policy	Purpose
Supplier Code of Conduct	Outlines Buildcorp’s minimum expectations of the conduct of our subcontractors and suppliers in the areas of labour, human rights, integrity, ethics, health, safety, environment, and tax compliance.
Standards of Business Conduct	Provides guidance on the expected behaviour of all Buildcorp employees.
Anti-Slavery Policy	Outlines Buildcorp’s commitment to respecting the human rights of every person involved in our operations, supply chain and communities.
Anti-Bribery Policy	Outlines Buildcorp’s zero tolerance to any form of bribery or corruption as we conduct our business and operations.
Whistleblower Policy	Provides a reporting framework through which Buildcorp employees, subcontractors, suppliers and members of the public are able to report instances of actual or suspected unethical or unlawful conduct, without fear of reprisal.
Sustainability Policy	Outlines Buildcorp’s commitment to developing our business sustainably by effectively managing economic, environmental and social risks and opportunities.

### The key objectives of the Buildcorp Governance and Risk Framework are to:

- ▶ Improve safety performance
- ▶ Maintain a sound statutory and regulatory compliance regime
- ▶ Increase client satisfaction
- ▶ Heighten organisation wide risk management awareness and practice
- ▶ Improve financial performance



# Engagement and collaboration

Buildcorp's modern slavery framework was developed by the group's major trading entity: Buildcorp Group Pty Limited. All elements of Buildcorp's modern slavery framework, including risk management, risk identification and risk remediation are consistent across all Buildcorp's businesses.

To date, apart from some initial collaboration with several competitors, little engagement has taken place with external parties.

In the 2021 financial year, we intend to increase our engagement with third parties such as the Supply Chain School and other service providers.



# Buildcorp's values

Construction has been Buildcorp's core business for 30 years. However, the evolution of our family-owned business has differentiated us beyond just what we do. Our culture is built on the values outlined below, which we put into action every day. Our difference goes beyond policies. It comes from who we are, what we stand for and how we put that into practice every day. How we treat our people, partners and community matters to each of us, which is why we are so strongly invested in eliminating modern slavery from our supply chain and operations.



# Employees and labour hire



Nearly all Buildcorp's employees are employed directly and under permanent, fixed term, part-time or casual contracts, or under enterprise bargaining agreements. These arrangements significantly reduce the likelihood of modern slavery.

All Buildcorp employment contracts meet or exceed applicable employment legislative standards.

Like many other employers in our industry, Buildcorp makes use of workforce labour hire arrangements, working with reputable organisations to provide these services. We are mindful that this means we may not always have direct supervision over our third-party workforce or complete transparency over their terms and conditions of employment.

We are encouraged that the Construction, Forestry, Maritime, Mining and Energy Union plays a worthwhile role in our industry to deter activities that might lead abuses of under payment of worker entitlements through its periodic review of subcontractor's payroll records.

In future, we plan to review the practices of labour hire organisations to assure they are following due diligence and correct processes.

## Training and awareness

Improving awareness of modern slavery is a critical aspect in identifying and addressing risk. During the year, we updated our Supplier Code of Conduct and Standards of Business Conduct to include modern slavery and labour rights awareness.

Beginning in the second half of the 2021 financial year, all Buildcorp employees will be required to undertake periodic modern slavery awareness training.

Similarly, during the 2021 financial year, we plan to initiate several activities across all work sites to raise the awareness of modern slavery legislative requirements.

## Reporting of human rights concerns

Under our Anti-Slavery policy, Buildcorp has established a mechanism that allows employees, subcontractors, suppliers, clients and members of the public to anonymously report instances of actual or suspected modern slavery associated with the Company's operations. In the coming year, we will actively promote this anonymous grievance mechanism to our suppliers/supply chain.

This will be reinforced with staff as part of their modern slavery training.

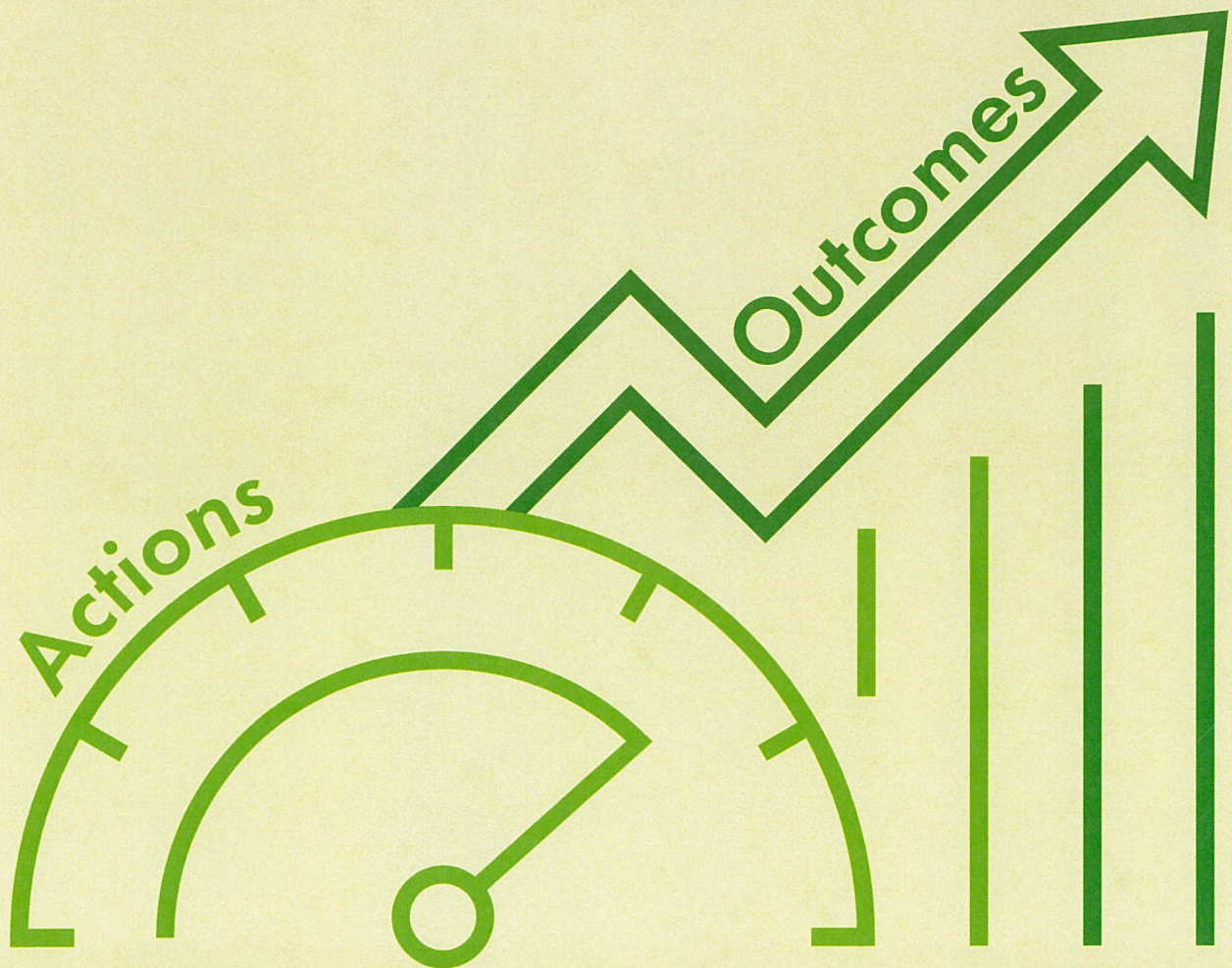


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# Measuring the effectiveness of our modern slavery framework

The principal focus during the year has been on developing our modern slavery framework and implementing its associated processes and procedures. As such, Buildcorp has yet to implement a structured approach for measuring the effectiveness of its actions in addressing modern slavery risks.

Our objective in the next 12 months is to continue to improve the Group's processes and procedures and develop a program that will track our modern slavery actions and outcomes, enabling us to establish metrics and targets and measure their effectiveness.

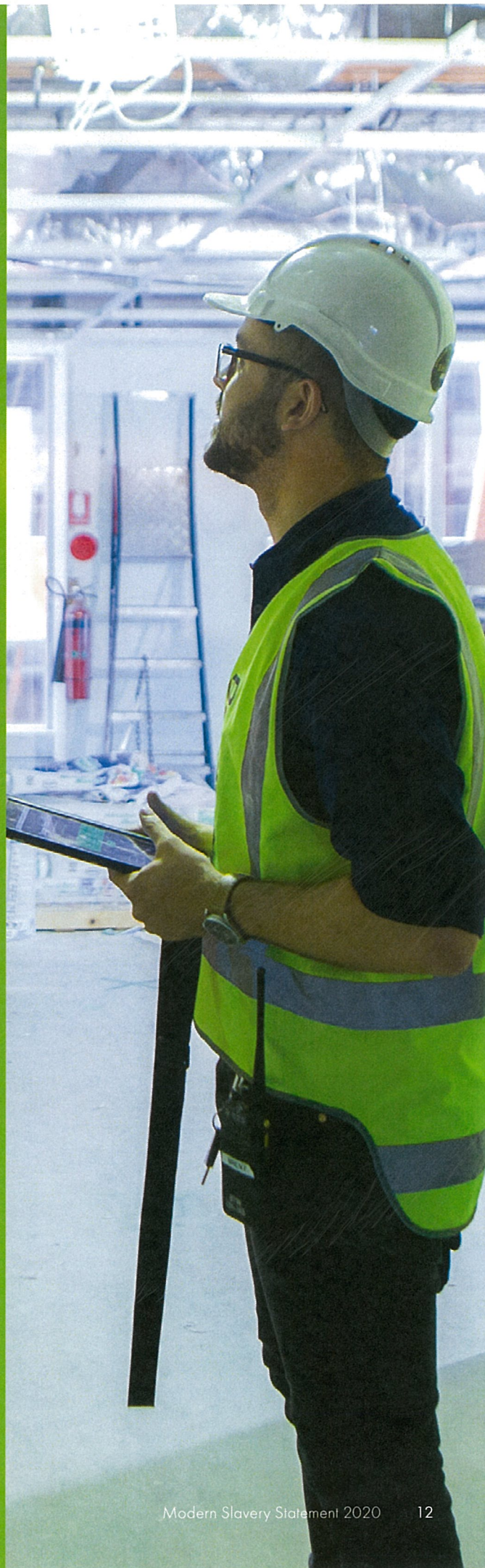


# Continuous improvement

Buildcorp is committed to continuously improving our modern slavery journey.

Current or planned actions to build on our framework, which will be reported against in subsequent statements, include:

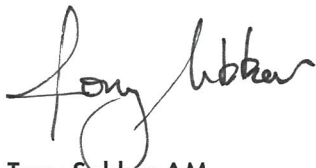
- ▶ Developing a purpose built online modern slavery training module
- ▶ Providing periodic modern slavery awareness training for Buildcorp employees
- ▶ Establishing an employee-based Modern Slavery Working Group
- ▶ Commissioning an independent modern slavery risk assessment
- ▶ Implementing modern slavery awareness campaigns for subcontractors on project sites
- ▶ Implementing initial modern slavery due diligence enquiries at the time of subcontractor engagement
- ▶ Including components of our modern slavery framework in our project management planning system
- ▶ Initiating a collaborative approach with competitors to standardise modern slavery due diligence processes with subcontractors
- ▶ Reviewing the use of our grievance mechanism to ensure it is effective



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# Approval

Approved by the Sole Director of Buildcorp Holdings Pty Limited.



**Tony Sukkar AM**  
Director

19 March 2021

# Appendix A

This statement applies to Buildcorp Holdings Pty Limited (ultimate holding company), its wholly owned entities and the entities it controlled at 30 June 2020:

<b>Company</b>	<b>Percentage Ownership</b>	<b>Country of Incorporation</b>	<b>Australian Company #</b>	<b>Registered Office</b>
Buildcorp Group Pty Ltd	100	Australia	091 336 168	Level 4 10 Mallett Street Camperdown NSW 2050
Buildcorp Infrastructure Solutions Pty Ltd	100	Australia	099 362 286	Level 4 10 Mallett Street Camperdown NSW 2050
Buildcorp Contracting NSW Pty Ltd	100	Australia	003 922 825	Level 4 10 Mallett Street Camperdown NSW 2050
Buildcorp Interiors Pty Ltd	100	Australia	073 932 788	Level 4 10 Mallett Street Camperdown NSW 2050
Buildcorp Securities and Investments Pty Ltd	100	Australia	055 880 585	Level 4 10 Mallett Street Camperdown NSW 2050

# Appendix B

This statement was prepared to meet the mandatory reporting criteria set out in the Modern Slavery Act 2018 (Cth). The table below identifies where each criterion is disclosed within the different sections of the statement.

<b>Modern Slavery Act (Cth) criteria</b>	<b>Buildcorp Modern Slavery Statement 2020</b>
Identify the reporting entity	Introduction (page 3)
Describe the reporting entity's structure, operations and supply chain	Structure and operations (page 4) Supply chain and risk of modern slavery (page 5)
Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity and any entities it owns or controls	Supply chain and risk of modern slavery (page 5)
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	Subcontractor and supplier due diligence (page 6)
Describe how the reporting entity assesses the effectiveness of these actions	Measuring the effectiveness of our modern slavery framework (page 11)
Describe the process of consultation with entities that the reporting entity owns or controls	Engagement and collaboration (page 8)
Provide any other relevant information	Continuous improvement (page 12)

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**Buildcorp**