



Modern Slavery Statement

FY 2021-2022

DESIGN CONSTRUCT DELIVER



We love what we do
We have passion
We have pride

Our mission is to ensure
innovative and
progressive built products
for our clients and, to
continuously demonstrate
that we are personable,
professional and client
focused.



Introduction

In this, our inaugural statement, we detail how we are reviewing our business operations and, working with our business partners in detecting the risks of modern slavery in our business and supply chain in accordance with the requirements of the Modern Slavery Act 2018 (Cth).

CIP provides design and construction management services for clients across the industrial and commercial sectors.

Our experience and innovativeness combine to deliver exceptional service to our clients.

Our experience and inter-disciplinary knowledge in proven building practices, spans from small distribution facilities to technically advanced business parks and industrial facilities.

Our in-house teams are involved throughout the design and delivery process to ensure that each component meets or surpasses best practice construction.

Our transparent and open approach in communication is reflected in the long-term relationships that we develop with our Clients, Consultants, Subcontractors and Suppliers.

Our business is driven by our collective efforts and, we place importance on good communication, mentorship, teamwork, knowledge and expertise.

We know that our team members are our most important asset and we actively encourage diversity, in all its facets, in our teams.



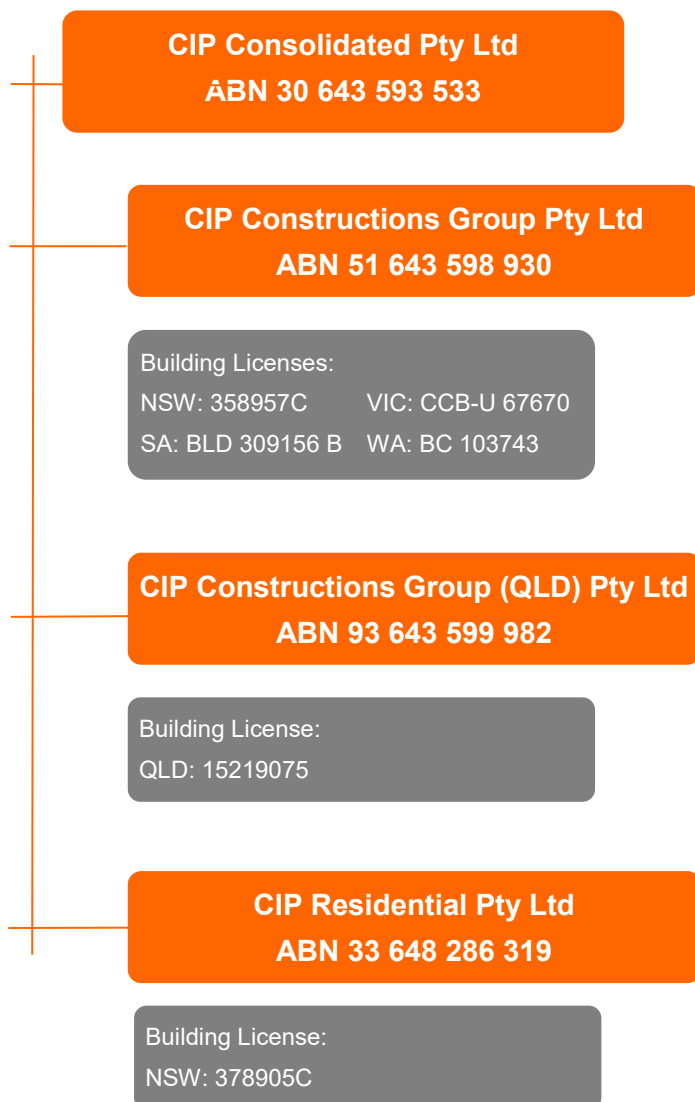
Who we are

CIP is Australian, family-owned national business with offices in New South Wales, Queensland, Victoria and South Australia.

Our construction capabilities centre on the industrial and commercial sectors, servicing a wide range of well-known developer and commercial clients.

Our projects are delivered via early contractor involvement, design and construct, managing contractor, and traditional construction methods of procurement.

CIP comprises the following entities which are registered in Australia and, governed by a board of directors:



References in this Statement to **CIP** refers to the reporting entities of:

- ◆ CIP Consolidated Pty Ltd
- ◆ CIP Constructions Pty Ltd
- ◆ CIP Constructions Group (QLD) Pty Ltd

Our construction business is delivered through CIP Constructions Pty Ltd and CIP Constructions Group (QLD) Pty Ltd, both of whom are managed by our CEO, supported by a national management team.

Our state-based business units are managed by their respective Construction Managers.

While CIP Consolidated Pty Ltd provides corporate support, our supply chain is managed by CIP Constructions Pty Ltd and CIP Constructions Group (QLD) Pty Ltd.



Our supply chain

CIP operates as the head contractor on all projects.

We partner with a large number Australian-based service providers, suppliers and subcontractors to deliver goods and services to and for our projects.

Our supply relationships are direct with our business partners and we do not procure from any overseas countries.

Our procurement for project delivery, through our supplier network, accounts for approximately 80% of our purchasing activity.

Works completed by subcontract companies are primarily delivered on “supply and install” basis, while services provided by suppliers and Consultants are on a “supply-only” basis.

The balance of our procurement activity centres around overhead and management costs for state and site offices requirements.

The significant majority of goods and services for our project and business operations are sourced from within Australia. However some goods which are provided by subcontractors on a supply and install basis, are known to be sourced from other countries including China, Germany, Spain and Italy.

Steel products and façade systems (e.g. aluminium framed and glazed façade systems) and some stone-based products are known to be imported from China.

Imports from other countries include vertical transport services (e.g. lifts), specialist electrical services componentry and equipment and tiling products.



Managing our Risk

Assessing the risk

To determine the scope of risk across our supply chain we used the following evaluation criteria:

- ◆ **Sector / industry:** informal or unregulated; have little visibility over lower tier suppliers; have high levels of seasonal work; have low pay
- ◆ **Product / service:** where creation of the product is resultant from low wages and high manual labour
- ◆ **Geographic risk:** countries with poor governance, weak rule of law, or that are vulnerable to conflict
- ◆ **Supply chain model:** companies with complex supply chains that are difficult to monitor; companies who use subcontractor or labour hire; entities with a history of non-compliance, which are poorly managed / have inefficient procurement and sourcing processes
- ◆ **Spend value:** the value of annual spend by CIP per trade across all States

To assess risk, we mapped out our supply chain by identifying our top 50 subcontractors, suppliers and service providers across our project and business operations.

We then evaluated each against the five risk criteria and identified that:

- ◆ 60% were assessed as Low (L) risk, 34% as Medium (M) and 6% as High (H)
- ◆ those identified as Medium (M) risk were assigned a higher risk on the basis that they procure goods from overseas countries with documented sector/industry or geographic risks
- ◆ those identified as High (H) were suppliers which are widely known to use high levels of contract labour in both production and installation

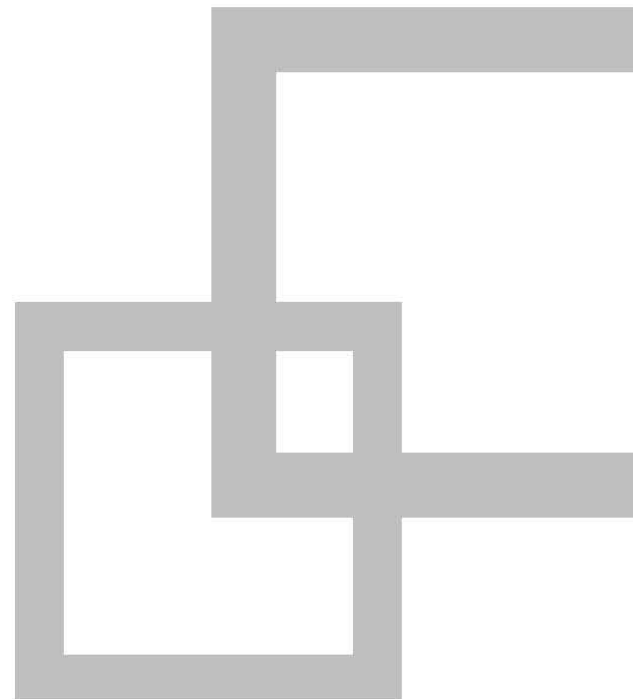
We note that we have no reason to believe that any of the above noted as High or Medium risk entities have engaged in modern slavery. They are only identified as part of our risk analysis for further consideration.

While our supply chain is based in Australia, we acknowledge that other risks may arise in the way that products are procured from direct subcontractors and suppliers are produced in or supplied from other countries.

Actions taken

The key activities that we completed in this reporting period are:

- ◆ **Supply Chain mapping:** we reviewed our suppliers (suppliers, subcontractors and service providers) to identify our top 50
- ◆ **Spend value:** we completed an assessment of spend value across all projects against the mapped supply chain
- ◆ **Supplier engagement:** we updated our pre-qualification questionnaire to include responses to Modern Slavery and international procurement
- ◆ **Tender Evaluation:** we enhanced our tender evaluation process to include compliance confirmation to Modern Slavery, Anti-Bribery and Corruption (ABAC) and Money Laundering
- ◆ **Contracts:** we incorporated Modern Slavery, Anti-Bribery and Corruption (ABAC) and Money Laundering statements into our Subcontract and Consultancy Agreements, requiring suppliers to provide warranty that modern slavery practices do not exist in their supply chain
- ◆ **Training:** we commenced awareness training for our team members to enable them to understand and recognise the risks of modern slavery in our business
- ◆ **Policy development:** we developed policies for Modern Slavery, Anti-Bribery and Corruption (ABAC) and Money Laundering with the aim of publishing them in the first quarter of 2022-2023



Assessing effectiveness

The focus of our first reporting period has been to:

- ◆ construct the framework for assessing and evaluating our supply chain risks
- ◆ enhance our procurement practices and documentation
- ◆ provide information and training to our teams

Our monitoring process is developing and we intend to implement key performance indicators, such as:

- ◆ completing an annual risk evaluation against our key, identified suppliers
- ◆ monitoring that all personnel, including new hires, have completed modern slavery training
- ◆ identifying suspected or actual modern slavery incidents and undertaking remediation



Future Actions

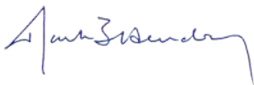
As this is our inaugural statement, we recognise there further actions can be implemented to assess and address the risk of modern slavery in our business and supply chain.

In FY 2022/2023 we will be focussing on:

- ◆ consolidating our risk evaluation process
- ◆ ensuring that all of our suppliers, including long term partners, have participated in the new pre-qualification process
- ◆ providing information to our suppliers to enable them to manage Modern Slavery risks in their own supply chain

Statement of Approval

- ◆ This statement is issued by CIP Consolidated Pty Ltd (ABN 30 643 593 533) and covers CIP Constructions Group Pty Ltd (ABN 51 643 698 930) and CIP Constructions Group (QLD) Pty Ltd (ABN 93 643 599 982), each being a “reporting entity” for the purposes of the Modern Slavery Act 2018 (Cth).
- ◆ This statement has been prepared in accordance with the requirements of the Modern Slavery Act 2018 (Cth) and explains the actions taken by CIP to assess and address modern slavery risks in our operations and supply chain during the reporting period from 1 July 2021 to 30 June 2022.
- ◆ This statement was approved by the Board of each of the reporting entities on 20 July 2022.



Mark Hendry
Chief Executive Officer

A national construction company with roots in commercial and industrial property, our capabilities extend beyond that of other builders.

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