

MODERN SLAVERY STATEMENT 2020/2021 Rev 2

1 Introduction

- 1.1 This statement is made by Kajima Icon Holdings Pty Ltd (ACN 617 584 175) pursuant to the *Modern Slavery Act 2018* (Cth) and sets out the actions taken by it and its subsidiaries (together, “Icon”, “we”, “us” and “our”) to assess and address modern slavery and human trafficking risks within our business and supply chain for financial year ending 31 December 2021 (Reporting Period) and actions taken to address those risks in 2021.

2 Our structure, operations and supply chains

2.1 Structure

Icon is made up of several entities that provide construction and other services to third parties and internally. Icon is wholly owned by Kajima Icon Holdings Pty Ltd (KIH), KIH is wholly owned by Kajima Construction Australia Pty Ltd whose ultimate parent is Kajima Corporation a Japanese publicly listed construction company headquartered in Tokyo. Icon’s registered office is 110 Cubitt Street Richmond VIC 3121 (refer below).



The legal entities within the KIH Group trade using various brands, namely Icon, Minicon, Barpa and Interface.



The brands are described below in more detail.

	<p>Minicon delivers projects at small to medium project values across many sectors, including health and science, technology, education, commercial and high-end residential.</p> <p>Minicon operates autonomously and with independence whilst benefiting from the expertise, financial capacity and corporate strength afforded by Icon Construction and Kajima Australia. Minicon shares financial, OHS & E, IT and innovation and IP resources with Icon and Kajima.</p>
	<p>Barpa is an Indigenous joint venture between the majority owners, the Federation of Victorian Traditional Owner Corporations (51 per cent), and Icon, which provides expertise and additional staff to support Barpa’s growth and development.</p>
	<p>Interface delivers cladding and façade solutions across Australia and New Zealand. This brand was not active during the Reporting Period.</p>

2.2 Operations

Icon has offices in Victoria, New South Wales, Queensland, North Queensland, Australian Capital Territory, Northern Territory, Western Australia and New Zealand. Our operations include the Bendigo GovHub Joint Venture (with Fairbrother) in Victoria and Yulu Joint Venture (with Njamal Resources Enterprises) in Western Australia. These Joint Ventures have been included in this statement and the risk assessment provided below.

During the Reporting Period, Icon employed approximately 793 staff of which 17 were casuals, 732 were full time and 44 were part time. The roles performed by our employees included:

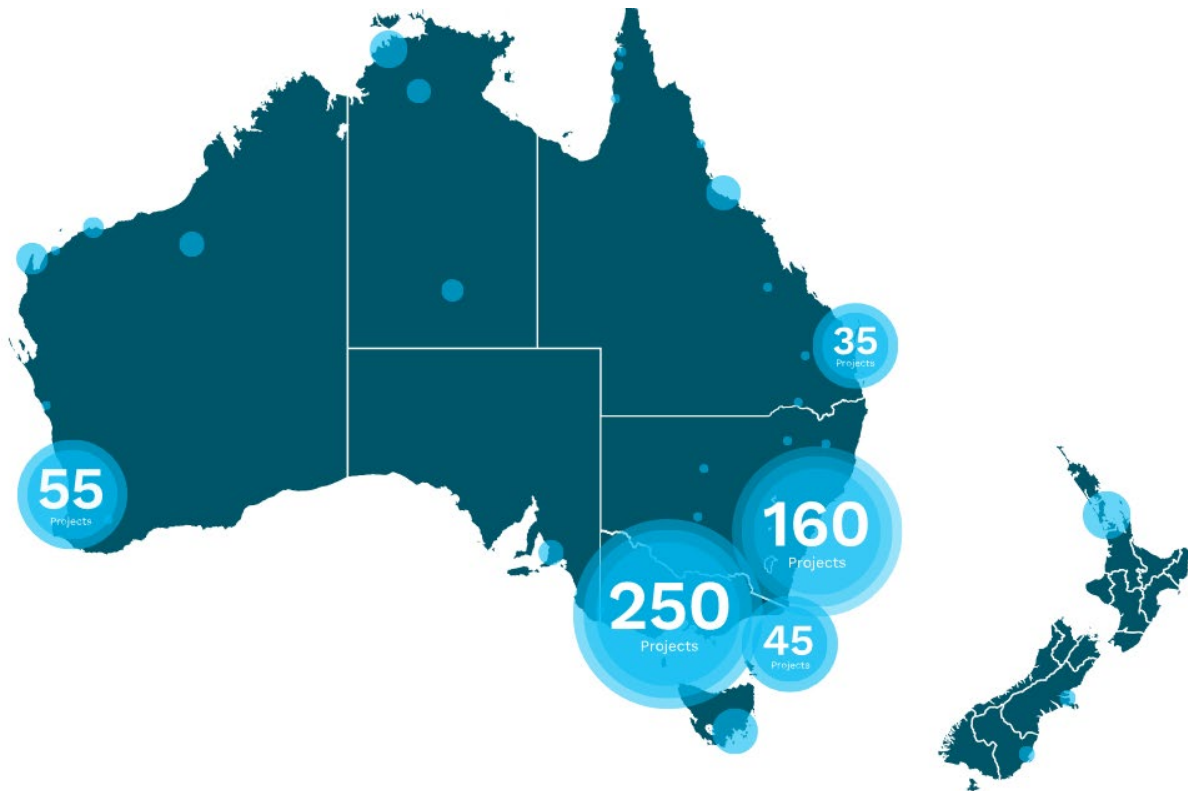
- Construction workers
- Graduates / cadet
- Project coordinators
- Design (design coordinator, design manager)
- Services (service coordinator, service manager)
- Planning
- Estimating
- New business
- Submissions coordination
- Compliance
- Legal
- Site supervision
- Site Management
- Project Management
- Construction Management
- Commercial (contract administrator, Contract manager, commercial manager)
- Finance (Accounts payable / receivable, payroll, financial accountant, CFO, Group CFO)
- Human resources (HR BP, Group HR Manager)
- Administration (receptionist, administration assistant, executive assistant)
- Director
- Safety (Safety Coordinator, Safety Manager)
- Quality (Quality coordinator, Quality Manager)

Our projects

Construction of projects is performed by suppliers engaged by Icon. 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 OWH&S requirements, and meet the commercial, policy and operating requirements set out by Icon.

Our projects are predominately in the following sectors and located in Australia and New Zealand as shown in the map below as well as a project in Vanuatu:

- Aged care/retirement
- Commercial/retail
- Data centre
- Defence
- Education
- Government
- Healthcare
- Hotels/leisure
- Industrial
- Laboratories/R&D
- Pharmaceutical
- Residential/student accommodation
- Sports
- Technology



2.3 **Supply chain**

Icon's supply chain has remained unchanged since the 2020 Statement and continues to include suppliers of construction materials, plant and equipment, various tradespeople and labourers, IT and communications services, software and hardware, professional services and consultants, utilities and facilities.

Our suppliers continue to be predominantly located within Australia, although some may procure material items from overseas locations. In addition to our Australian suppliers, we have a significant number of suppliers domiciled in China including those who supply us with Façade and Joinery.

We continue to not always be aware of the origin of construction materials supplied to us.

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 is low for the following reasons:

- our employees are all located in Australia and New Zealand;
- we comply with all industrial relations laws and regulations; and
- employees are paid above award wages and construction workers are paid in accordance with the relevant industrial instrument within each jurisdiction.

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.

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 modern slavery. For example, granite from Nigeria, timber from Vietnam and Cambodia and steel from Bangladesh are products linked to child and forced labour according to the US Department of Labour.

Other factors that increase the risk profile for modern slavery in the construction sector are as follows:

- outsourcing
- contract terms with competitive margins and pressure on delivery times
- some reliance on a migrant workforce with limited English competency and temporary visa arrangements
- visibility over supply chains and sub-contracting arrangements
- use of labour hire providers
- dangerous or substandard working conditions outside direct control, including:
 - workers who are not paid fairly or withheld entitlements
 - workers who may be required to work excessive hours
 - workplace safety concerns

3.3 Preliminary Supplier Risk Assessment

During the initial reporting period in 2020 we conducted a preliminary assessment of our first tier suppliers by reference to industry risk. Those suppliers that provided goods and/or services from industries with higher modern slavery risks included:

- Site cleaning
- Cement, Lime, Plaster and Concrete Product Manufacturing
- Fabricated Metal Product Manufacturing
- Waste Collection, Treatment and Disposal Services
- Basic Material Wholesaling
- Repair and maintenance
- Postal and Courier Pick-up and Delivery Services
- Personal protective equipment and uniforms
- IT and telecommunications hardware
- Façade and joinery fabrication

During the 2021 reporting period, there have been no changes required to the original assessment and no incidences or practices of modern slavery identified. No Façade and Joinery fabrication goods and/or services have been identified as sourced from Xinjiang province in China.

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.

We remain specifically cognisant of the continued risks involved in our project in Vanuatu and proposed business expansion in the Pacific region where the minimum working age is 12 years of age for non-intensive labour and 15 years of age for hazardous work. As a result, there have been reports of 'child-swapping' processes which is essentially child trafficking. Human trafficking into Vanuatu is a known risk due to the border being largely unpatrolled and illegal migrants having little to no rights. The minimum wage in Vanuatu is significantly lower than Australia, with VT220 per hour being the minimum wage which equates to AUD2.68 per hour. In light of these risks, for this project Icon conducts worker eligibility checks, in relation to the right to work in Vanuatu and meeting the minimum legal working age.

4 Actions taken to assess and address modern slavery risks

4.1 Operations

The KIH board of directors has overall responsibility for our Modern Slavery policy and processes and their implementation to comply with legal and ethical obligations. Managers at all levels are responsible for ensuring those reporting to them also understand and comply and we expect our employees, contractors and suppliers to raise concerns about suspected modern slavery associated with the Company or our partners or suppliers.

Our four core values define who we are and how we operate.

- **Think people** – people are our business. We look out for each other and create safe, healthy workplaces that celebrate diversity.
- **Act together** – we are stronger together and our actions speak louder than words. Our people embody a collaborative spirit with clients, partners, and local communities.
- **Create possibilities** – we know it takes hard work to get the job done. We are open minded, and solutions driven and take responsibility for our action and demonstrate leadership in the face of adversity.
- **Earn success** – we consistently challenge ourselves. Innovation, problem solving and continuous improvement are the basis of everything we do.

We recognise that people are our most important asset. We seek to ensure that our workplaces are safe and healthy for our people and other stakeholders and value diversity in our people. With a 'people come first' culture, we advocate equal opportunity and aim to make all employment decisions based on merit and without discrimination.

Icon's recruitment practices require that:

- (1) labour hire used for site based labour is sourced via registered recruitment agencies and the workers benefit from an industrial instrument;
- (2) every successful applicant must provide a copy of two forms for proof of age which is collected prior to commencement;
- (3) Icon pays employees in excess of minimum wage;
- (4) 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 Icon; and

- (5) Any recruitment agencies engaged by Icon are required to accept our standard terms and condition which exclude any recruitment fees being charged to candidates.

During the initial 2020 Reporting Period, Icon completed the preparation of a Human Rights Policy, revised our Whistleblower Policy, revised the Recruitment Policy, developed the internal training pack and revised our Code of Conduct.

In 2021 our actions to address modern slavery risks in our overall operations included:

- management and divisional training
training sessions in relation to modern slavery were conducted across the business including for selected project teams as required to communicate our policies and processes.
- management of client and project queries
we provided a coordinated response to all client and project queries and modern slavery requirements.
- monitoring of industry improvements
continued to identify industry developments and compliance improvements via the media, our peers, liaison with our legal advisers and Australian Border Force updates.

Supply chain

We continue to work with clients and suppliers to ensure that all our endeavours are strategically and culturally implemented to achieve:

- (1) economically sustainable development,
- (2) protection of the environment, and
- (3) social enrichment.

During the initial 2020 Reporting Period, our actions to address modern slavery risks in relation our project in Vanuatu included updating the Supplier Code of Conduct, revising contract management procedures, revising supplier tender documentation, revising the subcontract statutory declaration and preparing a supplier questionnaire.

A compliance audit was undertaken on the Vanuatu project in September 2021 to ensure contractual compliance and implementation of Modern Slavery strategies to manage the risk in Vanuatu. No significant risks were identified during the audit, however the process of embedding Modern Slavery risk assessment procedures in the project is ongoing and is being used to support the development of processes across the group.

In 2021 further actions to address modern slavery risks across all our supply chains included:

- updating project commercial audits
project team understanding of Icon modern slavery policies and processes is now reviewed during all commercial audits (minimum of one audit per project).
- refinement of the risk & action plans
an ongoing review and revision of the core modern slavery procedural documentation to increase effectiveness and alignment to procurement procedures.
- identification of divisional pilot projects

liaised with all divisions to identify appropriate projects to further implement our modern slavery risk assessment procedures in 2022. These will become pilot projects which will be used to test and refine our processes design to manage Modern Slavery risk on a project basis including embedding risk assessment in our BAU operations.

5 Assessing the effectiveness of our actions

During the 2021 reporting period, we finalised and implemented the following systems and processes to improve our capability to assess and address modern slavery risks in the operations and supply chain of our project in Vanuatu thereby achieving each of the goals in our 2020 Statement.

- updated supplier agreements
- revised tender documentation
- annual supplier questionnaire
- updated Whistleblower Policy
- contract management procedures

Also, as part of our 2020 Statement goals, we also undertook internal management and executive consultations to identify and draft the most appropriate and pragmatic methods by which these updated processes and documentation could be progressively adopted across our general operations and supply chains.

During the next Reporting Period, we will seek to further promote and implement our modern slavery compliance systems and processes progressively across the business via the selected pilot projects and increased collaboration with the Offshore Procurement Team and assess our effectiveness by:

- fully implement those pilot projects identified across Icon divisions
- improve awareness of modern slavery and foster non pilot projects adoption of measures to manage modern slavery risks
- implementing modern slavery compliance audits for all pilot projects & Vanuatu
- increase scrutiny during commercial audits (all projects)
- mandate modern slavery questionnaires for all procurement
- reviewing supplier questionnaire responses and develop effective actions to respond to risks identified
- increase collaboration with the Offshore Procurement Team
- deliver modern slavery training for all project commercial teams
- monitoring industry improvements and peer performance

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

6 Other information

Impact of COVID-19

During the 2021 reporting period the COVID-19 pandemic continued to have a significant impact on the constructor sector and continues to significantly affect our procurement and supply chains across the business.

During the majority of 2021 our construction sites remained open and we were allowed to continue operating, though we were required to adapt with COVID safe processes. PPE such


as masks and sanitizers were purchased to comply with safety procedures. However due to critical time constraints we were unable to carry out due diligence in relation to the supply chain of the PPE purchased.

We continued to pay suppliers on time and in accordance with legislative requirements.

7 Consultation and approval

The board representatives of all owned/controlled entities in the Kajima Icon Holdings group received a Modern Slavery Briefing convened by the Group HR Manager and Group Business Systems Manager outlining the Modern Slavery compliance obligations, risks and mitigation actions completed in 2021 and to be actioned during 2022.

This Statement was approved by the Board of Directors on 28 / 06 / 2022



Evan Byrne
 CEO/Managing Director
 Kajima Icon Holdings
 Date 28/06/2022

Reporting Criterion	Page
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	1
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	3
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	5
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	7
6. Describe the process of consultation with any entities the reporting entity owns or controls	8
7. Any other relevant information	-