



The Civilmart Group

Modern Slavery Statement

2021-2022

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About this Statement

This statement is prepared in accordance with the Modern Slavery Act 2018 (Cth) (the Act) and sets out the approach of CTC Precast Pty Ltd (CTC) to identify and address modern slavery risks in its operations and supply chain during the financial year ending 30th June 2022.

In accordance with section 14 of the Modern Slavery Act 2018 (Cth), this is a joint statement covering CTC Precast Pty (ABN 12 614 966 059) and its subsidiaries CTC Management Pty Ltd (ABN 16 652 733 947), Precast Civil Industries Pty Ltd (Precast) (ABN 78 615 726 924), Concrete Solutions Holdings Pty Ltd (ABN 53 651 776 251), Concrete Solutions Operations Pty Ltd (ABN 89 651 777 212) and Rocla Pty Ltd (ABN 31 000 032 191).

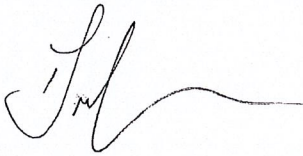
CTC's registered office is Level 13, 664 Collins Street, Docklands, Victoria.

Introduction

We acknowledge our role in safeguarding human rights through ethical and sustainable business practices. Our Responsible Procurement Framework is an expression of our commitment to corporate responsibility, leadership, respect, social responsibility, and accountability for our behaviours.

Our third modern slavery statement demonstrates our commitment to continuously improving efforts to identify, manage and mitigate modern slavery risks in our operations and supply chain. We are proud of the action we have taken throughout this reporting period, to embed responsible procurement across our operations and supply chain, and to establish a more comprehensive process for identifying supply chain risk and evaluating supplier performance.

We look forward to working with our employees and suppliers over the next 12 months and continue to achieve the objectives we have identified as well as continually raise awareness about modern slavery and human rights.

A handwritten signature in black ink, appearing to read 'Drew Spiden', with a long horizontal flourish extending to the right.

Drew Spiden
Chief Executive Officer

About us

We are committed to responsible procurement activities in partnership with our suppliers, and care deeply about the safety and wellbeing of our people, our customers, and communities, and the environment that we operate within.

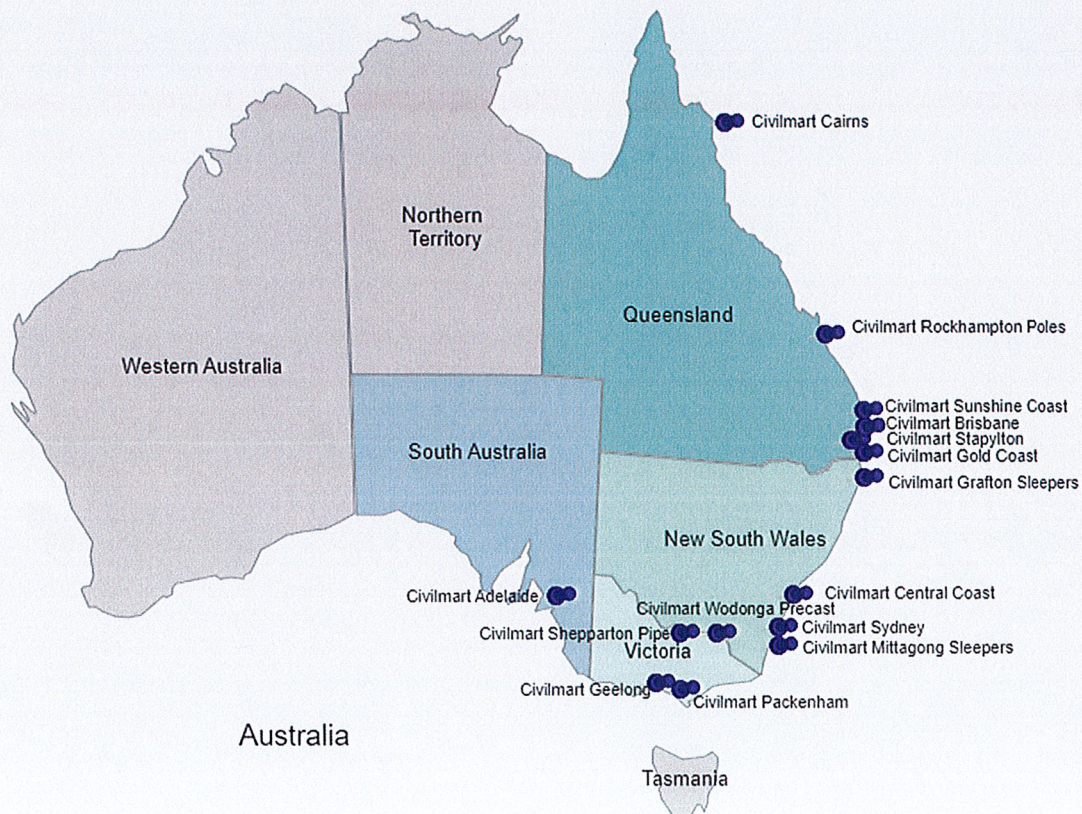
Trading as Civilmart, CTC Precast Pty Ltd (CTC) is a privately owned Australian proprietary limited company, which owns and controls its subsidiaries, Precast Civil Industries Pty Ltd (Precast) and Rocla Pty Ltd (Rocla). Civilmart acquired Rocla in September 2021, and has successfully integrated the business into Civilmart's group processes and policies to become the 2nd largest manufacturer of concrete pipes and precast products in Australia.

Civilmart is an Australian manufacturer of precast concrete products and supplier of a broad range of associated product materials into the civil construction sector across Australia and the Pacific. Our product range is made up of precast products such as reinforced concrete pipes, box culverts, stormwater pits, headwalls, precast sewer elements, poles, sleepers, and tanks. We also supply an extensive range of ductile iron covers and frames, galvanized mild steel grates and frames and a variety of aluminium, brass and FRP ancillary products.

Our operations

Our history in precast concrete manufacturing and distribution spans over many years. We have remained 100% Australian owned and operated, delivering expertly engineered products, built tough to withstand the harsh Australian climate.

Civilmart employs over 800 staff and engages subcontractors at manufacturing and distribution sites across Queensland, New South Wales, Victoria and South Australia, as shown in the diagram below.



About our supply chain

Our global supply chain is made up of over 2000 registered suppliers. The majority of our key suppliers are long term, established business relationships.

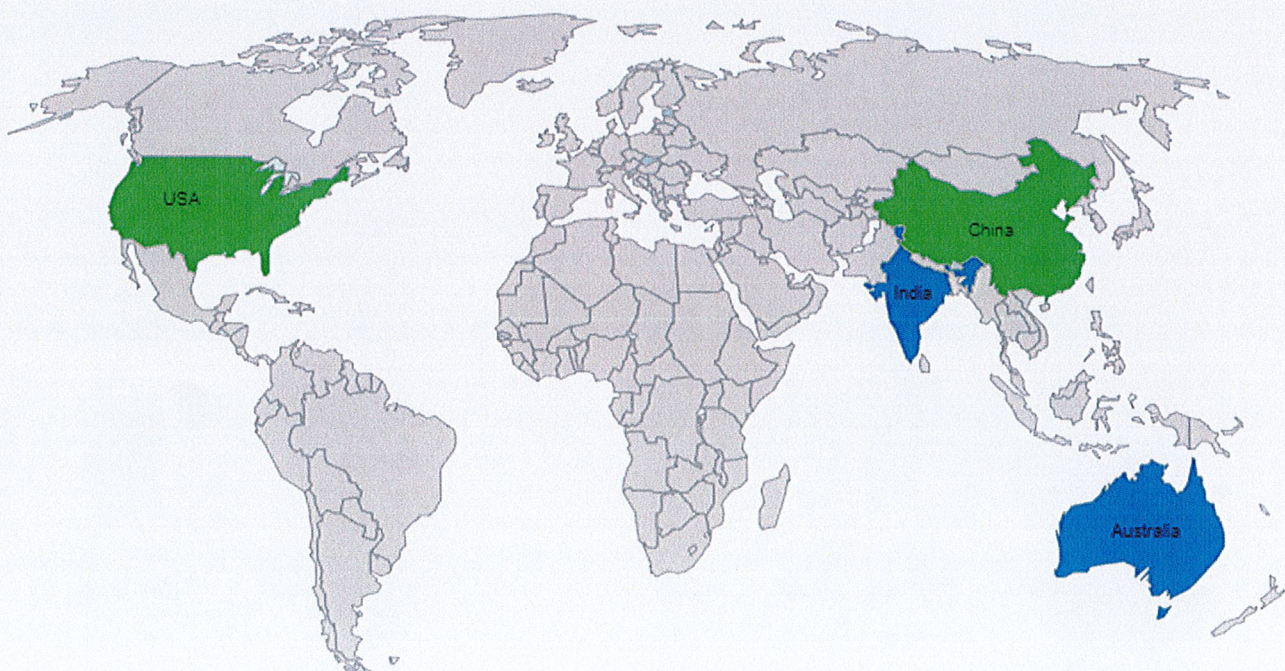
Precast sources components for its manufactured products and a large range of resale items. Over 85% of our largest suppliers are based in Australia, with the remainder of our products and services sourced from China, India and the USA, as shown in the diagram below.

Some procurement for goods and services is conducted on an ad hoc or on the spot basis, with most of these involving companies registered in Australia.

Precast manages its supplier selection, onboarding and relationships through its procurement function with a Group Purchasing Manager and Procurement Manager, reporting to the Chief Operating Officer.

Our purchase categories

- **Production steel and consumables:** a range of steel products and consumables used in our manufacturing processes.
- **Concrete, cement, aggregates:** raw materials used in our manufacturing processes to produce goods.
- **Imported products:** finished goods for resale, and components used in our manufacturing processes.
- **Transport:** subcontract transport and couriers.
- **Goods For Resale domestic:** precast elements, civil industry associated products.
- **Utilities:** IT hardware and software and site expenses including electricity, rates, water, rent and fuels.
- **Safety, testing, engineering:** safety equipment (including PPE), training and product testing.
- **Plant and equipment:** a range of plant and equipment used across our operations
- **Other:** a range of general goods and services including accommodation and travel, office consumables, tools, professional services, and recruitment and labour hire.



Our responsible procurement framework

Through a set of policies and processes, we seek to promote responsible procurement across our operations and supply chain. Considerations such as human rights risks, including modern slavery, form part of our framework.

Our philosophy

We are committed to responsible procurement activities in partnership with our suppliers. We value collaborative relationships with like-minded business partners and suppliers, and care deeply about the safety and wellbeing of the people within our operations and supply chain, our customers, communities, and the environment that we operate within.

Principles for supplier interaction

We seek to engage with suppliers who are aligned with our responsible procurement values and aspirations. Our aim is to work with suppliers to improve sustainability performance, and to protect the rights of everyone in the supply chain. We define success as succeeding together with our suppliers, rather than eliminating poorly performing suppliers.

Supplier Code of Conduct

Sustainability is firmly integrated in our procurement processes. The Supplier Code of Conduct and companion Questionnaire are provided to all suppliers as part of the supplier selection and onboarding process, and suppliers must complete the Questionnaire satisfactorily and acknowledge and adhere to the requirements of the Code.

Supplier evaluation

We require suppliers to meet the minimum (RE) social, environmental and health and safety standards set out in our Supplier Code of Conduct. Through the Code, we also communicate our expected (EX) and encouraged (EN) social, environmental and health and safety standards so that our suppliers are supported in their own sustainable procurement maturity. The code, questionnaire and evaluation provide a process for identifying and qualifying supplier performance for new as well as existing suppliers.

Responsible Procurement Risk Assessment

Our modern slavery risk assessment tool is used to support our evaluation of supplier compliance with the *Modern Slavery Act 2018* (the Act) and build our understanding of the sustainability profile of our spend categories. The assessment reviews the risk level across 5 responsible procurement issues: modern slavery, governance, safety and wellbeing, environment and sustainability, and quality assurance, and is used to inform our procurement strategy.

Managing risks in our supply chain

We are committed to assessing our operations and supply chain to identify modern slavery risks. We have a zero-tolerance approach towards breaches of human rights in any form, and we expect the same standard from our suppliers, contractors, and business partners.

Identification of modern slavery risks

During 2020-21 significant planning was undertaken to improve our ability to identify and report on modern slavery risks in our supply chain. Throughout this period, we achieved better visibility over our supply chain; high and medium-risk suppliers were identified; and after an internal investigation, two supplier relationships were terminated owing to an inability to comply with our modern slavery standards.

Throughout 2021-22 we have continued to develop and refine the way in which we assess our operations and supply chain to identify modern slavery risks. We have put in place various policies and processes (see 'Our responsible procurement framework' section on page 6) to promote responsible procurement across our operations and supply chain, and to embed a comprehensive process for identifying and qualifying supplier performance.

Modern slavery risk indicators

During 2022 we have begun to acquire a more mature understanding of the risk indicators of modern slavery and supply chain-related human rights abuses. We have engaged external consultants to guide us in developing a more robust modern slavery risk assessment tool, and have drawn on publicly available resources to better explore the risks in our supply chain.

We have used the following indicators to identify and assess supplier risk throughout 2021-22:

Country profile

We know that certain countries have a higher risk of modern slavery practices, but also that no country or industry is completely free of these practices. Approximately 85% of our annual spend is with Australian suppliers, with 15% of our annual spend sitting with suppliers located in China, India and the USA.

Sector, industry and supplier profile

We are also aware that certain sectors and industries are more prone to human rights abuses, including modern slavery. A risk assessment tool will help us to identify and track the performance of our medium and high-risk suppliers with more accuracy.

Direct and indirect supply

The structure of our supply chain determines the level of visibility and transparency we have over the goods and services we purchase. Generally speaking, the finished goods we purchase have a longer supply chain with less transparency than goods and services supplied directly to us, where we have more control and visibility.

Ability to audit

Suppliers which we can audit (and successfully pass our criteria) or which are able to demonstrate compliance with a recognised international standard or certification body have a reduced risk of modern slavery or other human rights abuses.

Our modern slavery risk assessment

Our focus throughout 2021-22 has been on direct Tier 1 and high-risk suppliers. However, we will continue to expand our approach, with the longer-term aim to better identify and act upon risks and opportunities deeper within our supply chain.

Our risk assessment concluded:

- **Production steel and consumables:** Our production steel is supplied by both domestic and international suppliers. Because it is ACRS approved and has the relevant state road authority approvals (which cover modern day slavery requirements), items in this category are considered low risk.
- **Concrete, cement, aggregates:** Our concrete, cement and aggregates are purchased from Holcim and Boral, both of which have policies and procedures in place to assess the risk of modern slavery in their operations and supply chains, and report under the Modern Slavery Act. Our factory incidentals are purchased from various large domestic suppliers. We consider the items in this category low risk.
- **Imported products:** Our imported products are supplied by reputable companies in China, India and the USA who have all provided modern slavery declarations to Civilmart. However, we are aware that China and India are countries where there is an extreme risk of modern slavery practices. We conducted workplace assessments in these countries (prior to COVID-19 restrictions) and did not detect any evidence of modern slavery or human rights violations. We continue to view the items in this category as high risk and will work with our suppliers to monitor and assess their operations.
- **Transport:** All of our subcontract transport suppliers have submitted modern slavery declarations to Civilmart. Transport is a sector where base-skilled labour may be outsourced, giving rise to a risk of underpayment, excessive working hours or other systemic issues. For this reason we consider this a high to medium risk category and will continue to undertake random workplace assessments to monitor and assess their operations.
- **Goods For Resale domestic:** Our GFS suppliers are large reputable domestic companies with policies and procedures in place to assess the risk of modern slavery in their operations and supply chains, and report under the Modern Slavery Act. We consider the items in this category low risk.
- **Utilities:** The provision of utilities in Australia is highly scrutinised and regulated. We consider this to be a low risk category.
- **Safety, testing, engineering:** Our testing and engineering is undertaken by large reputable domestic companies with policies and procedures in place to assess the risk of modern slavery in their operations and supply chains, reported under the Modern Slavery Act. We consider these services low risk. We acknowledge the high risk of underpayment, excessive working hours or other systemic issues in the apparel and footwear industry and therefore consider the supply of PPE a high risk category. We will continue to monitor and assess these suppliers.
- **Plant and equipment:** Our suppliers are large reputable domestic companies with policies and procedures in place to assess the risk of modern slavery in their operations and supply chains, reported under the Modern Slavery Act. We consider the items in this category low risk.

- **Other:** This category includes a range of goods and services , some of which are considered high risk. Professional services are considered a low risk as the category is dominated by local skilled desktop labour/services. However, migrant and base-skilled labour is a feature of services such as security and cleaning. Cleaning in particular has been documented as a high risk activity across multiple industry groups. We will continue to exercise a high level of oversight over contract labour used by our suppliers.

Our actions

We have taken the following actions to strengthen and embed our modern slavery policies and procedures:

Modern slavery within our Responsible Procurement Framework

We have embedded modern slavery, human rights and ethical business conduct into our procurement framework (see 'Our Responsible Procurement Framework' section on page 6). The framework is comprehensive, and intended to identify, track, and remediate modern slavery risks within our operations and supply chain, through clear procedures and policies.

Supplier risk and opportunity assessment

We have rolled out an improved modern slavery risk assessment tool to support our analysis of new suppliers and review of existing suppliers operating in high-risk industries / geographies or otherwise identified as high-risk to us.

Resourcing

We created the new position of Environment Social and Governance Analyst to support our sustainability performance through analysis and direct stakeholder communication. This position will collaborate with our procurement function to analyse sustainability data, including data related to modern slavery, human rights and ethical business risks.

Awareness raising

We have drawn on publicly available resources to explore and better understand the key risks and signs that may indicate the presence of modern slavery in our supply chains.

Contractual clauses

Our purchasing contracts for new suppliers include a clause which sets out our expectations that suppliers will use all reasonable endeavours to prevent and respond to modern slavery in their own supply chain and activities. This has been adopted across the organisation, with regular audits in place.

Supplier audits

The COVID-19 restrictions impacted our ability to undertake workplace assessments. However, we were able to continue to assess modern slavery risk assessments by using video conferencing technology.

Training and capacity building

We provided modern slavery training to employees with material procurement responsibilities and assessed needs for a detailed workshop to be held in the 2022-23 reporting period (see Awareness and training on p10).

Effectiveness of our actions and future plans

We are committed to building on our approach to managing modern slavery risks, and playing our part in raising awareness of modern slavery risks with our internal and external stakeholders.

We understand that our efforts to identify and address the modern slavery risks in our operations and supply chain will be an ongoing and evolving process.

We experienced a high level of stakeholder engagement throughout 2021-22 and did not identify any modern slavery in our operations or supply chain during this period. However, we acknowledged that we could lift our modern slavery awareness generally, and improve the processes we use to assess the associated risks. We rolled out a refreshed suite of policies and processes which together represent a comprehensive approach to identifying risks and qualifying supplier performance. In addition, we allocated additional resources to responsible procurement in the form of a newly created dedicated ESG role within our business.

We expect the maturing of our approach to modern slavery in 2022-23 will not only deepen our understanding of our supply chain and improve our approach to managing modern slavery risks, but also support us in raising awareness of modern slavery with both internal and external stakeholders.

Throughout 2022-23 we intend to focus on the following actions to develop and refine our approach to responsible procurement across our operations and supply chain, including managing human rights abuses such as modern slavery.

Focus area	Actions	Objectives
Awareness and training	Deliver ongoing internal training on modern slavery risks and support with communication collateral	Equip our employees to identify and respond to modern slavery risks.
	Hold workshops with our procurement team and key suppliers to introduce our Responsible Procurement Framework	Embed our Responsible Procurement philosophy and processes internally and take steps to actively engage our suppliers.
	Develop and launch an Employee Code of Conduct	Provide clear guidelines on the behaviours and conduct we expect from our employees.
Risk identification	Introduce our Responsible Procurement Framework to suppliers; put Tier 1 and high-risk suppliers through the evaluation process	Socialise our Responsible Procurement philosophy and processes externally and develop detailed risk-profiles for Tier 1 and high-risk suppliers.
	Develop Remediation Guidelines to be used if modern slavery practices are identified in our supply chain	Establish a process to ensure we can protect and support any identified victims of modern slavery.

Risk mitigation

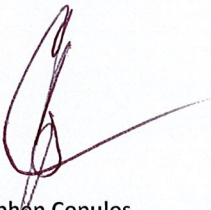
Develop a Whistleblower Policy to enable people to raise concerns about suspected modern slavery violations in our operations or supply chain

Develop an Anti-Bribery and Corruption policy

Continue to grow and improve our policies and practices in relation to procurement, human resources and corporate responsibility.

This Modern Slavery Statement was approved on 21 December 2022 in accordance with the requirements of the Modern Slavery Act 2018 (Cth) by the Board of CTC Precast Pty Ltd for and on behalf of the following entities:

- CTC Precast Pty Ltd
- CTC Management Pty Ltd
- Precast Civil Industries Pty Ltd
- Concrete Solutions Holdings Pty Ltd
- Concrete Solutions Operations Pty Ltd
- Rocla Pty Ltd



Stephen Copulos
Chairman and Director
CTC Precast Pty Ltd & listed Subsidiaries