

## MODERN SLAVERY STATEMENT 2019/2020 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 2020 (Reporting Period) and actions taken to address those risks in 2020.

### 2 Our structure, operations and supply chains

#### 2.1 Structure

The Icon Group is made up of a number of legal entities that provide construction and other services to third parties and internally. The Icon group 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 per the table below. Kajima Corporation is a Japanese publically listed construction company headquartered in Tokyo. Icon’s registered office is 110 Cubitt Street Richmond VIC 3121.



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 &amp; 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>



Interface delivers cladding and façade solutions across Australia and New Zealand.

## 2.2 Operations

Icon has offices in Victoria, New South Wales, Queensland, North Queensland, Australian Capital Territory, Northern Territory, Western Australia and New Zealand.

During the Reporting Period, Icon employed approximately 800 staff of which 17 were casuals, 739 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)

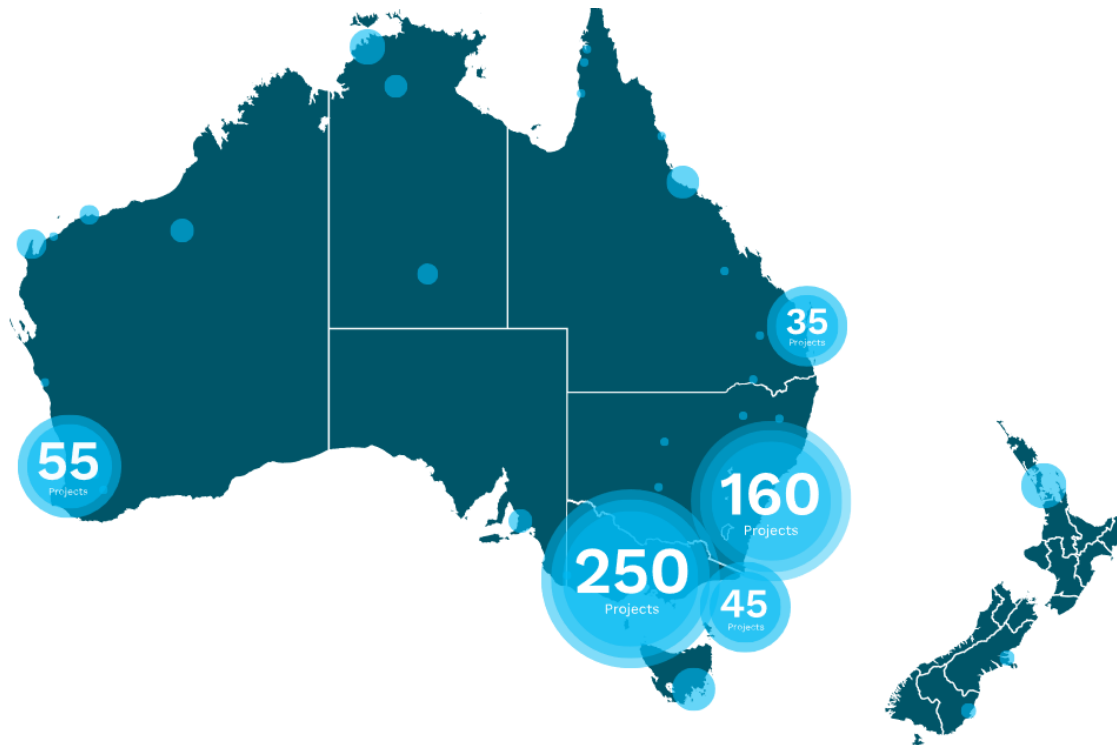
### Our projects

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 in the locations shown in the map below:

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

- Residential/student accommodation
- Sports
- Technology



During the Reporting Period, we also commenced a project in Vanuatu.

### 2.3 **Supply chain**

Icon's supply chain includes 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.

Icon's suppliers are predominantly located within Australia, although some suppliers may procure material items from overseas locations. Icon commonly procure Façade and Joinery elements direct from China. We not always 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.

### 3.2 **In our supply chain**

Labour hire, materials and construction services are 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

We are specifically cognisant of the increased risks involved in our project in Vanuatu 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**

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

- We look out for each other
- We're stronger together
- We deliver excellence
- We get the job done

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 ensure 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; and

- (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.

During the Reporting Period, Icon's actions to address modern slavery risks included:

- preparing a Human Rights Policy;
- revising our Whistleblower Policy;
- preparing an internal training pack on modern slavery risks for those working in higher risk locations; and
- revising our Code of Conduct to include a new section on modern slavery, in particular, referring to relevant human rights instruments and incorporation of principles and guidance in the UN Guiding Principles on Business and Human Rights, worker condition including clarifying that the Code also applies to subcontractors.

### **Supply chain**

We 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 Reporting Period, Icon's actions to address modern slavery risks in relation our project in Vanuatu included:

- updating our Supplier Code of Conduct;
- revising our contract management procedures for the conduct of activities relating to the administration of head contract, subcontract and consultant services agreements;
- revising our supplier tender documentation to incorporate consideration of modern slavery risks;
- revising our template invoicing statutory declaration, which requires subcontractors to declare that workers have been paid in accordance with laws, workers are of appropriate working age and that appropriate anti-slavery measures have been observed; and
- preparing a questionnaire for current suppliers in order to assess modern slavery risk within its supply chain.

## **4.2 Preliminary Supplier Risk Assessment**

We conducted our preliminary assessment of our first tier suppliers by reference to industry risk. The suppliers from the Reporting Period 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

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.

## 5 Assessing the effectiveness of our actions

During the next reporting period, we will seek to finalise and implement 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 and consider ways in which the updated processes can be adopted in respect of our Australian suppliers:

- (1) supplier agreements to reflect modern slavery commitments;
- (2) tender documentation to incorporate consideration of modern slavery risks;
- (3) annual supplier questionnaire;
- (4) updated Whistleblower Policy and training; and
- (5) updated contract management procedures.

We will seek to assess the effectiveness of our actions by tracking against these goals during 2021 and report on progress in our next Modern Slavery Statement.

## 6 Other information

### Impact of COVID-19

The COVID-19 pandemic had a significant impact on the constructor sector and our business.

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 have received a Modern Slavery Briefing convened by the Group HR Manager and National Business Systems Manager outlining the Modern Slavery compliance obligations, risks and mitigation actions completed in 2020 and to be actioned during 2021.

This Statement was approved by the Board of Directors on 13 / 05 / 2021



Evan Byrne  
CEO/Managing Director  
Kajima Icon Holdings  
Date 13/05/2021