

**MODERN  
SLAVERY  
STATEMENT**

2022

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## Acknowledgement of Country

Buildcorp acknowledges the traditional owners of the lands on which our offices are based and on which we work. We honour their connection to the land, waters and sky and pay our respects to their Elders past present and emerging. We walk together on Country in the spirit of reconciliation.

# Message from our Managing Director

Modern slavery is a significant global issue involving grave abuses of human rights. Here at home, Anti-Slavery Australia estimates that only 1 in 5 people subjected to modern slavery are identified or feel safe to speak up.

According to the International Labor Organisation (ILO) and Walk Free Foundation, 23% of the global profit generated by forced economic exploitation is created in the construction, manufacturing, mining, and utilities industries. It is often hidden, and we need to do all we can to bring this issue to light.

This year, Buildcorp has had the opportunity to dive deeper into our supply chain than ever before, which has enabled us to fully understand the challenges that businesses face. This however does not change our unwavering commitment to ensuring workers within our supply chain are treated fairly, ethically and with respect. We also recognise that the construction industry has heightened exposure to modern slavery risk through challenges to supply chain transparency.

To address this risk, we have invested in a range of initiatives to support responsible procurement across our business. These initiatives aim to mitigate risk in our supply chain by complying with human rights, labour rights and environmental laws. Additionally, our demonstrated approach to the sustainable growth of our business ensures the long-term job security of our people, suppliers, and subcontractors.

In this 2022 Modern Slavery Statement, we outline our ongoing actions and commitment to work with our project and industry partners to understand our supply chain risks and eliminate modern slavery in our operations.

## **Tony Sukkar AM**

Managing Director  
Buildcorp Holdings Pty Limited

**WE SUPPORT**



Since 2021 Buildcorp has been committed to the United Nations Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment, and anti-corruption.

# Structure, operations, and supply chain

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

**Buildcorp's** business operations are headquartered in Sydney with offices in Brisbane and Melbourne.

## Queensland

Level 8, 189 Grey Street  
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P 07 3139 0800

## New South Wales

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Level 4, 10 Mallett Street  
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## Victoria

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South Yarra VIC 3141  
P 03 9975 8800

## Workforce

### Our people

On 30 June 2022, Buildcorp employed 412 staff; nearly all of whom are employed directly and under permanent, fixed-term, part-time or casual contracts, or under enterprise bargaining agreements. Like many other employers in our industry, Buildcorp makes use of workforce labour hire arrangements, working with vetted organisations providing these services.

All Buildcorp and labour hire employment contracts meet or exceed applicable state and federal employment standards. These arrangements significantly reduce the likelihood of modern slavery.

### Subcontractors

Buildcorp is a project management-based construction company in which most worksite activities are subcontracted to Australian based businesses. Buildcorp deals with approximately 300 subcontractor businesses at any one time, with most of the businesses classified as small to medium enterprises.

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.

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.

## Procurement

As part of our procurement standard practice all suppliers and subcontractors, regardless of location of operations, are required to comply with our Supplier Code of Conduct to do business with Buildcorp. Section 3. *Human Rights and Fair Labour Practices* outlines our zero-tolerance policy in relation to modern slavery.

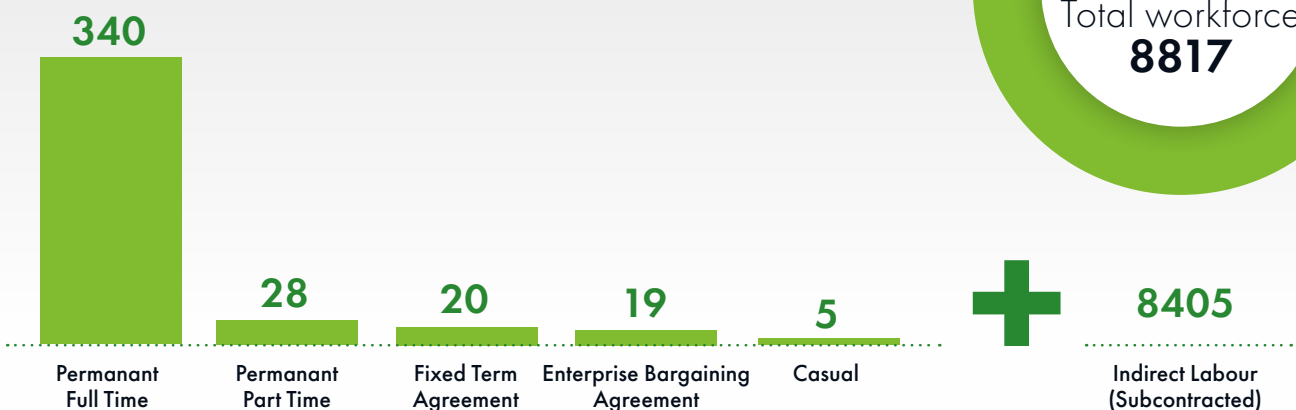
In the reporting year, we sourced goods and services from 2,487 Australian-based suppliers and subcontractors including:

- ▼ Plant and equipment hire
- ▼ Professional services
- ▼ Cleaning and waste removal
- ▼ Electrical and data services
- ▼ Construction materials and services
- ▼ Labour hire
- ▼ Office supplies and maintenance

In addition, we sourced goods and services directly from 18 overseas based suppliers, mainly in the technology services segment. Direct sourcing for our projects extended to cladding from China, timber from Germany, and a damp cabinet from the United Kingdom.

Regardless of where our products are sourced from, we recognise that construction materials can be processed and assembled in different countries which can elevate the risk of modern slavery. The construction supply chain for raw materials is long, complex, and often opaque, making it extremely challenging for end users to trace their origins, so we are vigilant in our approach to monitoring this.

Number of direct and indirectly employed people working across Buildcorp Group FY 2021-22



# Risk of modern slavery in supply chain

Construction has been identified as one of the sectors most prone to labour exploitation typically through the use of temporary workers in low-skilled and low-waged jobs, in both the industry workforce and in the procurement of building materials. In the Asia Pacific, construction industry workers make up 18% of those subject to modern slavery.

## Lifecycle assessment

In 2021 Buildcorp conducted a Life Cycle Assessment using the Social Hotspot Database to identify the potential risks, both on and offshore, in our supply chain. Results indicated that 26% of Buildcorp's supply chain by spend carries a very high likelihood of modern slavery, 41% carries a high risk and 6% carries a low risk. We identified the key categories of concern where the likelihood of modern slavery existed which included:



### Labour hire

Underpayment, indentured workers, and exploitation of migrants in contracted and subcontracted services, such as demolition and cleaning.



### Mechanical Equipment

Labour rights and health & safety in overseas supply chains of parts, equipment (for in machinery, lifts etc), engine or vehicle parts and other manufactured goods including the production of metal products.



### Materials

Labour rights, health & safety, and human rights and governance in the overseas supply chain of construction materials such as timber, plastic, glass, cement, gypsum, hardware, metals, tiles, textiles, brick, stones and sand.



### Electronics

Labour conditions and health & safety in overseas electronics supply chains, particularly child labour.

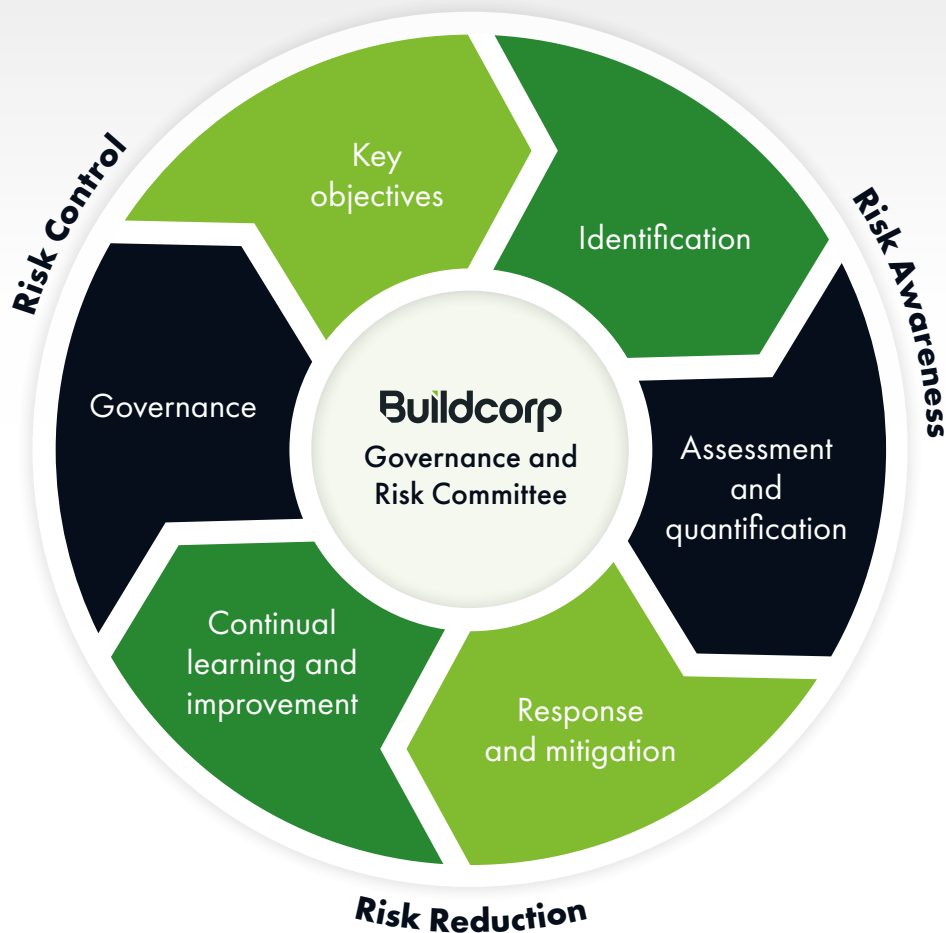
As these are usually hidden risks, by being able to cross reference our spend by category against likelihood, we have been able to better distinguish and prioritise risks and opportunities to ensure our collective compliance on Buildcorp projects.

# How we prevent and mitigate the risk of modern slavery

## Governance

The Buildcorp Governance and Risk Committee is responsible for overseeing our governance and risk. Our Modern Slavery Management Framework has been developed by the committee to prevent, detect, and respond to incidents of modern slavery abuses in our operations and supply chain. Buildcorp's CSR Working Group oversees the implementation of the framework, which is underpinned by our policies and procedures which are reviewed annually to ensure compliance with the Act.

### Buildcorp Risk Management Framework



## HOW WE PREVENT AND MITIGATE THE RISK OF MODERN SLAVERY (continued)

### Policies

The following policies and procedures outline Buildcorp's approach to managing risk in relation to modern slavery:

Policy	Purpose
<b>Supplier Code of Conduct</b>	Sets Buildcorp's minimum standards of the conduct of our subcontractors and suppliers in the areas of labour, human rights, integrity, ethics, health, safety, environment, and tax compliance.
<b>Ethical Business Conduct Policy</b>	Provides guidance on the expected behaviour of all Buildcorp employees. Details Buildcorp's zero tolerance to any form of bribery or corruption as we conduct our business and operations.
<b>Responsible Procurement Policy</b>	Details Buildcorp's commitment to respecting the human rights of every person involved in our operations, supply chain and communities.
<b>Whistle-blower Policy</b>	Provides a reporting framework through which Buildcorp employees, subcontractors, suppliers, and members of the public can report instances of actual or suspected unethical or unlawful conduct, without fear of reprisal.
<b>Modern Slavery Procedure</b>	Outlines Buildcorp's commitment to developing our business sustainably by effectively managing economic, environmental and social risks and opportunities.



### Due diligence and management controls

Buildcorp encourages a collaborative approach in working with project partners and suppliers on implementing risk mitigation measures in our supply chain. We recognise that due diligence enquiries with our subcontractors and suppliers are the single most important step we can take to avoid, identify, and remediate instances of modern slavery in our operations and supply chain.

To address this, we:

Issue a modern slavery self-assessment questionnaire (SAQ) to be completed prior to appointment as a supplier or subcontractor

- ▼ Include Modern Slavery questions in our Pre-Tender interviews
- ▼ Conduct online training compulsory for all Buildcorp employees
- ▼ Onsite induction which covers Modern Slavery issues and what to look out for
- ▼ Site and office signage promoting whistle-blower details and signs of what to look out for
- ▼ Review and update policies and procedures on an annual basis, and
- ▼ Conduct traceability studies.



## HOW WE PREVENT AND MITIGATE THE RISK OF MODERN SLAVERY (continued)

### Reporting of human rights concerns

Buildcorp has a whistle-blower 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. There were no concerns reported or raised during the 12 months prior to the publication of this statement.

### Response and remedy framework

In 2022 we adopted the recommendations and framework of the Minderoo Foundation Walk Free initiative and the Human Rights Resources and Energy Collaborative's, [Modern Slavery Response & Remedy Framework](#).



Source: Modern Slavery Response & Remedy Framework: Minderoo Foundation Walk Free initiative and the Human Rights Resources and Energy Collaborative, 2022

In adapting this model and the supporting recommendations Buildcorp's response will depend on its relationship to the harm – that is, whether it has caused contributed to or is directly linked to the harm.

<b>Cause</b>	A company causes harm when its activities (or omissions) in and of themselves result in harm. For example, Buildcorp uses forced labour.
<b>Contribute</b>	A company contributes to harm when its activities significantly facilitate, enable, or incentivise a third party to cause harm. For example, a company engages a low-cost cleaning contractor to service staff accommodation that does not pay their workers adequately.
<b>Directly linked</b>	A company is directly linked to harm caused by a third party if the harm is directly linked to its products, services, or operations through its business relationships. For example, an energy company purchases cables manufactured using components from a supplier that exploits its workers.

# Measuring the effectiveness of our modern slavery framework

## 2021-22 Progress

The principal focus during this reporting period was to develop and implement a structured approach for identifying modern slavery risk in the supply chain. In addition to hiring a resource who now has ownership of our Modern Slavery program of work, we have completed or progressed on most of our key actions identified in our 2021 Modern Slavery Statement.

Key actions	Progress	Detail
Provide modern slavery awareness training for Buildcorp employees, and subcontractors on project sites	Ongoing	Site managers and supervisors have all completed additional face-to-face training so they can deliver Modern Slavery training through our on-site induction process. A Modern Slavery section has been included in our site induction pack and signage highlighting the risk of Modern Slavery, what to look out for and how to report it is posted on all our work sites and offices.
Initiating a collaborative approach with competitors to standardise modern slavery due diligence processes with subcontractors	Completed	We have completed our first Building Consortium Project with four of our direct competitors where we undertook a traceability Study to Tier 2 and in some cases Tier 3 on 24 suppliers in common. The outcomes are outlined in our Working in Collaboration case study.
Develop Remediation framework	Completed	We have adopted the Walk Free Foundation recommended Remedy & Response framework.
Providing additional educational materials to our suppliers, including a frequently asked question, and links to free resources	Ongoing	During the year we approached over 50 suppliers to ask if they would like additional support from Buildcorp to help address Modern Slavery within their supply chain. Most suppliers declined the offer.
Extending our online learning platform for use by suppliers and their employees to assist with understanding and training in SMEs	On hold	Following the response to our offer of support we have decided to focus on other projects at this time to further our efforts to address modern slavery.
Implement compulsory annual completion of modern slavery assessment for all contractors	In progress	After completing our traceability studies, we have reviewed and adopted recommendations to improve our modern slavery procedures.
Introduce modern slavery compliance rating in our Project Performance Review process	In progress	Consequently, we have engaged a consultant to help us roll out the Informed365 platform within our business and we are in the process of digital integration of the platform to our existing systems which will allow us to better monitor and manage our progress and effectiveness in this space.
Digital integration of Modern Slavery Assessments into our online Tender process to improve access to relevant information.	In progress	The new platform will be rolled out to the business through 2023-2024 which will allow us to deliver on the actions listed.

## Case Study

# Industry collaboration

In early 2022 Buildcorp instigated a consortium made up of Tier 2 construction companies to undertake a project to track and trace (T&T) the supply chain of common suppliers across high-risk categories based on spend and likelihood. The categories of focus included structural steel, electrical instruments and components, and heavy machinery. The project facilitated a shift in the understanding of assumed risk among eight Australian-based suppliers to the reality of sourcing from 14 suppliers, from 17 countries in 85 locations.

Through a self-assessment questionnaire (SAQ), the T&T project engaged Australian based suppliers between May – July 2022 targeting 22 Tier 1 and six Tier 2 suppliers. While we had a 62% commencement rate, only eight suppliers successfully completed the SAQ despite around 200 points of direct outreach over the period.

The data collected revealed:

- ▼ a marked disparity between the initial assessment of risk by country (low) and the risk by industry (medium-to-very high)
- ▼ that the goods of 14 suppliers were produced in 17 countries (in 58 locations); and
- ▼ none of the 16 respondents were able to provide any CSR audit accreditation to validate minimum wage levels.

The T&T project highlighted the value of a stakeholder-based approach to assessing modern slavery risk over 12-monthly periods with the integration of supplier training, policy development and a mechanism to measure impact and key milestones.

The ability to effectively monitor and report on modern slavery risks is enhanced when the manufacturing locations are seen as the primary tiers in the supply chain and the raw materials suppliers are located and engaged with directly.



# | Continual improvement



## 2022-2023 Action plan

Over the next 12 months we will build upon the progress we have made and continue to engage and educate our suppliers in relation to Modern Slavery.

This will include:

- ▶ Continual improvement of our modern slavery awareness training for Buildcorp employees.
- ▶ Adapt our supplier onboarding to include compulsory Modern Slavery assessment at the point of set up within our finance systems.
- ▶ Roll out the Informed365 SaaS platform to conduct traceability studies for our supply chain.
- ▶ Train our project teams to conduct traceability studies on 20 active suppliers that have been identified as high-risk based on the product category and spend.
- ▶ Provide our suppliers with the tools and knowledge to participate in our traceability studies.
- ▶ Complete the introduction of modern slavery compliance rating in our Project Performance Review process.
- ▶ Continue to collaborate with the Building Consortium members in areas where a joint approach will have the most impact.

# Consultation and approval

## Our approach

We undertake a Group-wide approach to managing modern slavery risk within our business and supply chain which means that all reporting entities listed below are embedded within our program of work. Regarding our Modern Slavery response, all business units within those are addressed by a whole of group function. Furthermore, our policies, procedures and practices are applicable to the entirety of Buildcorp Holdings.

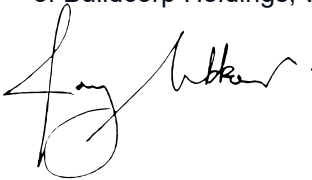
## Approval

This statement has been prepared by Buildcorp Holdings Pty Limited ABN 51 140 508 685, and applies to its wholly owned entities:

- |  |                 |
|--|-----------------|
| ▼ Buildcorp Group Pty Limited                      | ACN 091 336 168 |
| ▼ Buildcorp Infrastructure Solutions Pty Limited   | ACN 099 362 286 |
| ▼ Buildcorp Contracting                            | ACN 003 922 825 |
| ▼ Buildcorp Interiors Pty Limited                  | ACN 073 932 788 |
| ▼ Buildcorp Securities and Investments Pty Limited | ACN 055 880 585 |

It had been developed in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) (the Act). It describes how Buildcorp has addressed modern slavery risks in our in the year ended 30 June 2022.

This Modern Slavery statement was approved Tony Sukkar AM, the Sole Director and governing body of Buildcorp Holdings, who is the responsible member. as defined by the Act:



**Tony Sukkar AM**  
Sole Director & Managing Director  
Buildcorp Holdings Pty Limited

1 December 2022





# Appendix A

## Mandatory criteria for modern slavery statement

A Modern Slavery Statement must, in relation to each reporting entity covered by the statement:

Requirement	Addressed under
(a) identify the reporting entity; and	Structure, operations, and supply chain
(b) describe the structure, operations, and supply chains of the reporting entity; and	
(c) describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities that the reporting entity owns or controls; and	Risk of modern slavery in our business
(d) describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes; and	How we prevent and mitigate the risk of modern slavery; and, Continual improvement Case Study: Working in Collaboration
(e) describe how the reporting entity assesses the effectiveness of such actions; and	Measuring the effectiveness of our Modern Slavery framework
(f) describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement;	Consultation with reporting entities
(g) include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Refer to our Policies section for links to all relevant documents.

## New South Wales

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**Buildcorp**