

Our Structure, Operations and Supply Chains

Since it was founded in 2004, 2Construct Pty Ltd takes seriously its position of influence as one of metropolitan Melbourne and regional Victoria's prominent, multi-faceted Building, Civil infrastructure and Civic Landscaping Companies.

2Construct Pty Ltd (Collectively, "2Construct", "the company", "us", "our", "we") forged a culture which is evident in the way we behave, honour our commitments and collaborate with all Stakeholders - Clients, Consultants, Subcontractors, Suppliers and Work Colleagues.

Our structure is complimented by an appointed Board of Directors, with a highly regarded executive team, including General Manager of Construction and General Manager of Finance/CFO, employing renowned Professional Builders, Engineers, Quantity Surveyors and Health and Safety Professionals, supported by a robust integrated management system legally mandating employment entitlements and awards across the entire business.

Attributable to the successful completion of over 350 projects of varying size and complexity, our operations span various sectors; Commercial, Community, Education, Aged Care, and Sport & Recreation.

In an industry where transience is common, 2Construct Pty Ltd places great value on our opportunity and responsibility to create the right balance of social, environment and economic conditions which contribute to the protection of human rights and ethical migrant labour of those within our supply chains and the communities in which it operates.

We are committed to working with our suppliers and the extended supply chain to identify and address risk adverse modern slavery practices.

Our Structure, Operations and Supply Chains

Our Modern Slavery Statement (*Statement*) is made pursuant to section 13 of the *Modern Slavery Act 2018* (Cth)(Act) and constitutes our Anti-Slavery and Human Trafficking Policy. This statement, approved by the 2Construct Pty Ltd Board of Directors, will be reviewed and updated on an annual basis.

2Construct continually demonstrate a lineage of progressive commitment to the improvement of the rights and wellbeing of people across our operations, enabled by existing internal processes, our level of ambition and a focus on supply chain transparency.

2Construct is a private construction company, which was founded in 2004 by Duncan Macpherson and Peter Rahilly. 2Construct specialises in providing multifaceted project delivery services across the Building, Civic and Civil Construction industries. In line with 2Construct's strategic growth plan, a Board of Directors was appointed to the company in 2016. The Board consists of a Manager Director, Construction Director and a Non-Executive Director. The Executive Team also includes a General Manager, General Manager of Construction (Industrial/Retail), General Manager of Finance and an Estimating Manager.

On average, 2Construct complete approximately 20 to 24 projects per years across the building, civic and civil disciplines. 2Construct's current turnover is in excess of \$100 million per year and it has more than 60 employees across Victoria.

Affiliations

2Construct is a member of the following organisations:

- Master Builders Association of Victoria - Member No.79107
- Civil Contractors Federation - Member No. 2946
- The Australian Institute of Building
- The Australian Institute of Quantity Surveyors

Accreditations

2Construct is code-compliant for the construction industry and is accredited under AS/NZS ISO 4801:2001 - OHS, ISO 14001:2015 - Environmental and ISO 9001:2015 - Quality Management. 2Construct is registered with the Department of Transport for works of up to \$15 million. 2Construct is an accredited contractor with the Victorian Government Construction Supplier Register, Contractor Identification Number 900715 and are pre-qualified in the following categories:

- Commercial Refurbishment
- New Commercial Construction
- New Residential Construction
- Residential Refurbishment

2Construct's accreditation requires the business to demonstrate that it is compliant with its modern slavery obligations under the Act.

Supply Chains

2Construct's supply chains include:

- Construction contractors associated with its construction sites.
- Services that contribute to its operations, such as the cleaning, maintenance and security companies that service 2Construct offices and sites.

2Construct's direct supply chains are based in Australia and New Zealand, however 2Construct recognises that its suppliers also source key parts and labour from other world regions.

Modern Slavery Risks

2Construct recognises modern slavery as criminal offences relating to deprivation of civil liberties, human trafficking, forced marriage and child labour. Modern slavery risks do not extend to unlawful practices (such as wage underpayment) that do not otherwise have elements of slavery, coercion, servitude or debt bondage, etc. However, reporting on modern slavery risks may impact other adjacent obligations, particularly for the purposes of compliance with labour and immigration legislation.

Actions taken to address Modern Slavery Risks FY2020/2021

Training

An online training module has been established via our internal Human Resources Information System - IntelliHR. The module covers:

- What modern slavery is
- The types of modern slavery
- How modern slavery can infiltrate our supply chains
- Identifying risks
- Australian legislation and our reporting requirements.

Due to the impacts of COVID-19, the module has not yet been rolled out to our employees, but we intend to do so prior to the next reporting date.

This Statement sets out the steps 2Construct have taken during the financial year ended 30 June 2021, to identify and address modern slavery within our operations and supply chains. Moreover, 2Construct has found no reported instances of modern slavery breaches in our business or supply chain within the past financial year.

We acknowledge risks of modern slavery practices in our operations, supply chain and entities owned or controlled by 2Construct. As construction and investment in infrastructure recovers post-COVID-19, the vulnerability of worker groups (increased demand for a base skilled workforce and labour, aggressive pricing as part of contract terms) have the potential to become exacerbated, as vulnerable people choose work, irrespective of conditions.

There is also a risk of causing or contributing to modern slavery through the engagement of recruitment agencies, subcontractors and labour hire companies. 2Construct is aware of these potential risks and the need to monitor and address these in an appropriate manner. Such risks include:

- Labour rights, including forced or compulsory labour, wages and benefits, work hours and child labour (including unskilled, temporary or seasonal labour); and
- Health and safety (for workers that 2Construct Pty Ltd do not control (or who are otherwise engaged in operations outside of 2Construct Pty Ltd control).

Due Diligence Exercise and Remediation Processes

Having effective remediation processes in the modern slavery context are imperative to responding to the identification of instances of modern slavery in a manner that does not jeopardise the safety of victims, ideally working with expert advisors, such as local NGOs. A trusted, confidential grievance mechanism (and ensuring our suppliers have one), to elevate and address worker concerns, and to act as an early warning system for modern slavery risks, forms a key part of embedding due diligence and grievance and remediation into our governance and frameworks.

Whistleblower Protection – Clear grievance channels are available including (but not limited to) our existing Whistleblower policy, for employee and supplier use in managing modern slavery risk. Our whistleblowing policy allows employees, or others, to report suspected instances of modern slavery, of whatever form, in our own business, or in any of our supply chains, without fear of repercussion and/or reprisal.

Assessing Effectiveness

An annual assessment took place to review the progressive action planning undertaken by 2Construct to identify, monitor and evaluate the effectiveness of the company's systems and controls to mitigate the risk(s) of modern slavery.

2Construct assess subcontracts and purchase orders: We insist that our supply chain has similar policies and ethical dealings in place. We assess the effectiveness of a category management approach to our procurement activities for strategic trades, allowing us to form deeper relationships with key vendors throughout our supply chain, supporting closer alignment to our corporate goals and values.

Future Priorities to address Modern Slavery Risks FY2020/21

Training

During the financial year 2021/22, an online training module on human rights and modern slavery will be issued to all employees. All new employees will be assigned this training module during onboarding.

Corporate social responsibility engagement

In the financial year 2021/22, members of our management team will meet with Informed 365 for an overview and demonstration of the Modern Slavery platform. 2Construct will review the proposal's suitability for 2Construct.

Develop or implement a remediation process

In the financial year 2021/22, 2Construct will use internal resources and capabilities to develop or implement a process for remediation.

Our progress to date and our level of ambition would not be possible without the coordinated efforts of government, our sector peer collaborations and our many suppliers and partners. We wish to thank them for their cooperation and look forward to the continuation of this important pathway with them to help denounce human right infringements and eradicate modern slavery.

This statement was approved by the Board of Directors of 2Construct Pty Ltd in their capacity as principal governing body of 2Construct Pty Ltd on 22 December 2022.

This statement is signed by Duncan McPherson as the responsible member in his capacity as the Managing Director of 2Construct Pty Ltd on 22 December 2022



Duncan McPherson OAM
Managing Director of 2Construct Pty Ltd
Dated: 22 December 2022