

MODERN SLAVERY STATEMENT
(Modern Slavery Act 2018 (Cth))

Reporting Period: 1 July 2019 to 30 June 2020 (the 'reporting period')

Introduction

This statement is submitted by Reinforced Concrete Pipes Australia (Holdings) Pty Ltd ACN 136 810 163 (**RCPA**) under the Act and sets out the actions taken by RCPA during the reporting period (**Statement**).

In this Statement, unless expressly mentioned otherwise, references to the "RCPA Group", "we", "us" or "our" refers to RCPA and its controlled entities as defined in the Act. All entities within the RCPA Group are incorporated in Australia.

The RCPA Group understands the risks of modern slavery within its industry and is strongly committed to respecting and promoting human rights and working towards eradicating modern slavery in its operations and supply chains. The RCPA Group continues to raise awareness of the risks of modern slavery in its operations and supply chains to relevant stakeholders (both upstream and downstream) and to promote the ethical, diligent and responsible provision and procurement of goods and services in its business.

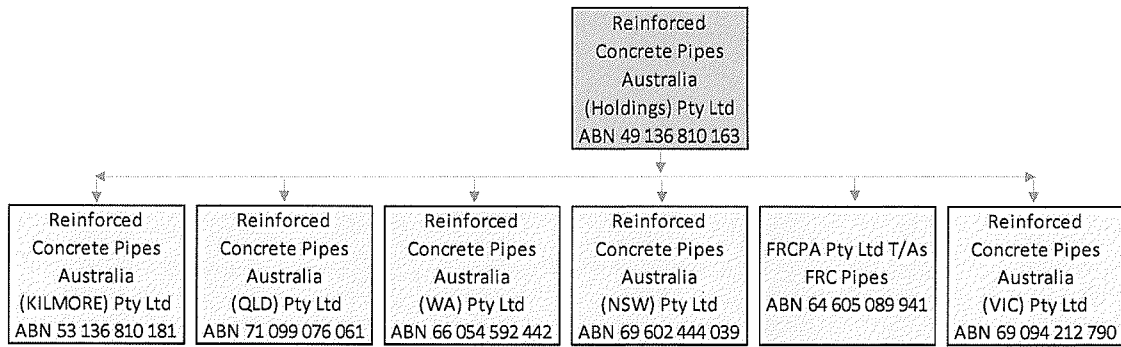
Section 2 – Structure, operations and supply chains

Part A – Structure

RCPA is the ultimate parent entity of the following operating entities:

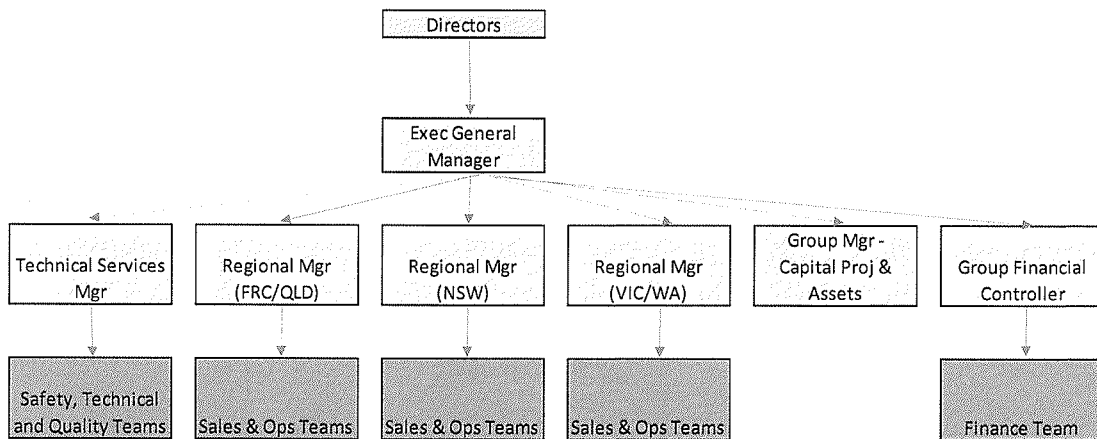
- a) Reinforced Concrete Pipes Australia (KILMORE) Pty Ltd ABN 53 136 810 181 (operating entity) (**RCPA Kilmore**);
- b) Reinforced Concrete Pipes Australia (QLD) Pty Ltd ABN 71 099 076 061 (operating entity) (**RCPA Qld**);
- c) Reinforced Concrete Pipes Australia (WA) Pty Ltd ABN 66 054 592 442 (operating entity) (**RCPA WA**);
- d) Reinforced Concrete Pipes Australia (NSW) Pty Ltd ABN 69 602 444 039 (operating entity) (**RCPA NSW**);
- e) FRCPA Pty Ltd ABN 64 065 089 941 (trading as FRC Pipes)(operating entity) (**FRC Pipes**); and
- f) Reinforced Concrete Pipes Australia (VIC) Pty Ltd ABN 69 094 212 790 (operating entity) (**RCPA Vic**).

Please see diagram below which outlines the structure of the RCPA Group.



Management Structure

Each entity within the RCPA Group is governed by its directors, managed by an Executive General Manager and senior management who provide advice on business operations.



Part B - Operations

RCPA is a holding company operating in Australia with two directors. The registered office of RCPA is 69-99 Ferris Road, Cobblebank, Victoria 3338.

The RCPA Group operates solely within Australia (with no overseas operations) in concrete pipe and products supply for major infrastructure through the use of industry leading and cutting edge



technology and innovation. The number of employees in the RCPA Group as at 30 June 2020 was approximately 150.

The RCPA Group operate 6 facilities throughout Australia to house its plant and machinery for operations, offices and yards for storing product. The locations are as follows:

- 1) RCPA (QLD) - 115 Pearson Road, Yatala, Queensland, 4207
- 2) FRC Pipes - 46 Randle Road, Meeandah, Queensland, 4008
- 3) RCPA (NSW) - 149 Somersby Falls Road, Somersby, New South Wales, 2250
- 4) RCPA (VIC) - Lot 5 Glanville Drive, Kilmore, Victoria, 3764
- 5) RCPA (VIC) - 69-99 Ferris Road, Cobblebank, Victoria, 3338
- 6) RCPA (WA) - 29 Cocos Drive, Bibra Lake, Western Australia, 6163

The following activities are undertaken by the RCPA Group:

- 1) Manufacture and supply of:
 - a. Reinforced concrete pipes;
 - b. Fibre reinforced concrete pipes; and
 - c. Stormwater and drainage precast systems.
- 2) Direct employment to carry out services in delivering the above:
 - a. Operation of machinery and plant;
 - b. Construction labour; and
 - c. Administrative services.

Part C – Supply Chains

RCPA is a holding entity and has no operating supply chains.

The supply chain of RCPA Group (excluding RCPA) includes the supply and transportation of raw materials that contribute to the manufacture of reinforced concrete pipe solutions.

Examples of products sourced by the RCPA Group include cement, steel, cellulose fibre, sand, alumina trihydrate and aggregate.

Examples of services procured by the RCPA Group include contract labour hire services, management services, machinery and plant operation services, transportation services, repair services etc.

Several products used by entities within the RCPA Group are sourced from overseas. For example, rubber seals are sourced from Vietnam, and cement (clinker) is sourced from suppliers in China or Japan.

Supplier engagement depends on the nature and extent of works the supplier provides for each construction solution. All suppliers are required to follow standard on-boarding procedures to ensure conformance with company policies.

Section 3 – Risks of modern slavery practices in the operations and supply chains of the reporting entity (and any entities the reporting entity own or controls)

The RCPA Group has conducted an assessment on the risks of modern slavery involved in its operations and supply chains.

Given the highly regulated nature of the labour market in Australia, the risk of modern slavery in direct employment within the RCPA Group is assessed to be low. RCPA Group's commitment to training and development of staff is always of high importance. In some instances, labour hire agencies are also engaged to supply workforce resource requirements and are subject to the same level of risk mitigations, however we do appreciate that there is a higher risk with agency contracts as there is less direct visibility over these employees and their employment terms.

There is recognition of risk associated with procurement of raw materials manufactured or sourced from overseas countries. The key geographical locations identified as high risk relevant to the goods the RCPA Group procure include South East Asian countries. These countries could have less stringent union and industrial policies and procedures and therefore could be more susceptible to acts of modern slavery and exploitative practices such as forced labour, child labour and human trafficking.

Part A – 'cause'

The RCPA Group have identified the following risks that could potentially '**cause**' modern slavery practices:

- a) underpaying employees (including all of those that contribute to the operations identified in section 2) hired directly to perform services within the business;
- b) breach of an employee's rights under their employment contract;
- c) directly engaging under skilled, temporary or seasonal labour to perform labour activities;
- d) directly engaging foreign workers; or
- e) recruitment strategies.

Part B – 'contribute to'

The RCPA Group have identified the following risks that it could potentially '**contribute to**' modern slavery practices:

- a) obtaining cheaper rates from suppliers through competitive procurement or ongoing negotiation to meet budget expectations;
- b) engaging suppliers (in Australia and overseas) that may be at risk of contributing to modern slavery practices including third party labour hire companies;
- c) engaging suppliers who will procure goods from high-risk geographic areas (overseas) to complete the works they have been ordered to purchase; or
- d) delivery time frames and the impact on cost.

Part C – 'be directly linked to'

The RCPA Group have identified the following risks that could potentially '**be directly linked to**' modern slavery practices:

- a) contracting external labour (that may be in connection with any of the sections above);
- b) procuring international goods through an agreement with a local supplier (i.e. geographic risk) which may involve countries that have not ratified international conventions relevant to modern slavery; or
- c) procuring goods from an international supplier that is located in a country with a higher prevalence of modern slavery.

Section 4 – 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

The RCPA Group has taken and continues to take the following steps to ensure that the risks identified in Section 3 are assessed, addressed and if necessary, remediated through corrective action.

The RCPA Group has commenced various actions to reduce the risk of modern slavery in its operations and supply chain. These actions are embedded in our procurement practices across all entities within the group.

We understand that addressing the risks of modern slavery goes well beyond documentation, therefore the RCPA Group has appointed its procurement team to assess any high risk situations in relation to each entity within the RCPA Group. This team will be responsible for the management and implementation of these procurement practices and remediation where applicable.

Part A - Modern Slavery Policy

A Modern Slavery Policy will be introduced in the near future to complement the existing employee code of conduct and whistleblower policies. The Policy will identify and set out the actions that will be taken to identify, assess and address the risk of modern slavery in the RCPA Group's operations and supply chains. This Policy will be regularly reviewed and updated as required.

The Policy will apply to all persons working for or providing goods and services to any entity within the RCPA Group in any capacity, including all suppliers, employees, directors, offices, agency workers, sub-contractors, and consultants.

The Policy will be accessible by employees within the shared database and an internal communication will be sent to notify employees of the Policy.

The Policy will be accessible to the RCPA Group's suppliers. Once the Policy is implemented, a communication will be sent out which covers the implementation of the Policy and what is required by the suppliers.

New supplier onboarding procedures will also require each supplier to acknowledge that it understands and will adhere to the Policy (once implemented).

Part B - Supplier Modern Slavery Questionnaire for Existing Suppliers (to be completed annually in conjunction with each 'financial year')

Although third party suppliers may not be required to report on modern slavery, to avoid indirectly engaging in modern slavery practices, existing suppliers within the RCPA Group will be required to be made aware of their obligations in their own supply chain to meet the Modern Slavery Policy by completion of a questionnaire. The RCPA Group plans to implement this questionnaire in the near future to cover the following matters:

- a) awareness of the *Modern Slavery Act 2018* (Cth);
- b) confirmation that the supplier is not engaged in any modern slavery practices;

- c) confirmation that the Supplier, if encountering an act of modern slavery, has an effective internal remediation procedure;
- d) confirmation that the Supplier is educated as to the modern slavery risks in their operations and supply chain; and
- e) a direction that the Supplier openly communicates any acts it identifies in its own supply chains.

This questionnaire will be required to be completed annually by all suppliers.

Part C - On-boarding Requirements for New Suppliers (Modern Slavery Questionnaire)

The RCPA Group plans to implement the 'modern slavery questionnaire' in the near future and the Modern Slavery Policy will be included as part of the on-boarding process of new suppliers within the RCPA Group.

Part D - Engagement (through agreements)

All purchasing agreements will include a clause addressing modern slavery risks stating that 'the Supplier will comply with all laws, codes, standards, regulation, legal requirements and directions relating to Modern Slavery'.

Part E - Remediation Processes

The RCPA Group is not aware of any incidents of modern slavery in its operations or supply chains during the reporting period.

In the instance where an issue is identified, an investigation will be conducted, and remediation actions will be determined which may include:

- 1) immediate cessation of engagement with the supplier (internal or external);
- 2) review and amendment to existing procedures;
- 3) review of similar suppliers to identify if similar risks are identified in respect of such suppliers and their supply chain; and
- 4) if appropriate, the preparation of a communication to all suppliers (internal and external) to flag the risk in an attempt to ensure that the issue does not occur again.

Section 5 – How the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

The following risk procedures and actions are reviewed annually and will be reviewed immediately after a modern slavery incident or matter is identified (whichever occurs first):

- a) Modern Slavery Policy;
- b) Modern Slavery Questionnaire for Existing Suppliers and New Suppliers;
- c) Engagement of Suppliers (through purchase agreements); and
- d) Remediation Processes.

The following routine steps will be in place to assess the effectiveness of the actions set out above:

- a) Regularly checking each process upon implementation into each internal or supplier system; and
- b) Conducting audits between internal disciplines (e.g. administration, commercial, operations) to ensure all relevant risks have been incorporated and/or considered



Section 6 – Process of consultation with any entities the reporting entity owns or controls

In the preparation of this Statement, RCPA has taken steps to engage all of the entities within the RCPA Group on the modern slavery risks in its business, operations, and supply chains so that any risks can be identified, assessed and addressed appropriately.

This Statement is approved by the directors of RCPA on behalf of the RCPA Group.

This Statement was approved by the principal governing body of Reinforced Concrete Pipes Australia (Holdings) Pty Ltd on 1 March 2021.

A handwritten signature in black ink, appearing to read "Dino Strano", is written over a horizontal dotted line.

Signed,

Dino Strano

Director

REINFORCED CONCRETE PIPES AUSTRALIA (HOLDINGS) PTY LIMITED

ACN 136 810 163