

PLAN. BUILD. DELIVER.

 **PATTERSON**
Building Group



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MODERN SLAVERY STATEMENT

FY 2021-2022

ABN: 71 109 697 207

**“ WE ARE PROUD OF OUR COLLABORATIVE CAN-DO APPROACH,
OUR ETHICS AND OUR TEAM AND LOOK FORWARD TO BUILDING
THE FUTURE TOGETHER. ”**

PAUL RICHARDSON
FOUNDER & MANAGING DIRECTOR

Patterson Building Group is a privately owned construction, refurbishment and interiors company serving a diverse range of clients across Australia.

We Plan, Build and Deliver – providing clients with end-to-end design, project management and construction solutions that are recognised not only for their seamless integration of form and function, but also how they feel within the greater environment they occupy.

We focus on delivering the best job for our clients and ensure their objectives are met safely, on time and on budget. Having completed iconic projects ranging from \$50,000 to \$70 million, including multiple award-winning projects, we have achieved success across many sectors including commercial, retail, government, education, aged care, residential and industrial for both private and public sector clients.

We are proud of our collaborative can-do approach, our ethics and our team. We are committed to ensuring there is transparency in our business and our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2018 (MSA). Patterson Building Group expects all who have, or seek to have, a business relationship with the company to act in a way that is consistent with its values.

CONSTRUCTION &

REFURBISHMENT

FIT-OUT



**EXCELLENCE
RELIABILITY
PASSION**

INDUSTRY SECTORS

EDUCATION.
AGED CARE.
HEALTH.
GOVERNMENT.
COMMUNITY.
RETAIL.
COMMERCIAL.
INDUSTRIAL.

est. **2004**

TYPICAL PROJECT SIZE
\$500K TO \$30M



COMBINED FOLIO OF
\$1 BILLION +

ANNUAL TURNOVER

\$118M+



CONSECUTIVE
MBA AWARD

WINNING

PROJECTS

500+

PROJECTS
SUCCESSFULLY
COMPLETED

PROJECTS UP TO
\$70M



SAFE
WORKING
SYSTEMS



Our People

Patterson Building Group have 100 dedicated employees working across various locations within NSW. Most employees are recruited through our inhouse recruitment team using proactive searches, online advertising, and referral by others.

Patterson Building Group are committed to the safety of our employees, clients, and our wider community. Through our employment process we ensure that all employees are legally employed and receive wages and entitlements in accordance with the relevant Australian legislation and awards.

Supply Chain

We obtain services across 28 procurement categories:

- Preliminaries
- Consultants & Surveyors
- Demolition
- Asbestos
- Excavation
- Concrete & Formwork
- Masonry
- Waterproofing
- Steel & Metalwork
- Roofing
- Cladding / Facades
- Windows
- Doors
- Wall & Ceiling Lining
- Carpentry & Joinery
- Render
- Tiling & Floor Coverings
- Painting & Graphics
- Hydraulics (Plumbing)
- Security
- Electrical
- Mechanical
- Lifts
- Fire
- Furniture & Fixtures
- External Works
- Cleaning

In 2021/22 we had in excess of 1750 active supply agreements and \$128 million in spend with subcontractors and suppliers. We have established long-term relationships with key strategic subcontractors and suppliers, all of whom are located in Australia.

Risks of Modern Slavery

Our focus in 2021-2022 was to strengthen our understanding of potential modern slavery risks within our operations and supply chain. The construction industry is considered a high risk industry. We are undertaking a review of our processes, operations and performing extensive supply chain analysis to fully understand potential risk areas along with the development of appropriate mitigation strategies.

The majority of Patterson Building Group's procurement (over 90%) is project based and predominately delivered through our subcontractors and suppliers who are typically Australian registered businesses. Other aspects of project procurement are completed directly with manufacturers, distributors, suppliers, or consultants who are also typically Australian registered businesses. We are working both internally and with external specialists to undertake our supply chain analysis. This process aims to ensure our subcontractors and suppliers comply with all applicable regulations and legislation relating to working hours, wages, welfare and human rights.

Assessing Risks of Modern Slavery in Our Supply Chain

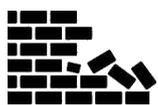
In conjunction with our client, Stockland and Fair Supply, Patterson Building Group undertook a risk assessment case study on one of our projects, Willowdale Retirement Village (stage 8), in order to gain a deeper understanding of our supply chain and associated modern slavery risks present within our supply chain.

We began by identifying the construction materials used for a typical independent living unit which was then run through Fair Supply's proprietary risk assessment technology and an assessment report was provided.

The construction materials identified to have the highest risk of modern slavery were soffit lining and cladding, skirting and window architrave. Industry feedback provided by Fair Supply also indicated that brickwork, tiles, joinery, and carpet industries were high risk areas within our supply chain and therefore were included in this case study.

The group drafted data driven, specific and measurable supplier questionnaires which were then distributed to the suppliers of the high risk categories and finally analysed.

High Risk Areas:



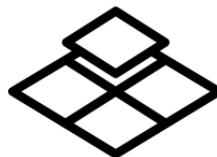
BRICKWORK



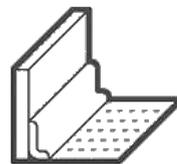
CARPET



JOINERY



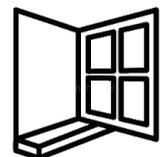
TILES



SKIRTING



**SOFFIT LINING &
CLADDING**



**WINDOW
ARCHITRAVE**

We recognise that our Australian suppliers provide us with goods and services across high-risk categories and thus will require further engagement and assessment.





Our Due Diligence Process



Modern Slavery Working Group:

We formed a working group comprised of senior representatives from our HR and project management divisions.

Supplier Engagement:

Our contractual documentation now incorporates specific prohibition against slavery, the use of forced, compulsory or trafficked labour, and the use of child labour in line with our Modern Slavery Policy.

Modern Slavery Action Plan:

We developed a 12-month action plan for enhancing our approach to modern slavery due diligence, risk management, supply chain management, and training.

Policies and Procedures:

We introduced a Modern Slavery Policy underlining Patterson Building Group's commitment to tackling modern slavery within our supply chain.

Supplier and Subcontractor Risk Identification:

We conducted a case study on a project where we reviewed and prioritised subcontractors and suppliers against modern slavery risk indicators and identified 7 potentially high-risk procurement categories.

Education and Training:

We took part in an introductory modern slavery training workshop with Stockland and a human rights specialist at Fair Supply.

Effectiveness Assessment

Patterson Building Group are committed to reporting progress through annual modern slavery statements and look forward to working with our subcontractors, suppliers and industry partners in playing our role to combat this global issue. We are dedicated to ensuring continuous improvement in our efforts to identify and tackle modern slavery risks. Effectiveness measures may include:

Risk Assessment:

We will complete a bi-annual review of all risks and controls, including modern slavery risks identified in our operations and supply chain as part of our corporate risk management review process.

Awareness Training:

We will provide training to equip our employees, subcontractors and suppliers with the knowledge and skills to identify high risk suppliers and engage with them where appropriate.

Supplier Management:

We will engage with high risk subcontractors and suppliers where appropriate to determine the extent to which modern slavery risks are adequately managed. We will clearly communicate modern slavery risks throughout our organisation and request feedback from staff in developing our capabilities. We will engage with suppliers to ensure they understand our company's non-tolerance for modern slavery and our requirements for complying with ethical business practices, our policies and standards on human rights, safety and environment. We will partner with suppliers who share our stance on modern slavery.

Policy Review:

We will review and improve policies and procedures based on the outcomes of our actions. Ensuring modern slavery controls are integrated into IMS policies and procedures as they are reviewed, where applicable, and developing screening processes for assessing our suppliers and embedding these in standard supply chain management processes.

Action Taken:

When identifying suppliers of building materials for future purposes, a risk assessment is to occur using the matrix below:

Sector and Industry Risks

Is there a high prevalence of modern slavery in the particular industry or sector?

Product and Services Risks

Is there a high prevalence of modern slavery associated with the goods or services?

Geographic Risks

Is there a high prevalence of modern slavery in the source location?

Supply Chain Model Risks

Is the supply chain model used by the supplier likely to carry a greater risk of modern slavery?

Geographical Risk:

A graphical summary was taken from the Australian Red Cross publication Addressing Modern Slavery, a Guide for Australian Businesses for use in assessing the source country for the level of exposure to modern slavery practices using the heat map below (Figure 1).

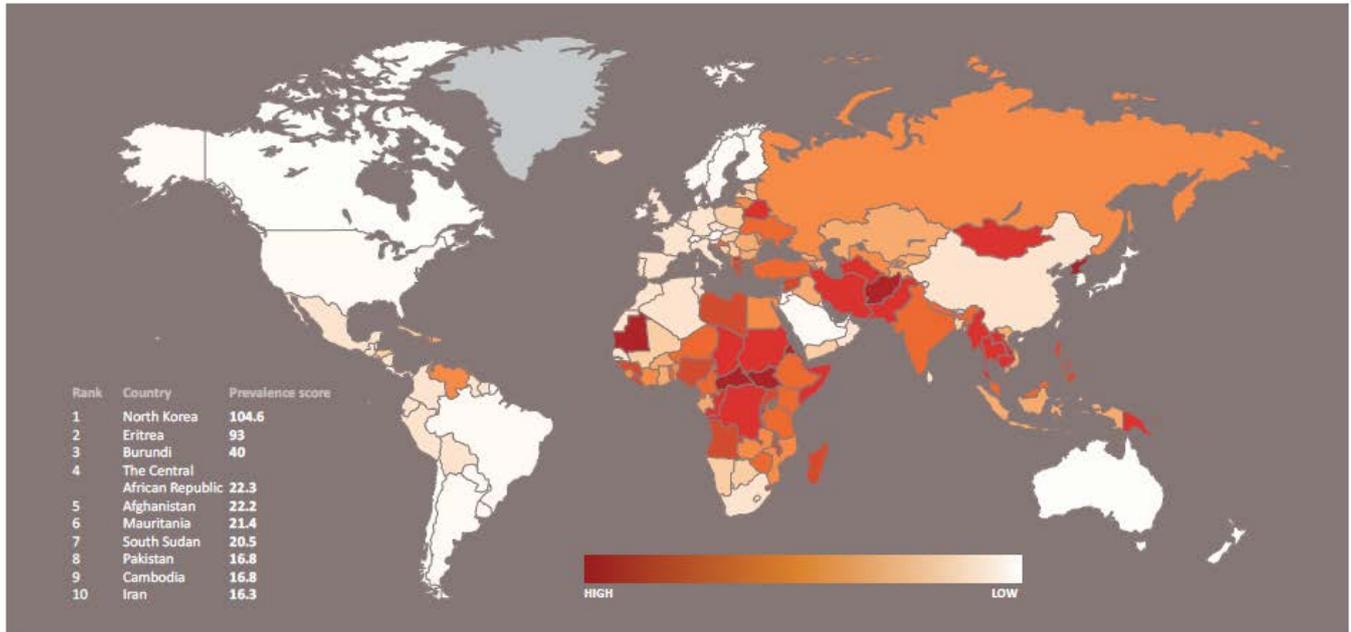


Figure 1: Estimated prevalence of modern slavery by country: noting 10 countries with highest prevalence, estimated victims per 1,000 population⁹

Due Diligence:

We acknowledge that we are continually improving our knowledge of the risk in these areas and are actively working on integrating controls to mitigate modern slavery into our processes and systems. A review of the heat map for supply of major construction materials to our business has shown the vast majority have been sourced from areas which are low risk. We are, however, committed to undertaking due diligence processes when contracting with external suppliers and to identifying and assessing any indications of suppliers being high risk.

This Statement was approved by Paul Richardson, the Sole Director of Patterson Building Group Pty Ltd on 13th December 2022.

PAUL RICHARDSON Date
SOLE DIRECTOR 13 December 2022

SYDNEY OFFICE

Level 5, 189 O’Riordan Street
MASCOT NSW 2020

PO Box 1136 MASCOT NSW 1460

Tel: 9662 6522
Fax: 9662 6533
Email: reception@pattersonbuild.com.au

WOLLONGONG OFFICE

10 Belmore Street
Wollongong NSW 2500

PO Box 82, FAIRY MEADOW NSW 2519

Tel: 4283 3044
Fax: 4283 5122

NEWCASTLE OFFICE

Suite 3, 161 Lambton Road
Newcastle NSW 2292

PO Box 1136 MASCOT NSW 1460

Tel: 8197 6039