

Modern Slavery Statement FY 2020

Taylor Construction Group Pty Ltd
ABN 25 067 428 344
18th March 2021

Executive Summary

Modern slavery is a crime and a violation of human rights which can take the form of slavery, human trafficking, servitude, forced and compulsory labour, debt bondage, human trafficking, child labour and employment in slavery-like conditions, all of which involve the deprivation of a person's liberty for another's personal or commercial gain.

TAYLOR understands that the construction sector (reporting entity) can be susceptible to modern slavery practices such as forced labour, and is particularly high risk due to the complexity of its supply chains and the nature of its labour-intensive, temporary workforce

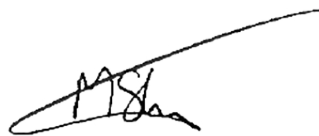
The indicators of forced labour, as identified by the International Labour Organisation (ILO), include:

- abuse or vulnerability
- deception
- restriction of movement
- isolation
- physical and sexual violence
- intimidation and threats
- retention of identity documents
- withholding of wages
- debt bondage
- excessive working and poor living conditions
- excessive overtime.

TAYLOR, as a business operating within the construction sector, is committed to acting ethically in all its business dealings and relationships. TAYLOR promotes a culture of corporate compliance, open communication, transparency and ethical behaviour by implementing and enforcing effective management systems within its business to identify, prevent and mitigate exploitative practices that may undermine or deprive any persons within its own business or in any of its supply chains of their freedom.

To that end, TAYLOR and its stakeholders in the supply chain are required to comply with the requirements of the Modern Slavery Act 2018 (Cth) (Act) and our Whistleblower Policy.

This statement made pursuant to Section 16(1) of the Modern Slavery Act 2018 for the year ending 30 June 2020 was approved by the Directors on 18th day of March 2021.



Mark Taylor
Managing Director

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Mandatory Reporting Criteria Modern Slavery Act 2018 (Cth)

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Our Reporting Entities

The Directors of Taylor Corporation Pty Ltd (ABN 146 589 344) and its subsidiaries (TAYLOR) are pleased to approve our initial Modern Slavery Statement for FY 2020.

This is a joint statement prepared and lodged on behalf of Taylor Construction Group Pty Ltd (ABN 25 067 428 344) – the reporting entity and serves as a voluntary statement for other non-reporting entities in the Group including parent entity Taylor Corporation Pty Ltd.



Structure, Operations & Supply Chains

About us

Taylor Construction Group Pty Ltd, established in 1994 is a financially secure, privately-owned Australian company. Guided by our client-focused, relationship driven approach we have become one of NSW's most respected construction companies.

The company is owned by Mark Taylor as the single shareholder and is governed by Taylor's Senior Management Team. The Senior Management Team meets monthly to set and oversee the strategic direction of the organisation and to ensure they are up to date on business performance and activities.

We believe that completing quality projects on time and on budget is a given, we strive to do more. The steady growth enjoyed by Taylor is the result of its considered selection of projects and strong partnerships. It is the belief in strong relationships that continues to underpin the Taylor culture and as a result we are proud that 65% of our projects are repeat business. We deliver design and construct, and refurbishment & live environment projects valued from less than \$5 million to over \$175 million across; commercial, community infrastructure, education, health & aged care, hospitality, industrial & data centres, and residential sectors. Currently, Taylor directly employs in excess of 225 personnel.

Over our 25 year history, Taylor has built a team of 225+ talented industry experts and expanded services across construction, refurbishment & live environments, and property. Fundamental to our culture, and what has made us truly stand out in the eyes of our people, clients, and partners are our Principles.

Our Principles are at the core of Taylor, they govern who we are, how we act and operate, and how we achieve excellence for our clients. Proud to be recognised a trusted advisor and delivery partner of choice, our Principles guide our people, our policy decisions, and everything we do.



04

Excel

Trusted Delivery Partner

We strive to build relationships with people to be recognised as a trusted advisor and chosen delivery partner.



01

Listen

Understand Each Other

We listen and ask why to define success and best deliver value.

02

Create

Connecting People and Spaces

We create spaces by focusing on the end user and connect the projects we deliver with their needs.

03

Diversity

Think Differently

We harness the diversity of thought to create innovative solutions.

Our Supply Chains

Our supply chains are best differentiated between the procurement we undertake to sustain our own office based operations (Corporate Supply Chain) and the procurement that we undertake on behalf of our clients for our contracted projects (Project Supply Chain). During the reporting period 2019-2020, Taylor worked with some 2,135 Suppliers.

Corporate Supply Chain

The direct procurement expenditure (excluding staffing costs) required to operate the Corporate functions of TAYLOR, represents a relatively small portion of TAYLOR's total combined Corporate procurement expenditure.

We acknowledge that regardless of the relatively small total value of this expenditure, significant modern slavery risks may still exist within this portion of our supply chain.

As part our commitment to complying with this legislation, as well as mitigating these risks, during FY21 and FY22 TAYLOR will undertake a risk assessment of its own direct supply chains and continue to do so, beyond FY22.

Project Supply Chains

The project expenditure that we undertake on behalf of our clients each year, comprises the vast majority of our total group procurement value. This expenditure is more complex and varied in nature than our corporate expenses and, as such, warrants greater scrutiny of the modern slavery risks that may exist within it.

In 2020, Taylor formed its Modern Slavery working group to meet on a regular basis to determine the means by which Taylor will minimise the risks of modern slavery within its supply chains through its policies and procedures.



Risks Identified & Our Actions

Our Modern Slavery Strategy and Whistleblower Protections

Taylor prides itself on being a trusted advisor and delivery partner of choice and, therefore, does not tolerate any form of human rights abuse or acts of modern slavery that fundamentally go against the business's core values.

Taylor's success is dependent upon, and built on, listening to its employees and key stakeholders. Ensuring the health, safety and wellbeing of all those who work with Taylor is our first and highest priority.

Taylor is committed to creating a dynamic workplace that is ethical, legally compliant and safe for all employees and stakeholders to raise any concerns without fear of retaliation or bullying.

Taylor expects the same level of commitment from all of its contractors, suppliers and other business partners to ensure that modern slavery is not taking place anywhere in Taylor's business, or our partners' businesses, or in any of Taylor's or our partners' supply chains.

Taylor expects that its subcontractors and suppliers will hold its own suppliers to the same standard as Taylor and that they will carry out their businesses in accordance with the Act and our Policy.

Taylor understands that construction site maintenance, cleaning and building materials supply can pose a particularly high risk of exposure to modern slavery. Taylor is committed to improving its practices and to taking important steps to combat modern slavery and has clearly defined the actions taken to identify, address and mitigate modern slavery risks within its business operations and supply chains.

We engage with a diverse range of suppliers. Additionally, our suppliers often have suppliers of their own, as do those suppliers, and so on. We are aware these sub-suppliers may indirectly affect Taylor's contribution to human rights abuses through modern slavery practices within its supply chain.



Our supply chain involves sourcing manufactured products from countries such as China, and procuring services through subcontracting. Taylor has undertaken several activities in order to pursue and achieve its business objectives in New South Wales, including;

- Direct employment of or entering into contractual agreements with Workers,
- Processing and sourcing of manufactured products,
- Construction and building services, and
- Provision and delivery of products and services.

In order to ensure Taylor conducts its business ethically and in compliance with all laws and regulations, Taylor has formal policies and procedures in place, including its Whistleblower and Modern Slavery Policy. Taylor also undertakes an annual policy compliance review with an external legal partner.

Taylor's Modern Slavery Policy outlines the minimum standards expected of Taylor and its suppliers and subcontractors. It also provides a mechanism by which any suspected or actual act of modern slavery within the supply chain, or any suspected breach of the Modern Slavery Policy, can be reported.

Additionally, Taylor suppliers and subcontractors are expected to ensure their own employees and suppliers are sufficiently trained on modern slavery risks under the Policy, and are required to declare in Taylor's Modern Slavery Questionnaire whether they have trained their new and existing staff members on modern slavery.

Modern Slavery Risks

Undertaking a scoping exercise of our supply chains, we have determined that there are several modern slavery risks that we may cause, contribute, or be directly linked to, both within our business operations and our supply chains.

Given our strong business ethics (Taylor Business Conduct & Ethics Policy), we believe it is unlikely that we would be directly linked to modern slavery practices. However, given the nature of our supply chain in sourcing manufactured products and engaging in construction and building services, we have identified several modern slavery risks, including;

- Our subcontractors' (or their requisite subcontractors') labour standards,
- Our subcontractors' use of recruiters,
- The sourcing of manufactured at-risk products from high-risk countries such as China, Afghanistan, India, Nepal, Cambodia, Brazil and North Korea, and
- The pricing of certain materials or services below general market pricing.

Taylor is also aware that the construction industry is an area of concern for modern slavery as identified by the International Labour Organisation. Furthermore, it understands that cases of forced labour have been found in the Australian construction industry.

Whilst Taylor is not directly aware of any cases of forced labour within its business or its supply chains, it is committed to ensuring that its business and suppliers are vigilant in preventing modern slavery risks during the labour procurement process.

There have been no cases reported to date.

Addressing Modern Slavery Risks

Taylor has governance processes which identify, address and mitigate modern slavery risks and practices through **the preparation and implementation of its Policies & Procedures**, Modern Slavery & Whistleblower Policy, and modern slavery training seminars for new and existing Taylor employees, and its engagement with its stakeholders to ensure compliance with the Act and Modern Slavery Policy.

As part of Taylor's corporate governance processes, Taylor has undertaken a significant review and amendment of its contractual agreements with its suppliers, consultants and subcontractors to ensure they;

- Incorporate the Modern Slavery Act 2018 (Cth) and Taylor's Modern Slavery & Whistleblower Policy ('Materials'),
- Will have completed **Taylor's Modern Slavery Questionnaire** and certify that all the answers provided in the Questionnaire are true, complete and accurate to the best of their knowledge and understanding,
- Will train their respective employees, contractors and suppliers on the Materials,
- Will describe the actions taken by them and any contractors they own or control to assess and address associated risks, including remediation processes,
- Will describe the consultation process and how they will assess the effectiveness of remediation actions, and
- Will provide contractual warranties within their agreements that they will not cause or contribute to modern slavery practices or risks, directly or indirectly, or act in contravention of Taylor's Modern Slavery & Whistleblower Policy.

The above initiatives are effective preventative measures and ensure that Taylor is identifying, addressing and mitigating modern slavery risks that it may be indirectly linked to.

Further, Taylor has placed on all its building sites "Modern Slavery happens in Australia" posters to encourage reporting, of any concerns, by any worker on our building sites. Posters display a contact number and email address for the Taylor Whistleblower Hotline.



Measuring Effectiveness

In order for Taylor to determine and ensure the effectiveness of its policies and procedures in relation to identifying, assessing, monitoring and preventing modern slavery risks, Taylor is committed to (has and/or will be);

- Introducing Modern Slavery compliance reporting to:
 - A. Monthly Project Reports
 - B. Business Monthly Reports
- Establishing regular review processes of the entity's modern slavery mechanisms.
- Regularly reviewing the entity's risk assessment processes to ensure they are current (for example, amending the policy and modern slavery questionnaire as required from time to time).
- Random auditing of suppliers.
- Setting up feedback mechanisms to provide for regular engagement.
- Conducting internal audits to determine the effectiveness of modern slavery risk mitigation strategies.
- Introducing target dates (Action Plan) for modern slavery risk policy/process implementation.
- Considering the trends in grievance reports and responses.

Taylor has introduced effective feedback mechanisms through its whistleblower initiatives. These initiatives include the reinforcement of its Whistleblower Policy to account for both identified and anonymous disclosures of non-compliance with the material provided.

This grievance mechanism ensures that instances of non-compliance are addressed. The COVID-19 pandemic is likely to raise additional issues of Modern Slavery in the workplace, making effective feedback mechanisms more important than ever.

The Whistleblower Policy is made available to Officers and Employees **and its subcontractors and relevant suppliers, and covers the following:**

- Protections available to whistleblowers, including protections under the Corporations Act.
- Who can receive disclosures qualifying for protection under the Corporations Act (protected disclosures), and how they can be made.
- How to make a qualified disclosure, and how the company will support whistleblowers and protect them from detriment.
- How the company will investigate protected disclosures.
- How the policy will be made available to officers and employees of the entity.
- How the company will ensure fair treatment of employees who are mentioned in protected disclosures, or to whom such disclosures relate.

A short compulsory on-line module is to be developed in FY21 which provides more information on this Policy and Modern Slavery Policy to Taylor team members. Taylor team members will be required to undertake the module on recruitment, or module renewal. The content will be readily available on the organisation's intranet.

The Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019 (Cth) saw the expansion of whistleblower protections by requiring eligible entities to implement whistleblower policies, and ensure mandatory criteria are addressed. Taylor is committed to maintaining policies in line with current legislation, working closely with an external legal partner to ensure compliance with any matters prescribed under the Regulations.



Measurement and Evaluation Action Plan

Milestone	Performance Indicators	Completion	Target FY21	Target FY22
Policies and Procedures	Modern Slavery Policy	Published FY20		
	Whistleblower Policy updated	Published FY21		
	Modern Slavery Procedure		To be completed	
Due Diligence	Post Tender Interview questions	In progress	To be completed	
	Modern Slavery Questionnaire issued to selected suppliers		Ongoing	Ongoing
	Modern Slavery clauses in contracts	Completed FY20		
	Supplier Code of Conduct	Update in progress	To be completed	
	Right to work checks as part of PTIs (Post Tender Interviews)		Ongoing	Ongoing
	Modern Slavery Strategy and Review meetings	FY20 x 3 held to-date	Quarterly	Quarterly
	Monthly Project Management Report		Commence	Ongoing
	Monthly Business Report		Commence	Ongoing
Training and Education	Internal staff training sessions		1 held to date	
	Whistle Blower + Modern Slavery Policies distribution via Intranet (online module)		To be completed	
	Site / Office Posters		Completed	

Consultation & Other Information

Consultation

Taylor views the issues of modern slavery as being similarly aligned and of similar importance to those of Health, Safety, Environmental and Quality issues within our business.

As such, the consultation and communication of modern slavery issues is managed under the responsibilities of our Company Secretary, reporting directly to our Board of Directors.

The Human Resources & WHSEQ team will meet quarterly. Issues regarding modern slavery, human rights, worker wellbeing and similar social issues are communicated amongst this group at these monthly meetings, or otherwise, as required.

Other relevant information

The Australian property industry has been recognised as a leader in addressing modern slavery issues, both within their own businesses and as a collective, within the Australian economy.

As a significant supplier of services to the property industry, Taylor has a responsibility to ensure that our practices are the best they can be on all issues, but especially regarding corporate and social governance.

Over the past 12 months Taylor has participated in various initiatives, including;

- Property Council of Australia Supplier Engagement Platform, and
- Peer / industry discussion groups.

Taylor continues to evaluate the most effective means of participation, and access to accurate knowledge and awareness of modern slavery issues, and ways in which to maximise our positive social impact.



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