

Incat Holdings Limited Group Modern Slavery Statement 2019-20

1 Introduction

Modern slavery is a global issue which can take many forms including the trafficking of people, slavery and forced labour. The Incat Holdings Limited group (“Incat”) is opposed to slavery in all of its forms. We understand that the crimes of modern slavery are not always easily visible and the purpose of our statement is to comply with our legal obligations to outline the steps taken by Incat to identify and mitigate the risk of modern slavery occurring in our business operations and our supply chain.

2 Company overview

2.1 Reporting entity

Incat Holdings Limited, including its subsidiaries, is a reporting entity for the purposes of the Modern Slavery Act 2018 and this is our inaugural statement. As part of this Statement, Incat reports on our action to assess and address modern slavery risks associated with our operations, including our employment practices and subcontractor management, and our plans to prevent slavery and human trafficking from taking place in our business and supply chains.

It is contrary to Incat’s organisational values that our business activities could contribute to modern slavery, abuses of human rights or people exploitation of any kind.

2.2 Governance

All Incat employees must comply with our required standards of workplace behaviour as contained in our employee handbook and associated policy and procedure, which clearly state Incat’s opposition to all forms of unfair discrimination or victimisation.

We promote high standards of honesty and integrity within our business and workforce and have an internally publicised Whistleblowing Protection Policy with mechanisms for employees to raise any suspected concerns regarding unethical behaviour or decisions. Incat is committed to fully investigating any disclosures made under this Policy and ensuring that no detrimental conduct is taken or threatened against any person so such disclosing.

3 Structure

Incat Holdings Limited is an unlisted public company and as part of a group manufactures large passenger high speed catamaran vessels. The company is owned by the founder, the founder’s family members and share-owning former and current employees.

Incat has several 100% owned subsidiaries and Incat Holding Limited submits this statement on behalf of those entities where we have a controlling interest which are listed as subsidiaries:

- Incat Tasmania Pty. Ltd. (builder)
- Incat Marketing Pty Ltd (marketing)

- ICT Pty Ltd (non-trading)
- Incat Australia Pty Ltd (plant and equipment)
- Incat Chartering Pty Ltd (vessel chartering)
- Incat Offshore Pty Ltd (non-trading)
- Incat Finance Pty Ltd (non-trading)

3.1 Our operations

Incat’s main operation is the construction of high-speed large catamaran passenger vessels, the employees directly employed in these activities and the supply of labour and services to our projects by subcontractors.

Incat directly employs approximately 500 employees. Our operations are primarily based out of Hobart, Tasmania. All employees are employed in Tasmania.

Incat’s operations also include chartering and servicing these vessels.

3.2 Our supply chain

Incat’s supply chain is complex, with multiple levels of suppliers between the source of raw materials and their use in our manufacturing activities. In this context Incat’s supply chains may include raw materials that are sourced, manufactured, or otherwise processed overseas, their importation to Australia and subsequent sale and distribution to Incat.

We operate in Hobart and support local businesses by buying locally. Our largest spend categories, include major machinery, marine grade aluminium and engaging subcontractors to carry out activities such as specialist safety fire protection and plumbing.

Our supply chain includes the following services and products:

Building and construction	Aluminium materials, paint, electrical products, subcontract services, labour hire, equipment and scaffolding hire
Machinery	Engines, jets, gear boxes, generators, auxiliary equipment
Fabrication	Aluminium products, insulation, tools, parts and equipment, freight services, subcontract services, equipment hire, welding gases
Contracting	Tools, heating and cooling units and parts, pumps and parts, electrical supplies, subcontract services, equipment hire, adhesives and solvents
Business Support	Travel and accommodation, uniforms, protective clothing and equipment, training providers, insurance services, vehicles and fuel, health and first aid services, IT services and supplies, cleaning services, waste management, office and kitchen equipment and supplies

We have more than one thousand registered suppliers across products and sectors. Whenever possible Incat attempts to support local suppliers and producers, which in many cases are small businesses that may not have the resources to assess their supply chains.

4 Our modern slavery risks

4.1 Information

To identify modern slavery risks in our supply chains we have relied on publicly available information including reports, investigations and bulletins. Going forward we may also rely on information obtained from suppliers.

The identification of modern slavery risk comprised an assessment of risks associated with the source country, supplier spend and sector/product risk. We acknowledge our reporting obligations require us to ensure that the scope of risk includes aspects of our supply chains that some Australian and non-Australian sourced products may contain components that have modern slavery risk potential.

4.2 Risk focus

For this statement we have focused on identifying any high-risk areas that may require immediate attention and mitigation. While Incat considers the risk of modern slavery on our direct business operations to be low, the following have been identified as potential risk areas:

- some protective clothing and equipment
- some electronic and computer equipment
- some metals-based operations and products including fasteners, parts, tools, fabrication materials
- some aluminium products.

We predominately employ local Australian workers directly. Where this is not possible, we also use contractors. Arrangements are governed by the Australian employment law regime and are considered a low risk for modern slavery.

5 Our approach to risk

We undertake due diligence on all significant suppliers and subcontractors as a pre-contractual step and manage these relationships on an ongoing basis.

Incat engages constructively in policing and supporting compliance (among other matters), correct and fair wages and entitlements and worker freedom of association. The Australian unions also play a role in this area and Incat traditionally has a constructive relationship with these organisations which is based on our respect for employee rights.

6 Due diligence and remediation

Incat has identified the following action points:

1	Inclusion of ethical and human rights criteria in current procurement guidelines and contractual standards to communicate and reinforce our expectations to suppliers.
2	Adapt current well-developed internal audit processes to capture and report on ethical non-conformances.
3	Modern slavery education of key company positions involved in procurement decisions. Over time this may expand to a general organisational educational programme.
4	Internal reaffirmation of existing company grievance and whistleblowing procedures to encourage their use in the event of any suspected abuses.
5	Research ways in which Incat may best directly assist identified victims of modern slavery. To a large extent actual remediation measures will be based on the individual circumstances.
6	Determine meaningful measures to track progress on modern slavery initiatives over time.

7 Consultation

Effective consultation on modern slavery legislation and organisational requirements was achieved with Incat's owned/controlled entities through:

- the presence of Incat's Chief Executive Officer and an Executive Officer on the governing bodies
- reporting from a shared business support team to the governing bodies
- input solicited from all senior management positions

This consultation will continue as Incat further develops our response to modern slavery risks.


8 Other

Incat has been impacted by COVID-19 and it has affected our ability to provide detailed responses to some criteria in this statement. Additionally, we have experienced that many of our suppliers are experiencing similar issues and consequently slowed down the sharing of information.

This statement addresses our position at a point in time and may not be comprehensive. This statement will be monitored, reviewed and updated as required.

9 Statement approval

This Statement was approved by the Board of Directors on 31st March 2021.



Kim Clifford

Director