



city

# Modern Slavery Statement

Period 1<sup>st</sup> January 2020 to 31<sup>st</sup> December 2020 (FY 2020)



## Introduction



City have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships. Modern slavery is defined by the Modern Slavery Act (Cth) 2018 (Act) and applies to serious exploitation such as trafficking in persons, slavery, servitude, forced labour, forced marriage, debt bondage, the worst forms of child labour, and deceptive recruiting for labour or services.

The Modern Slavery Act (Cth) 2018 (Act) came into force on the 1<sup>st</sup> January 2019. The Act establishes national modern slavery reporting requirements for certain large businesses and other entities in the Australian market, and applies to City Holdings Pty Ltd (City). City recognises its obligations under the Act and welcomes the opportunity to report our first Modern Slavery Statement. The reporting period for this statement is for the 1<sup>st</sup> January 2020 to 31<sup>st</sup> December 2020.

City will continue to engage with our stakeholders and improve our systems and controls to minimise the risk of modern slavery occurring in our business operations and supply chains.

This Modern Slavery Statement was jointly prepared by the City Modern Slavery Working Group, endorsed by the City Board and approved by the Chief Executive Officer.



**Chris Winchester**  
**Chief Executive Officer**

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# 1. About City and our Operations

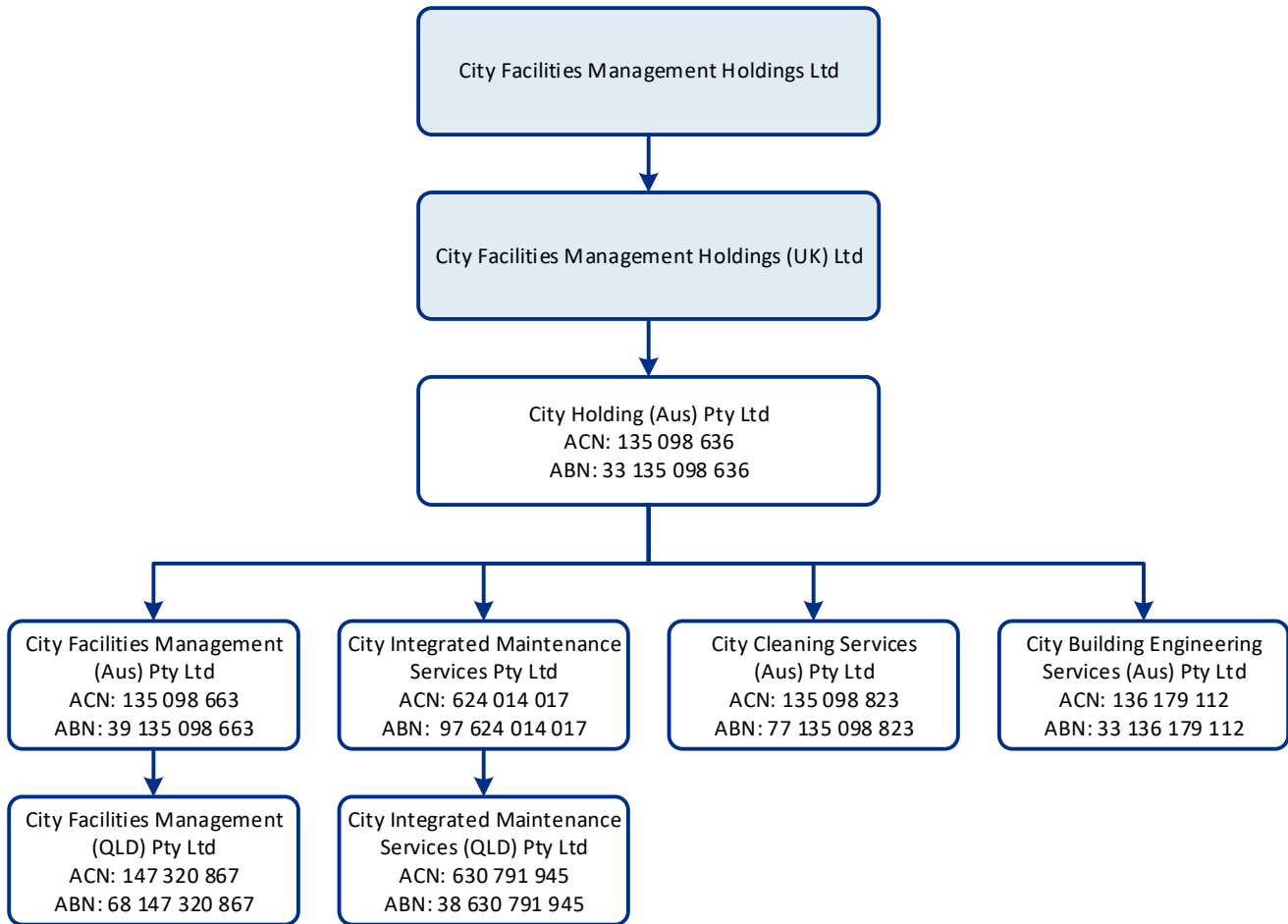
City Holdings (Aus) Pty Ltd (City) provides innovative facilities management services and solutions to retail and commercial partners across Australia. Our partners (customer) sites include supermarkets, child care centres retail stores, automotive service centres, essential health centres and fast food outlets.

Our core facilities management services include reactive maintenance and planned preventative maintenance (PPM), security, cleaning, grounds, waste management and pest control. Our partners can also leverage off our additional, value-add professional and technical capabilities.

Our Services	Description of Service
 <p data-bbox="334 911 513 936"><b>Hard FM Services</b></p>	<ul style="list-style-type: none"> <li data-bbox="678 701 1149 726">▪ HVAC, Refrigeration, Electrical &amp; Plumbing</li> <li data-bbox="678 747 1114 772">▪ Building Works (Painting &amp; Handyman)</li> <li data-bbox="678 793 846 819">▪ Fire Services</li> <li data-bbox="678 840 922 865">▪ Security (Electronic)</li> </ul>
 <p data-bbox="334 1243 513 1268"><b>Soft FM Services</b></p>	<ul style="list-style-type: none"> <li data-bbox="678 1037 808 1062">▪ Cleaning</li> <li data-bbox="678 1083 808 1108">▪ Grounds</li> <li data-bbox="678 1129 1081 1155">▪ Waste Management &amp; Pest Control</li> <li data-bbox="678 1176 1097 1201">▪ Security Guarding &amp; Profit Protection</li> </ul>
 <p data-bbox="315 1575 535 1600"><b>Professional Services</b></p>	<ul style="list-style-type: none"> <li data-bbox="678 1348 1114 1373">▪ IT Support &amp; Application Development</li> <li data-bbox="678 1394 919 1419">▪ Asset Management</li> <li data-bbox="678 1440 954 1465">▪ Technical Procurement</li> <li data-bbox="678 1486 935 1512">▪ Project Management</li> <li data-bbox="678 1533 1065 1558">▪ Landlord &amp; Third-Party Recoveries</li> </ul>
 <p data-bbox="328 1906 522 1932"><b>Technical Services</b></p>	<ul style="list-style-type: none"> <li data-bbox="678 1680 1282 1705">▪ Engineering (Mechanical, Electrical &amp; Building Controls)</li> <li data-bbox="678 1726 863 1751">▪ Energy Centre</li> <li data-bbox="678 1772 1091 1797">▪ Technical Centre (Alarm Monitoring)</li> <li data-bbox="678 1818 935 1843">▪ Critical Incident Desk</li> </ul>

City is a fully owned subsidiary of the UK based City FM Group, that employs over 17,000 team members globally, with offices in Europe, Australia, Asia and North America. Established by Lord and Lady Haughey in Glasgow in 1985, the City FM Group are one of the largest privately-owned facilities management companies in the world.

Within Australia, City Holdings (Aus) Pty Ltd (City) has six (6) controlled entities that are wholly owned by City, incorporated in Australia and only operate in Australia. City, including all controlled entities, are managed and governed by the same Executive Leadership Team and Board, operating as one organisation branded as City. The City entity structure is depicted below:





City's head office is located in Melbourne, with our registered address being:  
10 Nexus Court Mulgrave, Victoria 3170 Australia.

City employ 1178 team members in Australia (as at May 2021), with roles broken down as follows:

**443** - Field based Technicians and Maintenance Specialists

**339** - Head Office Team Members

**232** - Field based Cleaners / Grounds Maintenance

**164** - Field Supervisors / Managers

City's field-based team members perform facilities management services through-out all states and territories of Australia, including metro and regional locations.

**447,897** Calls Answered by our Helpdesk

**625,549** Reactive Jobs Completed

**120,393** PPM Jobs Completed

**3,797** Partner (Customer) Sites Serviced



## 2. Our Supply Chain

City engage a broad base of sub-contractors and suppliers to enable the delivery of FM services to our partners. 100% of City’s direct sub-contractors and suppliers (tier 1 supply chain) are Australian based businesses (ABN/ACN provided). Equipment, parts and material suppliers are known to source some of their product from overseas regions such as Europe and Asia. City expect all sub-contractors and suppliers to comply to City’s modern slavery expectations. City’s supply chain is broken down into the following categories:

Tier 1 Supply Chain / Vendor Category	Describe of Goods or Services Provided by Vendor Category	Qty of Vendors in this Category	Approximate Percentage of Total Vendor Spend
<b>Field based (Blue Collar) Sub-Contractors &amp; Labour Hire Agencies</b>	Field based contractor and labour hire workers such as Licenced Trade Technicians, Maintenance Specialists, Grounds Maintenance, Field Supervisors and Cleaners working at Australian based Partner controlled sites performing FM reactive and planned preventative maintenance works	819	69.5%
<b>Equipment Asset Suppliers</b>	Equipment (assets) such as Commercial refrigeration units, HVAC systems, catering equipment, compressors, switchboards, etc.	36	19.9%
<b>Parts, Materials &amp; Consumables Suppliers</b>	Electrical, plumbing, refrigeration, HVAC, building, mechanical spare parts, materials and consumables, refrigerant gases, technician tools, etc.	88	8.0%
<b>Professional Services Suppliers / Consultants</b>	Professional consulting services, training providers, recruitment consultants, test and calibration providers, etc.	37	0.4%
<b>Fleet &amp; Associated Services Suppliers</b>	Company vehicle fleet lease providers, vehicle fit-out providers, vehicle service providers, fuel providers, etc.	2	1.9%
<b>Facilities (Head Office) &amp; Associated Utilities</b>	Lease provider of City Head Office (includes all associated building utilities)	1	Not accounted for in total vendor spend
<b>Uniforms and PPE Suppliers</b>	Technician uniforms, PPE, etc.	3	0.1%
<b>ICT Service Providers/Suppliers</b>	Cloud based infrastructure, IT Systems and Applications, Electronic Devices, Etc.	26	0.1%

### 3. Risks in our Operations and Supply Chain

In accordance with our Risk Management Framework, the City Modern Slavery Working Group have identified and assessed modern slavery risks related to our operations and supply chain. All modern slavery risks have been categorised, recorded and rated on a Modern Slavery Risk Register. An overview of our risk assessment approach is described below.





The following indicators are reviewed to ensure all potential modern slavery risks have been identified:

Type of Risk	Indicators
<b>Sector and industry risks</b>	Certain sectors and industries may have high modern slavery risks because of their characteristics, products, and processes.
<b>Product and services risks</b>	Certain products and services may have high modern slavery risks because of the way they are produced, provided, or used.
<b>Geographic risks</b>	Some countries may have higher risks of modern slavery due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors like poverty.
<b>Entity risks</b>	Some entities may have particular modern slavery risks because they have poor governance structures, a record of treating workers poorly or a track record of human rights violations.
<b>Indicators of modern slavery</b>	A combination of these signs may indicate a person is in a situation of modern slavery and that further investigation and assessment is required.

City have referred to the [www.globallslaveryindex.org](http://www.globallslaveryindex.org) to identify countries that are likely to have an inherent high risk of modern slavery from a supply chain perspective.

City concludes that the risk of causing or contributing to modern slavery practices in our operations is low.

All of City’s tier 1 suppliers (such as equipment, parts and material suppliers) are based in Australia. City will continue to work with its high-volume equipment, parts, and materials suppliers, in accordance with our Ethical Sourcing Policy and Questionnaire, to better understand our suppliers international supply chains, existing risk controls in place and planned initiatives.

A summary of City’s modern slavery risk profile is provided below.

Operations or Supply Chain Aspect	Inherent Risk Contributing Factors / Existing Controls	Conclusion
<b>City team members (employees) – Office based roles</b>	<ul style="list-style-type: none"> <li>▪ All City team members are based in Australia and subject to Australian workplace/employment laws</li> <li>▪ Australia has a low Global Slavery Index Score</li> <li>▪ Majority of team members located in capital city &amp; professional office environments</li> <li>▪ Team members educated and know their rights</li> <li>▪ City office based operations do not inherently give rise to modern slavery conditions</li> <li>▪ City have mature HR &amp; OH&amp;S policies, procedures, systems and controls</li> <li>▪ Modern Awards and Employment Contracts</li> <li>▪ Team member satisfaction metrics and consultation practices</li> </ul>	<p>City consider the risk of modern slavery practices to our team members to be low</p>
<b>City team members (employees) – Field based roles</b>	<ul style="list-style-type: none"> <li>▪ All City team members are based in Australia and subject to Australian workplace/employment laws</li> <li>▪ Australia has a low Global Slavery Index Score</li> <li>▪ Some team members working in remote locations</li> <li>▪ Trade team members educated and know their rights</li> <li>▪ Some field operations (e.g. cleaning industry) inherently gives rise to under payment</li> <li>▪ Some field team members may have migrated from countries with a high Global Slavery Index Score and may be prone to accept substandard field based working conditions</li> <li>▪ Field based employees are covered by an Enterprise Agreement that must be better than the Award</li> <li>▪ City partner with reputable customers who have professional and safety controlled premises/inductions</li> <li>▪ City have mature HR &amp; OH&amp;S policies, procedures, systems and controls</li> <li>▪ EBAs are subject to Union consultation and endorsement (own worker representation)</li> <li>▪ Team member satisfaction metrics and consultation practices</li> <li>▪ Field audits (sampling approach)</li> <li>▪ Job time logging and rostering systems</li> </ul>	<p>City consider the risk of modern slavery practices to our team members to be low</p>

Operations or Supply Chain Aspect	Inherent Risk Contributing Factors / Existing Controls	Conclusion
<b>Sub-contractor and Labour Hire Workforce</b>	<ul style="list-style-type: none"> <li>▪ All sub-contractor and labour hire workers are based in Australia and subject to Australian workplace / employment laws</li> <li>▪ Australia has a low Global Slavery Index Score</li> <li>▪ Some workers are working in remote locations</li> <li>▪ Some field operations (e.g. cleaning industry) inherently gives rise to under payment</li> <li>▪ Some contractor workers may have migrated from countries with a high Global Slavery Index Score and may be prone to accept substandard field based working conditions</li> <li>▪ Some sub-contractor workers may not be fluent in English to enable them to understand their rights or employment conditions</li> <li>▪ City partner with reputable customers who have professional and safety controlled premises/inductions</li> <li>▪ City procurement and sub-contractor accreditation policies, procedures and systems</li> <li>▪ Field audits (sampling approach)</li> <li>▪ Sub-contractor payroll and employment condition audits (sampling approach)</li> </ul>	<p>City consider the risk of modern slavery practices to our sub-contractor and labour hire workers to be low</p>
<b>Equipment, Parts &amp; Materials and other Services Suppliers</b>	<ul style="list-style-type: none"> <li>▪ All suppliers (tier 1) based in Australia.</li> <li>▪ Australia has a low Global Slavery Index Score</li> <li>▪ Many high spend equipment, parts &amp; materials suppliers will be subject to the Modern Slavery Act mandatory reporting requirements</li> <li>▪ Some of City's suppliers (such as equipment, parts and material suppliers) may be indirectly linked to modern slavery practices through their international supply chains (if they source product or materials from countries that have an inherently high likelihood of modern slavery prevalence)</li> <li>▪ City procurement and ethical sourcing policies, procedures and systems</li> <li>▪ Supply agreements that reference ethical sourcing policy requirements</li> </ul>	<p>Although City consider the risk of modern slavery practices to our supplier workers based in Australia to be low, City intends to work with its equipment, parts and materials suppliers, in accordance with our Ethical Sourcing Policy &amp; Questionnaire, to better understand our suppliers international supply chains, existing risk controls in place and planned initiatives.</p>

## 4. Risk Mitigation, Due Diligence & Remediation Processes

In accordance with our Risk Management Framework, the City Modern Slavery Working Group have identified risk mitigation actions within a Modern Slavery Risk Register. An overview of our risk mitigation strategy (including due diligence and remediation processes) for the current reporting period and beyond is provided below.

Risk Mitigation / Control	Actions / Status Current Reporting Period	Planned Actions Next Reporting Period & Beyond
<p><b>City Risk Management Framework &amp; Risk Register</b></p> <p>City will assess the risks of modern slavery across its operations and supply chain. Supply chain related risk assessments will initially address the modern slavery risks at the tier 1 supplier / contractor level, and then assess those beyond tier 1 based on percentage spend and perceived supply chain risk</p>	<p>Corporate Risk Matrix revised to include consequence descriptions for modern slavery risks.</p> <p>City Risk Management Framework applied to the context of modern slavery for City's Operations &amp; Supply Chain. A designated Modern Slavery Risk Register has been established</p>	<p>Continue to monitor modern slavery risks, record and assess annually to determine additional mitigation actions</p>
<p><b>City Modern Slavery Working Group</b></p> <p>The City Modern Slavery Working group is made of members of the City Senior Leadership Team, with the charter of:</p> <ul style="list-style-type: none"> <li>▪ Co-ordinating annual modern slavery risk assessments of City's operations and supply chain</li> <li>▪ Determining additional risk controls / actions to further mitigate modern slavery risks and improve performance</li> <li>▪ Oversee the delivery of modern slavery training and awareness initiatives</li> <li>▪ Oversee preparation, approval and publishing of City's Annual Modern Slavery Statement in accordance with requirements specified with the Modern Slavery Act (Cth) 2018</li> <li>▪ Review reported modern slavery breaches and coordinate required actions</li> <li>▪ Report modern slavery risk and compliance status to the Board</li> </ul>	<p>Modern Slavery Working Group established. Has met on multiple occasions to identify and assess modern slavery risks and oversee the implementation of controls</p>	<p>Continue to meet on a periodic basis to ensure the City Modern Slavery Working Group Charter is effectively implemented and outcomes are reported to the City Board</p>
<p><b>City Board Reporting</b></p> <p>Modern slavery reporting included in quarterly Board packs as an ongoing board meeting agenda item</p>	<p>Included as a standard board reporting agenda item</p>	<p>Continue to report on modern slavery risks and compliance status to the Board</p>
<p><b>City Modern Slavery Policy</b></p> <p>Confirm City's commitment to contribute to ending all forms of modern slavery and outlines our approach to reducing the risk of modern slavery practices within our operations and supply chains</p>	<p>Policy developed</p>	<p>Continue to communicate and implement the requirements of the City Modern Slavery Policy.</p> <p>Review adequacy of the policy on an annual basis</p>

Risk Mitigation / Control	Actions / Status Current Reporting Period	Planned Actions Next Reporting Period & Beyond
<p><b>City Modern Slavery Act Compliance Framework Process</b></p> <p>Describes how City will ensure compliance to the Modern Slavery Act 2018 (Cth), City Ethical Sourcing Policy and City Modern Slavery Policy</p>	<p>Process developed and implemented</p>	<p>Continue to implement the requirements of the City Modern Slavery Act Compliance Framework Process.</p> <p>Review adequacy of the process on an annual basis</p>
<p><b>City Ethical Sourcing Policy &amp; Questionnaires</b></p> <p>Describes City’s expectation of suppliers in relation to the ethical supply of goods and services</p> <p>Bi-annual Ethical Sourcing questionnaire issued to suppliers based on spend.</p>	<p>Policy existing</p> <p>Ethical Sourcing Policy checklist completed by approximately 75% of existing equipment, parts and material suppliers on a bi-annual basis</p>	<p>Continue to communicate and implement the requirements of the City Ethical Sourcing Policy with suppliers.</p> <p>Review adequacy of the policy on an annual basis</p> <p>Review Ethical Sourcing Questionnaire to ensure adequate questions relating to transparency of Supplier supply chains and modern slavery risks. Request suppliers (top 20) to complete the revised Ethical Sourcing Questionnaire.</p> <p>Take necessary remedial action if high modern slavery risks are detected in supply chains.</p>
<p><b>City Procurement Policy</b></p> <p>Describes City’s procurement business rules in relation to engaging and monitoring the performance of suppliers</p>	<p>Policy existing</p>	<p>Continue to communicate and implement the requirements of the City Procurement Policy with Suppliers.</p> <p>Review adequacy of the policy on an annual basis</p>
<p><b>City Code of Conduct</b></p> <p>Describes the high-level standards of integrity and ethical behaviour required by all City team members, including prevention of fraud and corruption</p>	<p>Code of Conduct existing</p>	<p>Continue to communicate and implement the requirements of the City Code of Conduct with team members.</p> <p>Review adequacy of the policy on an annual basis</p>

Risk Mitigation / Control	Actions / Status Current Reporting Period	Planned Actions Next Reporting Period & Beyond
<p><b>City Whistleblower Policy</b></p> <p>Describes City’s policy and processes in relation to any team member, partner team member, member of the public and/or supplier worker being able to report confidentiality (without fear of reprisal) any grievance where it is believed City’s policies or Code of Conduct have been breached.</p>	<p>Policy existing with independent hotline established</p>	<p>Continue to communicate City’s Whistleblower Policy and grievance reporting processes to City team members, partners, sub-contractors, suppliers and members of the public.</p> <p>Continue to take remedial action when confidential whistleblower grievances are received via the independent hotline.</p> <p>Review adequacy of the policy on an annual basis</p>
<p><b>Sub-Contractor Accreditation Processes and Systems</b></p> <p>Formal accreditation processes and systems used to approve new sub-contractors and monitor compliance status</p>	<p>Sub-contractor accreditation question set reviewed to incorporate modern slavery and employment condition related screening questions and requirements.</p> <p>New question set implemented for new sub-contractors</p>	<p>Ensure existing sub-contractors complete the new accreditation question set and provide relevant information.</p> <p>Review adequacy of sub-contractors that may not meet minimum modern slavery or employment condition requirements.</p> <p>Request suppliers to undergo a similar accreditation and screening process</p>
<p><b>Supplier Approval Process</b></p> <p>Formal approval process used to approve new suppliers</p>	<p>Approval process existing</p>	<p>Review supplier approval process to ensure Modern Slavery aspects are adequately assessed, including visibility of international supply chains</p>
<p><b>Supply Agreements</b></p> <p>Formal contracts in place with key suppliers that specify City’s standard terms and conditions</p>	<p>Reviewed and revised standard supply agreement templates to ensure Modern Slavery compliance is a stated term and condition of supply</p>	<p>Ensure all new suppliers and sub-contractors are signed using the revised Supply Agreement template.</p> <p>Progressively update supply agreements with existing suppliers and sub-contractors</p>
<p><b>Sub-Contractor Spot Check Audits</b></p> <p>Field based audit program that focuses on health and safety risks applicable to work being performed by sub-contractor workers in the field</p>	<p>Existing Audit Program</p>	<p>Review Sub-Contractor Spot Check audit checklist and include some modern slavery / employment condition related questions (where relevant).</p> <p>Take remedial action if modern slavery risks are detected during audits</p>

Risk Mitigation / Control	Actions / Status Current Reporting Period	Planned Actions Next Reporting Period & Beyond
<p><b>Training &amp; Awareness</b></p>	<p>Modern Slavery training for City's Modern Slavery Working Group conducted.</p> <p>Modern Slavery Awareness pack delivered to Board</p>	<p>Develop and deliver Modern Slavery awareness training to City Team Members (delivery model to be determined).</p> <p>Prepare a Modern Slavery related information share for sub-contractor workers (delivery model to be determined).</p> <p>Conduct refresher training and/or awareness campaigns</p>
<p><b>Remediation Processes</b></p>	<p>Defined in Modern Slavery Act Compliance Framework Process</p>	<p>Continue to maintain a confidential Modern Slavery remediation log to be monitored and actioned by the City Modern Slavery Working Group.</p> <p>City may develop a remediation plan or decide to not utilise the services of Suppliers that are not willing to share required information or are unable to demonstrate that they have a suitable modern slavery risk framework in place</p>

## 5. Assessing the Effectiveness of our Actions

City will continually assess the effectiveness of our actions taken to address modern slavery risks. The City Modern Slavery Working Group will lead all aspects of assessing effectiveness and will report regularly to the City Executive Leadership Team and Board. How City will continue to assess the effectiveness of our actions is summarised below:

Assessment Description	Method
<b>City Modern Slavery Working Group</b>	Meet on a regular periodic basis to assess the overall effectiveness of the Modern Slavery Act Compliance Framework and associated policies, processes and risk controls.
<b>Modern Slavery Risk Register Reviews</b>	Conduct an annual Modern Slavery Risk Register review to: <ul style="list-style-type: none"> <li>▪ Adjust risk context (based on available information)</li> <li>▪ Review new or changed risks and assess</li> <li>▪ Review status of planned or existing mitigation actions and their effectiveness.</li> </ul>
<b>Internal Audit of Modern Slavery Compliance Framework</b>	Conduct an internal audit of the Modern Slavery Compliance Framework (and associated policies, processes and risk controls) and report findings directly to the Board.  Log and take corrective action for any non-compliances or opportunities for improvement that may be identified.
<b>Annual Review of Policies and Processes</b>	Conduct an annual review of all Modern Slavery related policies and processes. Update and recommunicate policies or processes that may have been revised (as required).
<b>Whistleblower Grievances</b>	Conduct a confidential periodic review of the effectiveness of actions taken to address logged whistleblower grievances (as related to modern slavery concerns).
<b>Supplier Reviews</b>	Conduct periodic supplier and sub-contractor compliance reviews and report / action instances of noncompliance.
<b>Internal Reporting</b>	The City Modern Slavery Working Group to provide regular periodic modern slavery compliance and risk status updates to the City Executive Leadership Team and Board.



## 6. Consultation with Controlled Entities



City Holdings (Aus) Pty Ltd and its controlled entities are treated as one entity (City) from a board, management structure, operational, resourcing and corporate governance perspective. Therefore, City did not need to consult separately with its controlled entities in the development of this Modern Slavery Statement.



## 7. Conclusion

City are satisfied with the progress that has been made and reported in our first Modern Slavery Statement. City will continue to monitor changes in the modern slavery environment, and context of our risk assessments.

City are committed to further strengthening our risk controls to continue mitigating modern slavery risks in our operations and supply chain.



## 8. Compliance to the Mandatory Reporting Criteria

Modern Slavery Act 2018 (Cth) Mandatory Reporting Criteria	Reference in this Statement
1. Identify the reporting entity	Section 1
2. Describe the reporting entity’s structure, operations and supply chains	Section 1 & 2
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Section 3
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address risks, including due diligence and remediation processes	Section 4
5. Describe how the reporting entity assesses the effectiveness of such actions	Section 5
6. Describe the process of consultation with any entities the reporting entity owns or controls; and, for a reporting entity covered by a joint statement, the entity giving the statement	Section 6
7. Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Through-out Document, Introduction & Conclusion (Section 7)