



Ace Contractors Group Pty Ltd (ACG) - Joint Modern Slavery Statement (MSS)

Modern Slavery Act 2018 (Cth) (the Act)

Financial Year ending 30 June 2021

In the spirit of reconciliation, ACG acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

The Global Slavery Index 2018 estimates that on any given day in 2016, there were 15,000 people living in conditions of modern slavery in Australia. Like 2020, 2021 was a challenging year. Our industry, construction and infrastructure, is considered high risk. Particularly labour chain risks through labour hire or subcontracting. As well as risks from supplies and minerals sourced, particularly but not exclusively, from overseas.

Our business has its people and its vendors at its core. We have always been focused on their safety and our environment. Our human rights journey has begun. We aim to take advantage of the same established and verified company systems and assurance processes. We acknowledge this is not just a moral responsibility, instead Modern Slavery is considered a risk to our shareholders and stakeholders. Our shareholders and stakeholders are now turning their minds to human rights as an issue of compliance and thus commercial competitiveness.

Last year, our approach to the MSS was one of culture. This MSS is focused on practical steps taken and an attitude shift. This MSS will summarily outline our structure, operations, supply chains, risks, actions and measurements. It is a continuing journey. We acknowledge that any new business imperative requires executive buy-in and endorsement – whole of company policy and culture. Our business model relies heavily on subcontractors and suppliers, or as we like to call them, partners. We still have work to do to improve our procurement strategies and due diligence to encourage compliance with eradicating Modern Slavery. However, some practical steps taken are already having the intended effect.

For the purposes of this Modern Slavery Statement (MSS), we will use the definition and our understanding of Modern Slavery contained in the Act and do not seek to expand on it nor the concepts of direct, indirect, causing or contributing to it.

A. Section 14 (1) of the Act

Entity giving the statement: Ace Contractors Group Pty Ltd (ABN 30 007 256 242)

Reporting Entities:

- 1) Ace Contractors Group Pty Ltd (ABN 30 007 256 242)
- 2) Ace Infrastructure Pty Ltd (ABN 22 131 093 493)
- 3) Ace Civil Services Pty Ltd (ABN 16 131 093 466)
- 4) Ace Environmental Services Pty Ltd (ABN 18 131 093 475)
- 5) Ace Landscape Services Pty Ltd (ABN 39 131 093 500)
- 6) Ace Water Services Pty Ltd (ABN 23 148 867 878)
- 7) Ace Electrical Infrastructure Pty Ltd (ABN 87 159 022 143)

Reporting period: 1 July 2020 to 30 June 2021

B. Section 14 (2) of the Act

Reporting Entities:

- 1) Ace Contractors Group Pty Ltd (ABN 30 007 256 242) (ACG)
 - a) Structure: ACG is a corporation incorporated pursuant to law employing approx. 45 employees. It is part of the larger group of entities but controls all those entities. These entities are named in Section A above. ACG is owned by private shareholders who make up the Board and Executive Management. These groups make decisions for and behalf of ACG and its entities. ACG and all its entities are controlled, registered, operate and addressed in Australia.
 - b) Operations: ACG is the flagship company. It is mostly responsible for employing staff not employed directly with other entities, providing optics consistent with ACG's "diverse services portfolio" and providing financial guarantees to entities. It is entirely in control of all entities and its Directors and Officers are responsible for, manage and operate the businesses of the entities as Directors and Officers in the same regard. ACG also sets the policies and procedures followed by all other entities and employs subject matter experts in IT, Legal, Systems, Safety, Finance and Human Resources to support all entities.
 - c) Supply Chains: Despite its control of all entities, we will choose to describe the supply chains of each subsidiary as it relates to its business rather than describing them here. ACG enters into some contracts and supply agreements for example employment and employment services, cleaning services and office leasing/supplies.
 - d) Risks of Modern Slavery: A theme contained in our 2020 MSS was that ACG's wide array of suppliers and subcontractors designed to facilitate our diverse services portfolio was a risk of Modern Slavery. This risk remains for us and our industry.
 - e) Actions Taken (assess and address): In April 2021, as part of ACG's application development, a Director caused Vendors (subcontractors and suppliers) that have not been engaged by ACG in more than two years, to be removed from our internal vendor selection system. Last year, we considered this a way to measure our effectiveness.

ACG also maintained a modern slavery team comprising of legal, systems, commercial, business development and operations staff. This team is responsible for constantly overseeing and assessing

Modern Slavery risks, responding to them, as well as advocating for this issue to be considered by all ACG entities.

This team caused ACG standard agreement templates to change to expressly mention Modern Slavery law compliance and the general principle of eradicating Modern Slavery.

Social Procurement and Enterprise provides us a pathway to leverage our buying power to generate social value for our communities, clients and staff. We see every purchase and partnership as an opportunity to leave a legacy. We have dedicated Staff to this company mission and more and more it is becoming a commercial requirement. We have spent \$544,000 on Indigenous Business in 2020. 46% of our Staff come from Culturally and Linguistically Diverse backgrounds. Our website translates into 6 other languages.

On 9 September 2021, ACG facilitated the incorporation of BLOOM ENTERPRISES VIC PTY LTD (ABN 16 653 570 677). This Company intends to operate as a social enterprise with a focus on providing fulfilling and stable employment opportunities in a supportive environment for persons who face barriers to employment including, but not limited to, age, disability, disadvantaged background, education and homelessness.

- f) How Effectiveness Was Assessed: ACG, as the Reporting Entity, is responsible for the assessment of effectiveness of actions for all the entities it controls. It is doing this through the staff employed by ACG who have oversight, reporting lines and responsibility for relevant areas in law, commerce, systems, business development and operations. Effectiveness was also assessed by regular reviews by legal staff including by noting risks and actions for this report.
- g) Other Relevant Information:
- COVID-19 has hindered planning, risk assessments and actions through face to face meetings and face to face trainings, which in our view are more effective.
 - ACG operates a Safety Management System which complies with the requirements of AS/NZS 4801:2001 for the accompanying scope.
 - ACG operates a Quality Management System which complies with the requirements of ISO 9001:2015 for the accompanying scope.
 - ACG operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the accompanying scope.
 - In 2012, ACG's Safety Management System was certified by the Federal Safety Commissioner.
 - We operate a robust policy for disclosures of misconduct or improper state of affairs, in compliance with strict and enforceable enhanced Whistleblower protections under the *Corporations Act 2001 (Cth)*.
 - All entities comply with Industrial Relations Laws.
- h) Consultation Process with Reporting Entities: Consultation from ACG has occurred during the drafting of this MSS. Supply chains and Operations of all entities are well understood by ACG and therefore its oversight staff. Any actions taken were communicated with relevant reporting entity heads (General Manager). Further, to level out any inconsistencies in consultation, ACG's Executive Team which consists of all Directors, Officers and entity heads (General Manager) were made aware of the requirement for this MSS and indeed reviewed the MSS in its final form. Feedback was of course allowed to be received and adopted/implemented where relevant.

- 2) Ace Infrastructure Pty Ltd (ABN 22 131 093 493) (AI)
- a) Structure: AI is a corporation incorporated pursuant to law employing approx. 54 employees. It is part of a larger group of entities as a subsidiary to ACG. AI is registered, addressed and operates in Australia.
 - b) Operations: AI is predominantly engaged directly by major statutory authorities such as, state & local government and Defence to perform design and construction services for projects such as roads, bridges, shared paths, public open spaces, and bus/tram/rail infrastructure.
 - c) Supply Chains: AI's supply chain is broad. It includes products supplied such as asphalt and cement, services from subcontractors such as labour hire and specialist contractors such as non-destructive digging who perform part of the contract works. For the purposes of this MSS, we do not have a detailed understanding, including geographically of our Supply Chain beyond the direct party that contract with AI.
 - d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf of and including AI's operation and supplies, the possible overseas produced supplies which may exist in our Supply Chain and labour hire which exists in our Operations, are considered Risks. For labour hire this could include, unskilled, temporary workers, pressured due to Visa status. We do not have a detailed understanding of whether the risk is low or high.
 - e) Actions Taken: As a controlled entity of ACG, the actions taken on behalf of ACG apply to AI. No other specific action was taken during this Reporting Period.
- 3) Ace Civil Services Pty Ltd (ABN 16 131 093 466) (ACS)
- a) Structure: ACS is a corporation incorporated pursuant to law employing approx. 79 employees. It is part of the larger group of entities as a subsidiary to ACG. ACS is registered, addressed and operates in Australia.
 - b) Operations: ACS's core business is performing a variety of subcontract packages to Tier 1 and 2 construction companies on both commercial building and major infrastructure projects within the Energy, Retail, Health, Education, Transport, Recreation and Public Safety sector. Scope of operations typically includes earthworks, pavements, structural concrete, retaining walls, landscaping and inground services.
 - c) Supply Chains: ACS's supply chain includes specialist subcontractors, supplies such as asphalt, concrete, infrastructure materials like piping, timber and crushed rock as well as labour hire. The Other Relevant Information section contained in this MSS also applies to ACS, particularly Social Procurement.
 - d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf and including ACS's operation and supplies, the procurement of overseas supplies and labour hire are considered Risks. For labour hire this could include, unskilled, temporary workers, pressured due to Visa status.
 - e) Actions Taken: As a controlled entity of ACG, the actions taken on behalf of ACG apply to ACS. No other specific action was taken during this Reporting Period.

4) Ace Environmental Services Pty Ltd (ABN 18 131 093 475) (AES)

- a) Structure: AES is a corporation incorporated pursuant to law employing approx. 7 employees. It is part of a larger group of entities as a subsidiary to ACG. AES is registered, addressed and operates in Australia.
- b) Operations: AES operates a waste transfer station, active landfill disposal, and a resource recovery facility; landfill cell and leachate pond development; soil remediation; asbestos removal; and general environmental services to residential, industrial, municipal and commercial customers. AES holds a Commercial Operator Licence, issued under the Agricultural & Veterinary Chemicals (Control of Use) Act 1992. AES also has a Class A licence to Operate as an Asbestos Removalist, to remove friable and non-friable asbestos from soil. Its operations are heavily regulated by government and environmental agencies, we believe this to be relevant to compliance generally.
- c) Supply Chain: AES's supply chain is quite different to other entities within the ACG. As an entity that primarily operates and maintains one facility, rather than designing or constructing. Therefore it uses less variety of subcontractors and suppliers. Having said that, AES does contract with large waste organisations, particularly involved in wastewater removal and it transfers some recyclables to organisations that deal in these recyclables such as metals, rubble and home equipment.
- d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf and including AES's operation and supplies, there is a not impossible chance that major waste contractors with potential operations or supplies overseas are a Risk. In this regard, the notion of indirect contribution could be at play. Similarly, AES does not know much about the operations and supply of some organisations it deals with that deal in recyclables.
- e) Action Taken: As a controlled entity of ACG, the actions taken on behalf of ACG apply to AES. No other specific action was taken during this Reporting Period.

5) Ace Landscape Services Pty Ltd (ABN 39 131 093 500) (ALS)

- a) Structure: ALS is a corporation incorporated pursuant to law employing approx. 41 employees. It is part of a larger group of entities as a subsidiary to ACG. ALS is registered, addressed and operates in Australia.
- b) Operations: ALS designs, constructs and maintains major landscape projects, including commercial developments, municipal parks and gardens, sporting facilities, streetscapes, plazas and landscape works associated with public infrastructure. It and ACS's model, indeed ACG's model is to work in conjunction with ACG entities to offer a "one stop shop". ALS specialises in high quality hard and soft landscaping, in house irrigation service, construction and maintenance of including golf courses, wetlands, bush-land reserves, community parks and gardens, sporting facilities, municipal streetscapes and plazas, and landscape works associated with major buildings or facilities.
- c) Supply Chains: ALS's supply chain includes specialist subcontractors, like designers and architects, irrigators, planters and pavers. It also procures supplies such as piping, timber, retaining walls, soil and crushed rock. The Other Relevant Information section contained in this MSS also applies to ALS.

- d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf and including ALS operation and supplies, subcontractors performing planting and paving were identified as a Risk. This is because of their somewhat unskilled and often culturally and linguistically diverse background labour force. Therefore susceptibility to exploitation, pressure due to Visa status and deception regarding rights such as workplace rights.

A risk was also identified during a procurement process. ALS was considering engaging an overseas 3rd party to perform online services for ALS (a saving for ALS).

- e) Actions Taken: ALS Management consulted with legal on the latter issue. Legal assessed the risk as medium and so proceeded with numerous risk controls:
- i. Notice period to terminate the contract;
 - ii. General oversight and management was performed by ALS not overseas;
 - iii. Payment is made before work is complete;
 - iv. ALS agreed to monitor workload to ensure no obvious over working; and
 - v. The 3rd party was large and reputable.

As a controlled entity of ACG, the broader actions taken by ACG also applied to ALS and will continue to apply as ACG plans to increase Actions Taken.

6) Ace Water Services Pty Ltd (ABN 23 148 867 878) (AWS)

- a) Structure: AWS is a corporation incorporated pursuant to law employing approx. 4 employees. It is part of a larger group of entities as a subsidiary to ACG. AWS is registered, addressed and operates in Australia.
- b) Operations: AWS designs, manufacture and constructs water and wastewater infrastructure for water authorities including on major water infrastructure projects. It is complex work including pump stations, irrigation infrastructure, water and sewerage treatment facilities, water storage, channels, channel regulators, weirs, offtakes and meters.
- c) Supply Chain: AWS's supply chain includes electrical products like wiring, conduits, water systems and pits. AWS also subcontracts with specialists for performing work relating to water infrastructure, excavation, and channelling/irrigation. The Other Relevant Information section contained in this MSS also applies to AWS.
- d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf and including AWS's operation and supplies, the procurement of electrical products is considered a Risks. Particularly, any of the products procured or manufactured overseas. In some respect, many minerals required in the making of metals or other equipment is at risk of having been gained in a manner not consistent with the principles of eradicating modern slavery. However, no specific risk was identified being caused by or as a result of AWS, noting, this supply chain may be long and complex.
- e) Actions Taken: As a controlled entity of ACG, the actions taken on behalf of ACG apply to AWS. No other specific action was taken during this Reporting Period.

- 7) Ace Electrical Infrastructure Pty Ltd (ABN 87 159 022 143) (AEI)
- a) Structure: AEI is a corporation incorporated pursuant to law employing approx. 20 employees. It is part of a larger group of entities as a subsidiary to ACG. AEI is registered, addressed and operates in Australia.
 - b) Operations: Designs and constructs power and water infrastructure including High Voltage, Public and Street lighting, customised switchboards and control panels, backup power supply systems and automation systems. AEI designs, manufactures, installs, constructs, commissions and services switchboards, motor control centres, high voltage switchyards, substations, PLC, control and SCADA systems. AEI electrical is also prequalified to deliver VESI related works including public and street lighting that covers most power utility network areas in Victoria. AEI is certified as an electrical contractor in Victoria, NSW, Queensland, and is accredited with the Victorian Electrical Distribution Network (VEDN) and Victorian Electricity Supply Industry (VESI). AEI is prequalified to work on Essential Energy's assets in NSW and Queensland, on CitiPower Powercor's, Jemena and AusNET assets in Victoria, and to undertake public lighting works on VicRoads' network (STCE category).
 - c) Supply chains: AEI's supply chain includes electrical procurement like wiring, conduits, water systems, pits, masts, lighting and generators. AEI also subcontracts with specialists for performing work relating to water infrastructure, excavation and security and fencing. The Other Relevant Information section contained in this MSS also applies to AEI.
 - d) Risks of Modern Slavery: Based on the Risk Assessment performed by ACG on behalf and including AEI's operation and supplies, the procurement of electrical materials is considered a Risks. Particularly, any of the material procured or manufactured overseas. In some respect, many minerals required in the making of metals or other equipment is at risk of having been gained in a manner not consistent with the principles of eradicating Modern Slavery. However, no specific risk was identified being caused by or as a result of AEI, noting, this supply chain may be long and complex.
 - e) Actions Taken: As a controlled entity of ACG, the actions taken on behalf of ACG apply to AEI. No other specific action was taken during this Reporting Period.
- 8) This Modern Slavery Statement has been approved by the relevant principal governing body of ACG (the Directors of ACG). They are in a position, directly or indirectly, to influence or control each reporting entity covered by this Statement. This Statement has been tabled to Directors and Officers of ACG with notice.

- 9) Signed by responsible member of ACG's (parent company which controls all entities) Directorship:

Signature:

Date:

Simon Cock

Managing Director

Ace Contractors Group Pty Ltd

