

Modern Slavery Statement FY 2023



Introduction

SHAPE Australia is a national fitout and construction services specialist driven by diverse capability, local impact, sector experience and a people-focused company culture. This statement outlines our dedication to upholding human rights, fostering a culture of transparency, and taking proactive measures to identify, address, and prevent modern slavery risks.

Reporting Entities

This statement is being submitted by SHAPE Australia Corporation Limited ABN: 14 654 729 352 (**SACL**) on behalf of SHAPE Australia Holdings Pty Limited ABN: 93 008 656 264 (**SHAPE Holdings**), SHAPE Australia Pty Limited ABN: 70 003 861 765 (**SHAPE Australia**) and all subsidiaries.

Structure & Operations

ORGANISATIONAL STRUCTURE

The main operational entities of SHAPE Australia Corporation Limited (**SACL**) are SHAPE Australia Pty Limited (**SHAPE**), SHAPE Australia (Qld) Pty Limited and K. L. Modular Systems (Aust) Pty Ltd (**KLMSA**). SHAPE Australia (Qld) Pty Limited was created to align to Queensland legislative requirements.

DLG SHAPE Pty Limited (**DLG SHAPE**) is an Indigenous Australian majority owned business, with 51% ownership by David Liddiard Group Pty Ltd (**DLG**) and 49% ownership by SHAPE Australia Pty Limited. DLG SHAPE (Qld) Pty Limited is a wholly owned subsidiary of DLG SHAPE.

OPERATIONAL LOCATIONS OF SHAPE

SHAPE operates solely in Australia, with a national footprint delivering a range of projects Australia-wide.

OUR PEOPLE

SHAPE's most important asset is its people and as such we seek to employ and retain people who understand and support our great culture. To find the right people, SHAPE has well-structured and governed employment and staff retention processes.

Supply Chain

PROCUREMENT

We value our subcontractors and supply chain as part of our team and recognise that positive subcontractor and supply chain relationships are vital to successfully winning and delivering projects.

SHAPE's procurement can be described under two categories – Operational Procurement and Corporate Procurement.

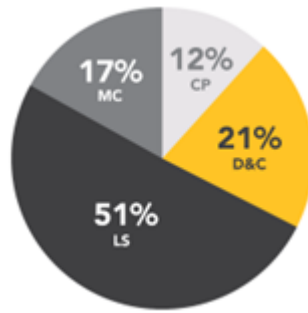
OPERATIONAL PROCUREMENT

Over 90% of SHAPE's procurement is operational procurement, required to deliver on our contractual agreements with clients. The contract type determines the level of influence SHAPE can have over the procurement of goods and services:

1. **Lump Sum (LS)**, **Managing Contractor (MC)** and **Cost-Plus (CP)** contracts provide little control over the development of the design, specification, subsequent selection of materials and manufacturers to be utilised within the delivery of the project scope.
2. **Design & Construct (D&C)** contracts, which offer various levels of influence over the development of the design, selection of materials and manufacturers dependant on how complete the design phase is when SHAPE are engaged. Project consultants are engaged (either by SHAPE, the Client Project Manager or directly via the Client) who conduct risk assessments and exercise due diligence when developing the project documentation. All project specifications are

produced by the nominated consultants under the expectation that all works and materials meet Australian Standards, the National Construction Code (NCC) and legislative requirements including human rights and modern slavery considerations.

Contract Types (By Value)



CORPORATE PROCUREMENT

The remaining 10% of SHAPE's procurement is corporate procurement, which supports the operations of the business and covers a diverse portfolio of consumables, operational spaces, services, and equipment.

OVERVIEW

Our assessment of our supply chain has identified there is a risk of modern slavery occurring, however the level of risk of modern slavery existing within the business's operations and supply chain is low considering:

- We are an Australian business operating solely within Australia; and
- Many of our service providers are Australian businesses operating solely within Australia.

The majority of SHAPE's procurement (over 90%) is project based and predominately delivered through our tier one supply chain, primarily via our subcontractors and consultants who are also typically Australian registered businesses. Some of our suppliers (manufacturers and distributors) also comprise tier one project procurement although our subcontractors and suppliers may also procure via their tier 2 supply chain, which will also include distributors and manufacturers. Our tier 3 supply chain includes manufacturers, their sources of componentry and raw materials.

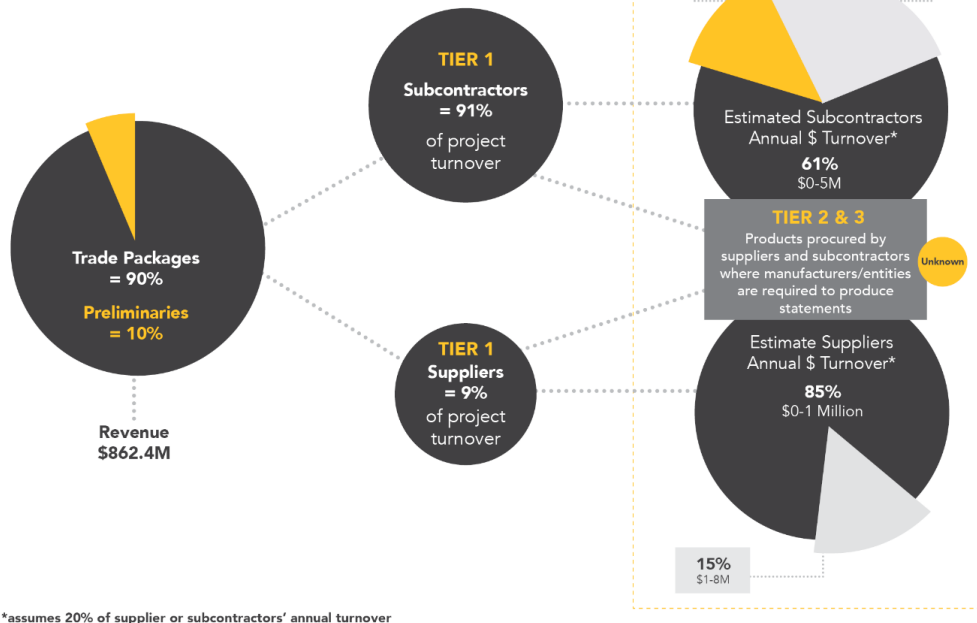
When SHAPE's subcontractors or service providers are directed to procure from an overseas entity, there is a due diligence and risk management process in place to ensure the procurement is compliant with Australian Standards, the National Construction Code (NCC) and legislative requirements.

In the rare instances where our clients require SHAPE to procure from an overseas entity, the *High Risk Procurement Assessment* guides these activities to ensure they are in accordance with Australian Standards, the National Construction Code (NCC) and legislative requirements including human rights and modern slavery considerations.

SHAPE has a process for undertaking vetting and recording of its supply chain partners through a *Supply Chain Prequalification* which progressively collects information regarding our supply chain's (subcontractors' and suppliers') understanding of and compliance with Modern Slavery legislation. This prequalification information is used to evaluate subcontractor and supplier performance when making project-level decisions regarding procurement and the letting of subcontracts.

A broad overview of SHAPE's supply chain is mapped as follows:

Project Supply Chain Overview



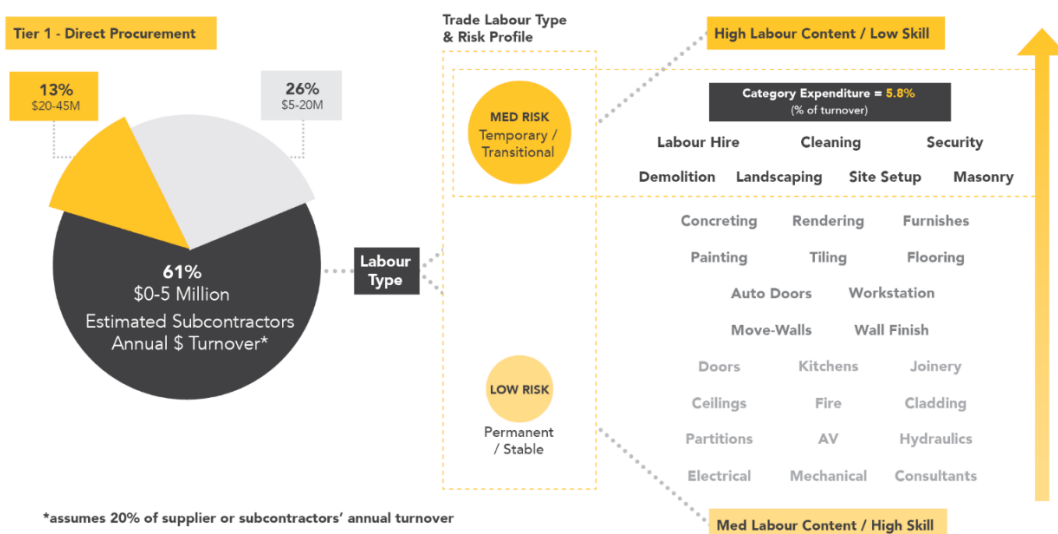
PROJECT PROCUREMENT

The risk of modern slavery in direct procurement activities (that is for our Tier 1 supply chain) may be realised in the following situations:

- If a subcontractor elects to undertake employment practices that are not compliant with Australian legislation.
- Where the labour utilised by a subcontractor or supplier is temporary, transitional, or operating on a work visa.

Direct project procurement elements that are considered as “at risk” are mapped out as follows:

Project Procurement Overview



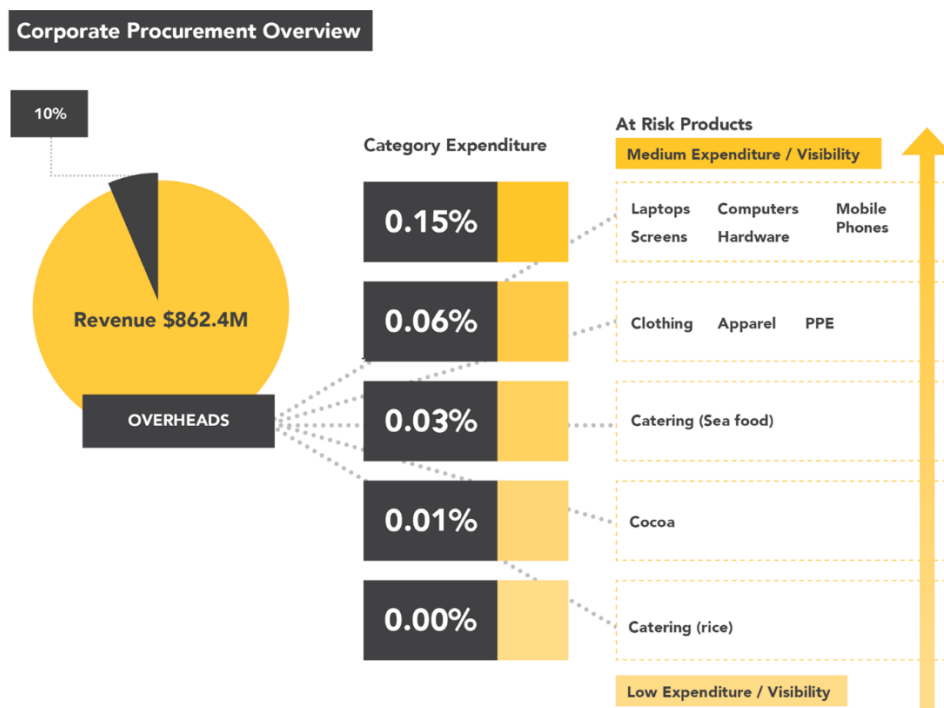
SHAPE’s direct supply chain partners (where SHAPE has a direct contractual and financial link) are predominately not reporting entities as defined by the Act and thus SHAPE sees its role as continuing to influence change within the construction industry, to communicate the obligations and expectations of the legislation and to have a positive influence in reducing the risk of Modern Slavery occurring within the supply chain.

The procurement activities of our direct supply chain partners (Tier 1) can also influence the risk of modern slavery occurring in their subsequent supply chain tiers - via distribution, manufacturing, and raw material sourcing. This introduces a Tier 2 and Tier 3 of our supply chain.

Although the business currently focuses primarily on its Tier 1 supply chain, where its visibility is greatest, the business continues to commercially influence its supply chain partners to foster change within the construction industry.

CORPORATE PROCUREMENT

Whilst SHAPE’s corporate procurement does include elements considered as “at risk”, SHAPE seeks to influence its Tier 1 supply chain partners to foster change.



OPERATIONS

SHAPE’s business operations take place within Australian borders. Through our employment processes we ensure that all employees are legally employed and receive wages and entitlements in accordance with the relevant Australian legislation and awards. Currently SHAPE has one contractor and one employee working overseas and given the small number, we review their arrangement annually and assess on a case-by-case basis to ensure compliance with legal entitlements including remuneration.

OUR PEOPLE & CULTURE

SHAPE prides itself on putting people-first and offers a supportive culture with a strong commitment to providing better experiences for our people, contractors, clients and community.

Part of SHAPE’s vision is to create a great place to work by providing a constructive environment where individuality is celebrated, and people feel valued and cared for. It’s not a “one-size-fits-all” approach at SHAPE, it’s a “one-size-fits-you”. SHAPE encourages our people to have individual career plans which set out development goals to define where our people want to take their careers. SHAPE also offer our people the opportunity to implement flexibility plans to ensure work can fit around their personal goals.

We are committed to making SHAPE a great place to work by providing a flexible and supportive workplace to help our people strike the right balance between work and life responsibilities. Culture and Engagement surveys are run at various times of the year with an aim to find out what's great at SHAPE and what could be improved. The results are shared with our people, and our leaders develop structured action plans for change.

We offer our employees flexible working arrangements, paid parental leave, paid life leave, childcare assistance, mindfulness sessions, health benefits, an Employee Assistance Program and more.

SHAPE's *Reconciliation Action Plan* and *Diversity, Equity and Inclusion Action Plan* have a strong focus on respect, fairness and equal opportunities. Our action plans support our culture of care and individuality. This is reflected in our engagement survey results showing that 95% of People at SHAPE agree with the statement "People from all backgrounds have the opportunity to succeed at SHAPE".

Through SHAPE's social impact programs, our people do incredible work to give back to those in need and our people don't need any encouragement to get involved.

By including Modern Slavery Awareness training into our induction program (discussed below), we are further educating our people to have a greater understanding of their community, equity, and inclusion.

Actions by SHAPE

In the Reporting Period, SHAPE has assessed the potential for modern slavery to exist within its supply chain with consideration of the areas of influence where the business can provide the most positive impact.

SHAPE retains a pragmatic approach in its response to the Modern Slavery legislation - SHAPE's greatest area of visibility and influence is within its first-tier supply chain, and this is where the focus has been placed in the development of policy and process to influence change.

We continue to communicate with our supply chain regarding their requirement to operate in a manner that reduces the risk of modern slavery by:

- Implementing a bespoke subcontract suited to the Australian construction industry;
- Primarily engaging Australian registered businesses;
- Outlining supply chain obligations within subcontracts and other written terms and conditions;
- Digitising subcontracts and purchase orders into an electronic delivery system;
- Directly and indirectly procuring Australian Designer Specified Materials and Products;
- Directly and indirectly procuring Australian Standard Materials and Products;
- Implementing a supply chain prequalification process which includes human rights and modern slavery considerations;
- Implementing a framework deed for select minor works subcontractors; and
- Maintaining long-term supply chain relationships.

The business assesses the effectiveness of these actions on a project-by-project basis which continually influences improvement for future tenders and project performance.

The business continually improves its internal processes to further reduce the risk of modern slavery, such as:

- SHAPE's Bespoke Subcontract including obligations in relation to Modern Slavery;
- A Performance Requirements of Building Materials Procedure, including a high-risk procurement checklist;
- Supply Chain Procurement Guidelines;
- Internal education and training programs for our people on the risk of Modern Slavery;
- Publication of and training in an Anti-Bribery & Corruption Policy;
- Publication of and training in a Code of Conduct Policy;
- A Recruitment Guide;
- Instructions on how to anonymously report misconduct or unethical behaviour is included within our Site Induction template (which is delivered to all subcontractors and visitors on our construction projects); and
- External access to our Whistleblower Protection Policy and Grievance Policy with an independent reporting process via the SHAPE website.

The effectiveness of these processes is monitored and reviewed on an annual basis, in alignment with our ISO 9001 certified Quality Management System.

SHAPE's objective is to facilitate increased visibility of the risk of Modern Slavery in the second and third tiers of our supply chain.

SHAPE will develop additional strategies to reduce the risk of Modern Slavery by:

- Reviewing and assessing fellow industry-published statements,
- Ongoing assessment of fellow industry tier 1 supply chain partners with published statements; and
- Reviewing and assessing key supply chain categories & providers' statements & public commitments. SHAPE's pragmatic approach to addressing the risk of Modern Slavery is reliant upon the strong supply chain relationships and our influence on the practices of our supply chain partners. SHAPE understands that in order to make universal changes to all tiers of the supply chain, a total industry approach will be required, and SHAPE encourages and invites all industry participants to rise to this challenge.

Assessment of Effectiveness

The business continues to monitor several qualitative indicators in respect of Modern Slavery, such as the occurrence of:

- Supply chain education/guidance events;
- Supply chain prequalifications;
- Supply chain partner profiles;
- Bid development and project delivery guidance;
- Market driven compliance responses;
- Market demand for continual improvement; and
- Supply chain procurement trend analysis.

In addition, several quantitative indicators are being monitored and reviewed, such as:

- Employee training;
- Assessed and completed supply chain prequalifications;
- Non-conforming supply chain prequalifications; and
- Whistle-blower Protection Policy reporting events.

Consultation Process

The communication and consultation processes that have been developed and communicated ensure all related entities undertake the same training and utilise the same tools.

As the operational entities of SACL, all utilise the same resources for guidance on policies and procedures, a singular consultation process has been undertaken.

SHAPE created a Modern Slavery working group from within the Corporate Services team (national shared services). To ensure a whole-of-business approach would be considered in the assessment and management of risk, the working group comprises the following roles:

- EHSQ Manager - Policy & Procurement;
- Group Manager - People & Culture;
- EHSQ Manager - Systems & Rehabilitation;
- Group Manager - Legal; and
- Group Financial Controller.

Both the Chief Executive Officer and the Chief Financial Officer of SHAPE Australia have contributed to the preparation of this Modern Slavery Statement as required.

The Chief Executive Officer is also a Director of all reporting entities.

The Chief Financial Officer is a Director of all subsidiaries of SACL.

Other Relevant Information

SHAPE utilised a number of external sources to develop this statement and supporting processes, such as the engagement of an external consultancy for guidance on a supply chain risk assessment, ongoing collaboration with industry peers and groups to confirm alignment and consistency, along with accessing and reviewing online publications.

SHAPE has also maintained regular dialogue with key supply partners to ensure they remain informed of the legislative requirements and upcoming supply chain management implications, and to encourage alignment for both reporting and non-reporting entities within its key suppliers.

Approval

This statement was approved by the Board of SHAPE Australia Corporation Limited on 14th December 2023.



Peter Marix-Evans

Chief Executive Officer and Managing Director