

MODERN SLAVERY STATEMENT

This Statement is submitted on behalf of Spaceframe Buildings Pty Ltd (ABN 42 009 930 554) (Spaceframe) under section 13 of the *Modern Slavery Act 2018 (Cth) (MSA)* to cover the reporting period of 1 July 2020 - 30 June 2021.

REPORTING ENTITY (Criteria 1 and 2)

Spaceframe is a family owned, limited liability building company specialising in design and construction of industrial and commercial developments and cold storage facilities. Spaceframe has offices in Brisbane and delivers projects throughout Australia. Design of all buildings is done in-house with specialised draftspersons and engineers. Spaceframe then engages trade specialist subcontractors to supply and install all aspects of each construction.

Spaceframe owns and controls two subsidiaries: SFR Australia Pty Ltd (ABN 76 138 358 264) and Scantec Refrigeration Technologies Pty Ltd (ABN 76 073 109 065) (**Scantec**). SFR Australia Pty Ltd is inactive. Scantec provides industrial refrigeration and environmental control solutions. Scantec do not meet the reporting threshold under the MSA.

Spaceframe is owned by the Raspotnik Family Discretionary Trust and the Werner Raspotnik Family Trust. Neither of these entities is a reporting entity under the MSA.

Scope

This Statement applies to all Spaceframe's business operations and associated subcontractors and suppliers within Spaceframe's supply chain.

Applicable Law

This Statement supports the intent of international conventions, treaties, and protocols relevant to combatting modern slavery and the MSA.

Introduction

Modern slavery describes situations where coercion, threats or deception are used to exploit individuals and undermine or deprive them of their freedom. It includes exploitation including human trafficking, slavery, servitude, forced labour, forced marriage, debt bondage, child labour and deceptive recruiting. It also includes actions of other parties who are involved in supporting financial or commercial transactions or contributing to any business or undertaking involving servitude and slavery.

This Statement affirms our commitment to contribute to ending all forms of modern slavery and outlines our approach to reducing the risk of modern slavery practices within our supply chains and operations. Management is firmly committed to complying with equal opportunity and anti-discrimination legislation.

It is consistent with our ethical framework, that expects a culture of high ethical standards, including compliance with applicable laws, contractual and other obligations.

ASSESSING OUR RISKS (Criteria 3)

Operations

Spaceframe is aware that the nature and prevalence of modern slavery means that every entity has risks of modern slavery occurring in its operations and supply chains. Spaceframe seeks to identify where its higher risk areas might be so that it can take effective action to assess and address those risks.

Our operations primarily involve design and construction. We understand that construction is considered within the literature to be a higher-risk industry and therefore Spaceframe has an important role to play in identifying, assessing and addressing those risks within our industry that may be present in our operations and supply chains. General risks associated with our industry include the use of raw materials which are considered to be products that pose a higher risk of modern slavery. A further risk is the typical reliance on subcontracted work (including outsourcing overseas) which reduces oversight. Reliance on manual labour is also a risk-factor. According to research, manual labour is commonly undertaken by workers on visas, lower skilled workers and workers on transient employment arrangements, which means those individuals are more vulnerable to exploitation. Vulnerability to exploitation is also increased as a result of the fact that many construction contracts are also temporary and irregular in nature which may mean the associated workforces are subject to more redundancies and reduced work security/stability. The construction industry can also be a very cost-driven and time sensitive sector and these pressures can lead to forced overtime, wage cuts and other cost and time saving measures.

Spaceframe itself currently directly employs 71 staff of which only 4 are casual workers and none are working in arrangements where their visa ties them to our business. We consider that this reduces the risk of modern slavery occurring within our operations. However, we do work with subcontractors regularly which we acknowledge could potentially increase our risks if appropriate controls are not put in place regarding same.

Regarding our staff, we utilise recruitment agencies for all placements. We acknowledge that utilising recruitment agencies can increase the risks of modern slavery occurring as it may mean reduced oversight over the employment process if steps are not taken to counter that risk.

Supply Chain

We understand that businesses can contribute to or be directly linked to modern slavery practices through their supply chains and that those businesses may conduct operations in a way that can facilitate or incentivise modern slavery, such as placing unachievable timing and budgetary pressures on suppliers.

Spaceframe utilised approximately 690 direct or tier 1 suppliers in FY20 and 560 in FY21. We acknowledge that this is a medium-sized supply base for an entity of our size and therefore requires considerable resources devoted to maintaining oversight of our suppliers and our relationships with them in order to reduce the risks of modern slavery. Of the FY20 Suppliers, 99.7% are based in Australia. Two suppliers are based overseas: one in China and one in the United States of America (**USA**). For the FY21 Suppliers, 99.2% are based in Australia. Four suppliers are based overseas, one in China, one in Germany and two in the USA. The suppliers from Germany and USA are all IT, technology providers. There is almost no change in the suppliers used between FY20 and FY21. The USA and Germany are not considered to be a high-risk geographic location in the context of modern slavery. We understand that China is considered to be a high-risk geographic location. The Chinese supplier is another entity in the Spaceframe Group, however it is independently owned. All intellectual property relating to branding, policies and procedures and governance are created by Spaceframe and shared with Spaceframe China. As a result, Spaceframe has greater visibility over this Chinese entity than other suppliers in our supply chain. We believe that this common control and oversight along reduces some of the risk posed by this related entity.

We also engage with suppliers that provide a broad range of goods and services. We acknowledge that the following suppliers in our supply chain may pose a higher risk of modern slavery according to the

literature: subcontracted construction services, raw materials, tools/equipment/machinery, recruitment agencies, information and technology goods, cleaning services, security services, uniforms and clothing, tea and coffee and stationery. We are still in the process of mapping our supply chains and will seek to gain a deeper understanding of any risks within same in future reporting periods.

COVID-19

We also understand that the COVID-19 Pandemic has increased the risks of Modern Slavery around the world by placing unprecedented pressures on supply chains and therefore increasing the vulnerability of workers. We acknowledge that this has resulted in remote working, immobility, reduced oversight, substantial and unexpected change in supply and demand, loss of income, fear of loss of income and excessive overtime. These are all factors that can considerably increase the vulnerability of any workforce to exploitation and as such the risks of modern slavery have risen as a result of the current pandemic.

ACTIONS TO ASSESS AND ADDRESS OUR RISKS (Criteria 4 and 5)

Our Commitment

Slavery, including any situations of exploitation where a person cannot refuse or leave work because of threats, violence, coercion, abuse of power, or deception, and human trafficking, is abhorrent and Spaceframe is committed to ensuring that it is absent from Spaceframe's business and its supply chain. Spaceframe's respect for human rights refers to internationally recognised human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. To demonstrate this commitment in relation to modern slavery, Spaceframe shall:

- seek to identify and risk mitigate any adverse human rights impacts that Spaceframe may cause or contribute to through its own business activities, or which may be directly linked to its operations by its business relationships;
- avoid causing or contributing to adverse human rights impacts through its own business activities and address such impacts when they occur;
- seek to prevent, or mitigate, adverse human rights impacts that are directly linked to Spaceframe's design and construction operations and by its business relationships, even if Spaceframe may not have knowingly contributed to those adverse impacts;
- exercise a due diligence process to identify, prevent, mitigate, and account for how Spaceframe addresses possible impacts on modern slavery and human rights; and
- exercise management system processes to enable the remediation of any adverse human rights impacts to which Spaceframe, or its subcontractors and suppliers may contribute.

Suppliers and Subcontractors

Within our precedent Purchase Order Terms and Conditions and Subcontractor Agreements we have requested various warranties from our suppliers and subcontractors in relation to their own modern slavery approach. The warranties sought from suppliers and subcontractors include that they have not engaged in, and do not engage in any conduct that would constitute a modern slavery offence under any law (including the MSA) or otherwise contravene any laws or codes of practice in force in relation to modern slavery. We also seek to obtain a warranty from our suppliers and subcontractors to the effect that they will comply with any mandatory reporting obligations in relation to modern slavery. Acknowledging that our supply chain and subcontracting chain extends beyond the tier 1 level, we seek from our suppliers and subcontractors a warranty that they will take reasonable steps to ensure any secondary subcontractor or supplier complies with mandatory reporting obligations in relation to modern slavery as well.

Statement of Risk Appetite

Spaceframe has a zero tolerance approach to slavery in all its forms. This means that Spaceframe has no appetite for causing harm to persons, damaging its reputation, being subject of legal action or incurring financial loss or standing in the business community arising from a failure to comply with the MSA.

Spaceframe's policies, management system processes, procedures, controls, and risk mitigation strategies are designed to reduce the risk and the prevalence of modern slavery.

Ethical Investments

Our business seeks to ensure that no investment should knowingly be made in companies who engage in activities or services which could be directly viewed as compromising the intent of this Statement.

Reporting concerns of modern slavery

A key aspect of our modern slavery approach is enabling our workers and suppliers to feel free and safe to speak up when there are reasonable grounds to suspect that our business or related persons are not acting ethically or in accordance with laws and obligations. This is enshrined within our Whistleblower Policy and Procedures.

In Australia, the Australian Federal Police are responsible for investigating suspected cases of modern slavery and can be contacted on 131 444 to discuss or report a suspected case. Contact can be made anonymously.

How Spaceframe Combats Slavery

Spaceframe has taken the following steps in order to assist in identifying, assessing and addressing the risks of modern slavery that may be present within our operations and supply chain, and to assess the effectiveness of those steps:

Operations

- Persons employed by Spaceframe have a formal contract of employment, which reduces the vulnerability of those workers to exploitation. Failure to act in accordance with this Modern Slavery Statement may result in disciplinary action being taken.
- Spaceframe stipulates modern slavery and human rights expectations to staff, business partners and other parties directly linked to Spaceframe's operations.
- We have created a specific Modern Slavery Policy that has been inserted within our Management System Manual. We are in the process of obtaining expert advice as to the contents and effectiveness of that Policy and whether any amendments should be made to ensure the effectiveness of same going forward.
- We have several policies in place that help create a culture that upholds the health and safety of our staff and prevents exploitation or practices that may lead to exploitation including our: *Anti-Bribery Policy; Aboriginal and Torres Strait Islanders – Respect and Engagement Policy; Health, Safety, Environment and Quality Policy; Privacy Policy* and *Workplace Rehabilitation Policy*.
- Spaceframe provides annual training for staff on modern slavery risks and impacts. This raises awareness with our staff and plays a key role in fortifying our due diligence approach. Given the recurrent nature of this training we expect that as time passes it will provide us with an insight into the effectiveness of the actions we are taking in this space as we observe staff engagement and field various queries from our workforce.
- Spaceframe ensures that this Modern Slavery Statement is available and communicated internally and externally to all personnel, business partners and other relevant parties and is reflected in operational policies and procedures necessary to embed it throughout the business.
- Spaceframe seeks references for all prospective employees who are recruited through agencies to ensure we have visibility over the process and relationships involved. Our recruitment agencies are also subject to various contractual obligations which provide Spaceframe with a degree of oversight

over these arrangements.

- Spaceframe, in our annual Management Review meeting undertakes a review of quality, safety and conformance to all policies and procedures including any improvements that require attention. We will formally review performance against this Statement annually in this meeting, with the intention to continually improve the effectiveness of the systems used to identify, assess and address the risks of modern slavery within our operations and supply chain.

Supply Chain

- Spaceframe shall publish this Modern Slavery Statement on its website (for subcontractor and supplier access/reference when tendering), as a means of communicating Spaceframe's due diligence processes and commitment in relation to the MSA.
- Spaceframe has created a preferred list of suppliers and subcontractors. This means that our agreements are more frequently recurrent in nature reducing the level of uncertainty involved for the workers engaged by our subcontractors.
- These preferred supplier and subcontractor lists are also reviewed annually by Spaceframe Directors and Senior Management at a Management Review Meeting. Those on the list with a higher spend are reviewed before the award of any subcontract. Various assessment criteria are involved including: modern slavery risks, financial capacity, environmental record, quality record, safety records, costs, reliability, availability.
- As part of the annual review of the preferred supplier and subcontractor lists, Spaceframe Directors and Senior Management have performed a risk assessment to identify those parts of the business operations and supply chain where there may be a risk of modern slavery taking place. We will continue to perform this aspect of the risk assessment annually, and the outputs and actions are reviewed by Spaceframe's Board of Directors. Our FY20 assessment result was that it was either unlikely that slavery was occurring within those subcontractors or suppliers, or that Spaceframe had no knowledge of same occurring. However, Spaceframe is not complacent and as a result of the risk assessment identified sensible, risk-based measures that could be taken to reduce identified risk to within the Boards stated level of risk appetite. This annual assessment approach enables Spaceframe to consider the effectiveness of the actions it is taking in this space.
- In Spaceframe's first reporting period we selected 25 of our suppliers and subcontractors from our list of preferred suppliers and subcontractors. We thoughtfully selected these suppliers and subcontractors based on risk associated with modern slavery risks. We sent them our Modern Slavery Policy, asked them to review it and confirm what steps/processes/policies they have in place regarding modern slavery.
- Further to the commencement of this dialogue with our preferred suppliers and subcontractors, Spaceframe has identified actions that will, when implemented, require participants in our supply chain to attest to an absence of non-compliant activity; to sign contracts/agreements that require compliant behaviour and to report slavery related issues/non-compliances to Spaceframe. Spaceframe shall carry out remedial steps where modern slavery is identified.

Application Of this Statement

We seek the co-operation of all workers, suppliers and other parties working with our business. We encourage suggestions for realising our modern slavery, equal opportunity and anti-discrimination objectives to create a safe, fair and tolerant working environment.

This Statement applies to all business operations and functions, including those situations where workers are required to work at any site not controlled by our business.

Consultation

As stated above, Spaceframe owns and controls two subsidiaries: SFR Australia Pty Ltd (ABN 76 138 358 264) and Scantec. SFR Australian Pty Ltd is inactive. Scantec does not meet the reporting threshold.

One of the Spaceframe Directors also sits on the Board of Scantec. This enables close consultation between the entities to occur quite naturally whenever required. In relation to Modern Slavery, Spaceframe is still in the process of understanding how the risks identified in its own operations and supply chains may equally apply to Scantec and what further action may need to be taken specifically in relation to Scantec. We will endeavour to gain further insight into these aspects in future reporting periods.

Approval of this Statement

The Board of Directors, being the principal governing body of Spaceframe Buildings Pty Ltd, constituted by Jane Raspotnik, Peter Raspotnik, Werner Raspotnik and Lisel Pringle, have formally approved this Modern Slavery Statement by a meeting of the board of directors, on 30 November 2021

A handwritten signature in black ink, appearing to read 'J Raspotnik', with a large, stylized initial 'J'.

Jane Raspotnik – Director