

MODERN SLAVERY STATEMENT

The *Modern Slavery Act of 2018* (Cth) requires certain companies to prepare an annual Modern Slavery Statements setting out their actions to assess and address modern slavery risks in their operations and supply chains.

1. FACILITIES FIRST

Facilities First Australia Pty Ltd (ACN 084 820 468) (**Facilities First**) has produced this Modern Slavery Statement for the reporting period 1 July 2019 to 30 June 2020.

Facilities First's registered office is located at Level 6, 123 Epping Road, Macquarie Park NSW.

Facilities First does not control any other operating entities.

2. OUR STRUCTURE AND OPERATIONS

Facilities First is incorporated and registered in Australia as a private company.

Facilities First has one director being Ben Bayot. At the date of this statement, Facilities First has approximately 2000 employees in locations across Australia.

Our principal activities consist of asset protection through the provision of professional cleaning and maintenance services. Our clients include some of Australia's most iconic Government locations and private businesses.

To provide our clients with the best possible services under our contracts with them, we work with employees, contractors and suppliers.

Our direct employees perform a range of internal functions including software and technical IT support, customer service and operational support, sales and marketing, people and culture, finance and legal. We also employ cleaning services teams to perform work directly for our clients at their sites.

In addition to our own cleaning teams, Facilities First has established a central procurement function whereby it engages contractors who supply cleaners and other asset maintenance personnel.

Our supply chain mainly consists of the employees we engage directly, the contractors we work with and their employees. With our permission, the contractors we work with may also subcontract some of the services performed for our clients.

We also work with other suppliers who provide us with certain goods and services, such as uniforms and cleaning supplies and equipment.

Our supply chain for human resources is based in Australia.

3. RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAIN

Being an Australian-based business with an Australian-based human resource supply chain, we consider ourselves to be at low risk of involvement in modern slavery.

Even so, we recognise that the contract cleaning industry in general has been identified as a high-risk industry and as a responsible company with some operations in that industry, we must regularly assess our processes and identify any potential risk areas.

With that in mind, we have identified the following potential risks in our operations and supply chain:

- Facilities First may not always have direct visibility over the relationships or terms and conditions of employment under which contractors and subcontractors engage their employees. There is a risk, albeit low, that those employees are the victims of modern slavery.
- Facilities First may be at risk of involvement in modern slavery because the work performed under some contracts it manages may be performed remotely and outside normal business hours, including at night. This makes it more difficult to oversee the performance of work.
- Contractors perform work at client sites that are not directly controlled by Facilities First meaning that it cannot control all working conditions for workers in its supply chain and does not have direct oversight at all times over workers in its supply chain. This may result in workers not known to Facilities First performing services at client sites without Facilities First's knowledge.
- Facilities First permits contractors to engage in subcontracting with its permission. However, there is a risk that subcontracting arrangements exist without Facilities First's knowledge. In those circumstances, Facilities First may not know what the arrangements or working conditions are for employees of subcontractors in that context.
- Facilities First has purely commercial relationships with its suppliers. This means that its suppliers may be engaged in modern slavery practices and Facilities First is not aware of that fact.

4. ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS OF MODERN SLAVERY

Facilities First performs "supplier reviews" before it begins working with new contractors. The reviews entail:

- Obtaining a capability statement from the contractor which sets out the region in which they can provide services, the number of employees they engage and their hours of operation;
- Obtaining a schedule of rates from the contractor outlining the provision of services, including a transparent statement regarding the rates paid to employees by the contractor;
- Obtaining a statement from the contractor confirming they hold all relevant insurances
- Our managers then consider each expression of interest from a contractor and scrutinize all documents provided to ensure the contractor is meeting all obligations in relation to workplace laws, employee entitlements and workplace health and safety duties.

Facilities First's agreements with its contracts require guarantees from those contractors that they will comply with the law, including all workplace laws.

We also maintain a strict contract management process including annual audits of our contractor database to identify and address any issues with our contractors.

Our managers regularly visit our client sites to ensure services are being delivered to a high standard. Our managers also ensure that contractors are meeting their obligations and that site working conditions are acceptable.

As a result of our audits and regular site visits, we identify any contractors we consider to be non-compliant or high risk and either work towards compliance with those contractors or terminate our arrangements with them.

For the reporting period of this statement, we required our contractors to provide us with a declaration that they had not engaged in any modern slavery activity including deceptive labour practices or debt bondage. We will continue to require a declaration from our contractors every reporting period moving forward.

In terms of the supply chain for other goods and services, we source goods and services from reputable suppliers.

We will not support suppliers or service providers where we are aware of or have reasonable grounds to believe that slavery and human trafficking are taking place within their organisation or their own supply chain. After appropriate investigation, we would terminate supply or service contracts in these circumstances, wherever possible.

5. HOW EFFECTIVENESS IS ASSESSED

We assess the effectiveness of our actions on an ongoing basis by empowering our employees to identify and raise potential risks as and when they arise.

The effectiveness of our actions is also measured in our annual audits.

6. CONSULTATION WITH OTHER ENTITIES

Facilities First does not control any other operating entity, nor is it part of a group of entities with which consultation is required.

7. OTHER RELEVANT INFORMATION

Facilities First maintains a Code of Business Conduct and Ethics, which sets out certain standards of conduct to aid our Director, officers, employees and contractors in making proper ethical and legal decisions when conducting business for us and performing their day-to-day duties that align with our values and policies.

Our code is available externally on our website, so anyone is able to report any concerns or ask questions regarding any potential violations of the code or any of our other policies or any applicable law, rules or regulations, including slavery and human trafficking violations.

Our code is readily available to our Director, officers, employees and contractors who acknowledge they understand and are compliant with the code. Through this code, our company values and the full range of our other policies, we seek to promote honest and ethical conduct, deter wrongdoing and support compliance with applicable laws and regulations in every aspect of our business.

We note that our code works together with our Whistleblower Policy, which facilitates the reporting of matters of concern in various ways, including anonymously to third parties.

We recognize and understand the importance of the *Modern Slavery Act 2018* (Cth) and are committed to reviewing and assessing the risks in our supply chain.

Over the course of the next reporting period, we will continue to review our supplier contracts and procurement processes to ensure continued compliance with the *Modern Slavery Act 2018* (Cth).



**Facilities
First**
AUSTRALIA

8. APPROVAL

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) for the reporting period of 1 July 2019 to 30 June 2020. This statement was tabled at a meeting of the Facilities First Board on 17 December 2019 and was approved by the Board on 17th December 2019.

Sincerely,

Ben Bayot
Chief Executive Officer