



2020

Citywide Modern Slavery Statement



INTRODUCTION

This Modern Slavery Statement is made by Citywide Service Solutions Pty Ltd, a reporting entity under the Australian *Modern Slavery Act 2018* (Cth), and its subsidiaries (collectively, **Citywide, we or us**) for the year ended 30th June 2020 (**FY20**).

The purpose of this Statement is to outline our approach to ensuring that Citywide has the policies and processes in place to minimise the risk of modern slavery in our operations and supply chains.

Our modern slavery compliance program and related policies and processes including our Code of Conduct are intended to apply across Citywide including subsidiaries.

We recognise the importance of combating slavery and human trafficking; a crime affecting communities and individuals across the globe. Citywide is entirely opposed to such abuses of an individual's freedoms, whether that arises in our direct operations, indirect operations or our supply chains.

Citywide acknowledges that slavery and human trafficking can occur in many forms, such as forced labour, child labour, domestic servitude, sex trafficking and workplace abuse. It can include the restriction of a person's freedom of movement by physical or non-physical means.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Established by the City of Melbourne in 1995, Citywide Service Solutions Pty Ltd is a leading industrial services organisation. Together with its subsidiaries, we provide high quality environmental, open space, civil infrastructure, and energy and utilities services across Australia's Eastern Seaboard.

For Citywide, shaping liveable cities is more than our tagline – it is our purpose and our mission. Citywide is responsible for maintaining many of Australia's most valued public spaces, iconic boulevards and municipalities.

Citywide snapshot (FY20)

Revenue	~ \$250 million
Employees	~ 1,000
Operating sites	~ 20
Suppliers	~ 1,300
Supplier spend	~ \$148 million

Subsidiaries

Citywide Utilities Pty Ltd
Sterling Group Services Pty Ltd
A.W.D. Earthmoving Pty Ltd
Technigro Australia Pty Ltd
Technigro Pty Ltd

For further information about Citywide's business, including its brands and subsidiaries, see www.citywide.com.au

Citywide has a large and diverse supply chain across goods and services in Australia and globally ranging from local sub-contractors, local distributors of goods to global distributors and manufacturers from China, Japan, Sweden, Germany and USA. The bulk of overseas-sourced material/equipment is procured through local distributor networks, not directly from the manufacturer. Ninety-nine per cent of our suppliers are from within Australia.

Citywide procures small & large materials and tools to assist in carrying out its services. The items range from hand tools, IT equipment, wheelie bins, automotive spares, chemicals through to large equipment purchases, including waste trucks, chippers and ride-on mowers; and leased facilities to house our equipment and employees.

We engage contractors to support our operational requirements, including plumbers and concreters and in various other roles including information technology. We also have preferred labour hire suppliers relationships in Australia.

Citywide's procurement spend

Contractors	28%
Labour hire	18%
Fleet	16%
Logistics	12%
Materials	10%
Consultancy services	6%
Facilities	6%
IT equipment	3%
Other	1%

COVID-19 Supply Chain Impacts

In FY20, disruptions to our supply arrangements due to COVID-19 were minimal. They were contained to:

- increased lead time in delivery of materials;
- certain personal protective equipment (PPE) and hands sanitisers being in short supply. In response to increased hygiene requirements due to COVID-19, Citywide increased its use of PPE, use of disinfectants and increase sanitisation protocols in offices, shared vehicles and out in the community. We were able to secure all critical supplies without issues from our preferred suppliers.

MODERN SLAVERY RISKS

In FY20, we undertook a review of the potential risk of modern slavery practices across our operations and supply chains.

During the assessment process, we considered risks in Citywide operations and amongst our top tier suppliers that may possibly cause, contribute and/or be directly linked to modern slavery practices. For suppliers we also examined other risk factors such as the sector, industry, types of products and services, geographic locations and entity associations. We also assessed if our risk profile has been altered by COVID-19.

As a result, Citywide has been able to identify areas with no to low risk; for example: operational activities which are directly undertaken by Citywide employees and covered by our internal processes. We have also identified potential risk areas, such as a local supplier sourcing a product from overseas sources which may have a record of having modern slavery practices still in place.

Citywide recognises that modern slavery risks are exploited by several industries, product types, commodities, labour practices and geographical locations and that items we purchase are known to be at particularly high risk – apparel (cotton), IT hardware, and construction materials.

In addition, we have identified the use of services managed by third party providers such as contractors and labour hire may be a potential risk area if third parties are not in compliance with workplace legislation and standards.

OUR APPROACH

In accordance with our Group risk appetite, Citywide has zero tolerance for any form of slavery-like practices.

Policies and governance

We have policies already in place that promote ethical and legally compliant business conduct. Our policies contribute to our commitment to prevent violations of human rights such as our Code of Conduct, Whistleblower Policy and associated anonymous hotline and our Modern Slavery Policy.

Our Supplier Code of Conduct clearly outlines our minimum requirements for our suppliers. They are expected to share our values and must work to the law and to internationally recognised standards. They must also put in place anti-corruption practices and socially responsible supply chain. This includes not using any form of child or forced labour and providing fair employment conditions.

Our Procurement team have contractual obligations in place for our key suppliers to minimise the risk of modern slavery in our operations and supply chains.

Assessment and mitigation of risks

Citywide provides fair and safe working conditions for all its employees and ensures no child labour is employed in line with minimum age laws. We expect the same standards from our suppliers, contractors and labour hire provider.

We require our labour hire providers to engage workers on fair employment conditions. We have a number of people and culture policies, procedures and due diligence activities in place which include recruitment and selection, right to work checks, training and development and other workplace management activities.

In conducting due diligence on suppliers, we apply a range of steps including pre-qualification checks, contractual arrangements and ongoing monitoring. Our supplier pre-qualification forms and contracts include language stipulating that suppliers agree to adhere to our policies and standards and Supplier Code of Conduct. This provides a safeguard that we onboard and work with vendors who agree to operate to the same standard we expect from ourselves.

As part of the ongoing mapping of Citywide's supply chain, we have endeavoured to identify not only manufacturing locations but also warehousing locations within Australia and overseas to obtain the transparency required by Citywide as part of our good corporate due diligence. These processes have been undertaken to build an informed Risk Matrix which will identify Citywide's initial priorities, noting that these will not necessarily be by location, but could be by industry or commodity.

Incident reporting and remediation

We have reporting procedures and mechanisms where employees and third parties can report any concerns, including in relation to modern slavery.

We have established internal grievance resolution processes for our employees to report their concerns. In addition, if they wish to remain anonymous, employees and third parties are able to report through our independently operated Whistle-blower system via phone or email. Where issues are investigated and substantiated, we take appropriate action.

In FY20, we did not receive any reported modern slavery concerns, nor did we identify any instances of modern slavery in our operations or supply chains.

Awareness and training

In FY20, Citywide launched an initiative for raising awareness of modern slavery, including communications across its operations that aimed to highlight the launch of our Modern Slavery Policy and Supplier Code of Conduct.

During the year, we also implemented a Modern Slavery awareness training program to members of the legal and procurement teams. The procurement team have attended Modern Slavery awareness training developed by The Chartered Institute of Procurement & Supply.

MEASURING OUR EFFECTIVENESS

At the end of our first reporting period and on the basis of our risk identification and assessment activities, Citywide has committed to continually evolve its modern slavery compliance program as outlined above. Our Working Group will review the effectiveness of the program through measures including:

- supplier assessments, and how they are conducted, integrated with our supplier selection and reported;
- systematic review and enhancement of procurement contractual templates, including our modern slavery provisions;
- evaluation of the effectiveness of our policies and procedures on managing modern slavery risk;
- our communications to further foster modern slavery awareness;
- any concerns raised including through our escalating processes, our responses and remediation actions;
- assessment of the effectiveness of our management-driven training modules for increasing understanding of modern slavery and embedding process changes into our operations; and
- working closely across Citywide to gather data about conditions on the ground in places where our goods & services are produced.

CONSULTATION

The development of this Statement and the steps outlined involved consultation with key staff, management, executives of Citywide. Citywide utilises the centralised management and governance model and shares the same functional delivery capabilities and resources throughout the Group.

We have formed a cross-functional Modern Slavery Working Group to oversee the development and implementation of the modern slavery activities and plans.

LOOKING AHEAD

During FY21, we plan to:

- further embed modern slavery considerations, including the broader corporate responsibility strategy, in our policies to further embed a positive culture towards this issue;
- enhance the suite of standard modern slavery-focused contractual terms developed in FY20 to further drive transparency and commitment from our suppliers to identify and address modern slavery in their suppliers' operations and supply chains;
- strengthen our processes around supplier engagement to ensure our suppliers are monitoring their supply chains for modern slavery risks;
- support the compliance of our suppliers through assurance and remediation processes;
- increase internal stakeholder communications on this issue, including promoting awareness on modern slavery principles; and
- expand modern slavery awareness training to all staff with procurement responsibility.

This Statement is approved by the Board of Citywide Service Solutions Pty Ltd.



Chris Campbell
Chief Executive Officer
Citywide Service Solutions Pty Ltd