

2022

**MODERN SLAVERY STATEMENT**

A C C I O N A A U S T R A L I A

*released June 2023*



## ABOUT THIS STATEMENT

This Modern Slavery Statement (Statement) has been prepared by the ACCIONA Infrastructure Group (Australia & New Zealand) to address the requirements of the Modern Slavery Act 2018 (Cth). It does not include or reference the ACCIONA Concesiones, Water or Energy businesses which form part of the global ACCIONA Group.

The Statement is ACCIONA Infrastructure's third modern slavery statement and covers the period 1 January 2022 to 31 December 2022 in respect of the Australian reporting entities identified under at Appendix B.

The reporting entities are referred to throughout this Statement collectively and generically as "ACCIONA", "we", "us" and "our".

The term "suppliers" includes suppliers of goods and services, and includes providers of labour hire.

This Statement is the product of collaborative effort and input from our Procurement, Health, Safety, Environment, Quality & Sustainability (HSEQS), Governance, Compliance & Legal, Project Controls, Operations, Commercial, Human Resources and Marketing & Communications teams across multiple reporting entities.

The Statement was approved in June 2023 on behalf of all reporting entities by the Board of ACCIONA Infrastructure Asia Pacific Pty Ltd, the most senior holding entity in the Australia & New Zealand Infrastructure Group.

This Statement has not been externally assured. It has been signed by the Chief Executive Officer on page 22

If you have any feedback regarding this Statement or wish to bring to our attention any risk or activity of concern, please contact us at [comms.au@ACCIONA.com](mailto:comms.au@ACCIONA.com).



## MESSAGE FROM THE CEO

### **ACCIONA challenges the present to make the future possible.**

We understand that social progress, environmental balance, and economic growth go hand in hand, which is why we deliver sustainable infrastructure and renewable energy solutions that are designed to ensure people's well-being and the conservation of the planet.

ACCIONA supports, represents, and contributes to the protection of human rights in all our activities and the geographic areas in which we work. We are committed to taking effective action to combat modern slavery risks in our sector, and so I am pleased to present ACCIONA's third Modern Slavery Statement.

During 2022, ACCIONA absorbed and responded to the numerous lingering challenges associated with its business operations resulting from the COVID19 pandemic and the ongoing unstable global and national economic environment. Our efforts in the past year to mitigate the risk of modern slavery within our operations and supply chains concentrated on consolidation of previous procurement and sustainability initiatives. This was driven by the key pillars of ACCIONA's Sustainability Master Plan 2025 (SMP25). One core pillar is our people centric focus on quality of life and a socially inclusive future for all. It puts people at the heart of our decisions, which strengthens our resolve to reduce the risks of modern slavery practices in our industry.

In line with ACCIONA's SMP25, we will continue to contribute to the protection of human rights as we seek to design a better planet.

A handwritten signature in blue ink, appearing to read "Bede Noonan". The signature is stylized and fluid, with a long, sweeping underline.

**Bede Noonan**  
CEO & Managing Director  
ACCIONA Australia and New Zealand

# INDEX

---

---

---

---

---

---

---

---

---

---

## OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

---

---

---

---

---

---

---

---

---

---

### OUR STRUCTURE

#### WHO WE ARE ARE WHERE WE CAME FROM

ACCIONA is a group unlike any other in Australian infrastructure and construction.

We have earned a reputation, over fifty years, as a leading provider of specialist construction services for sustainable infrastructure.

How? Because construction engineering is at our very core.

Our group brings together trusted and long-standing businesses, from family-owned origins, combining proven local capability from:

- Geotech Pty Ltd;
- ACCIONA Rail (formerly Coleman Rail);
- ACCIONA M&E (formerly John Beaver Australia),

with the major project capabilities of:

- ACCIONA Construction Australia;
- ACCIONA Infrastructure Australia; and
- ACCIONA Infrastructure Projects Australia (formerly Lendlease Engineering),

and the international resources of ACCIONA, the global business.

Our Reporting Entities for the purpose of the Modern Slavery Act 2018 (Cth) are set out at Annexure B.

**BUSINESS OVERVIEW – GLOBAL**

ACCIONA is a global leader in the provision of regenerative infrastructure solutions focused on transitioning to a low-carbon economy. We are a financier, developer, builder and operator of infrastructure solutions, both alongside government and significantly on our own. We have a long and proud history and expertise in infrastructure for transport, renewable energy and water in particular. We also have a strong involvement in social infrastructure and mobility systems.

From an energy perspective, ACCIONA is one of the largest 100%-renewable energy companies in the world. We have no fossil-fuel legacy, and we generate over 13GW of renewable energy in more than 20 countries. In Spain, we operate the nation's longest-serving wind farms, first commissioned in 1994 and 1995, as well as the century-old Siera hydroelectric plant. We care for this heritage alongside the absolute newest technologies.

Hydroelectric energy was part of our very first steps in the energy sector, which provided us with solid experience in this renewable technology. Like us, hydro has achieved its gains quietly. In fact, this renewable energy is now ACCIONA's second-largest global source of power generation after wind power.

And it was hydroelectricity that led us into wind farms, where we are now recognised as a global leader in development, construction, operation and maintenance, with more than 30 years of experience in the sector.

Our years of experience, across a complete portfolio of tailor-made renewable energy solutions, enables our corporate and institutional clients to meet their own decarbonisation goals.



**OPERATIONS**

**OUR OPERATIONS**

ACCIONA offers itself as an expert in designing a better planet, responding to basic infrastructure, water and energy needs through innovative, responsible solutions that produce real progress.

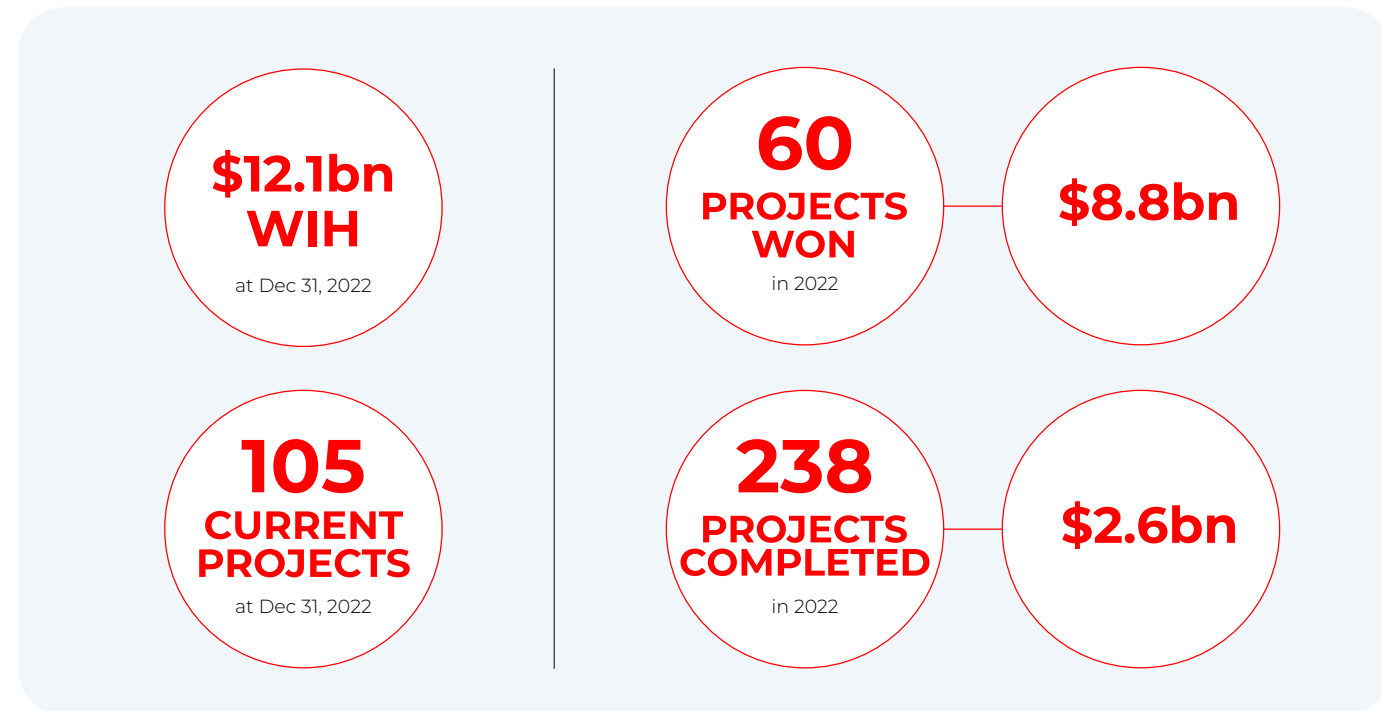
The sectors in which we work across Australia and New Zealand include:

**Infrastructure:** Constructing and maintaining infrastructure, such as major roads and bridges, tunnelling, and water and wastewater treatment solutions.

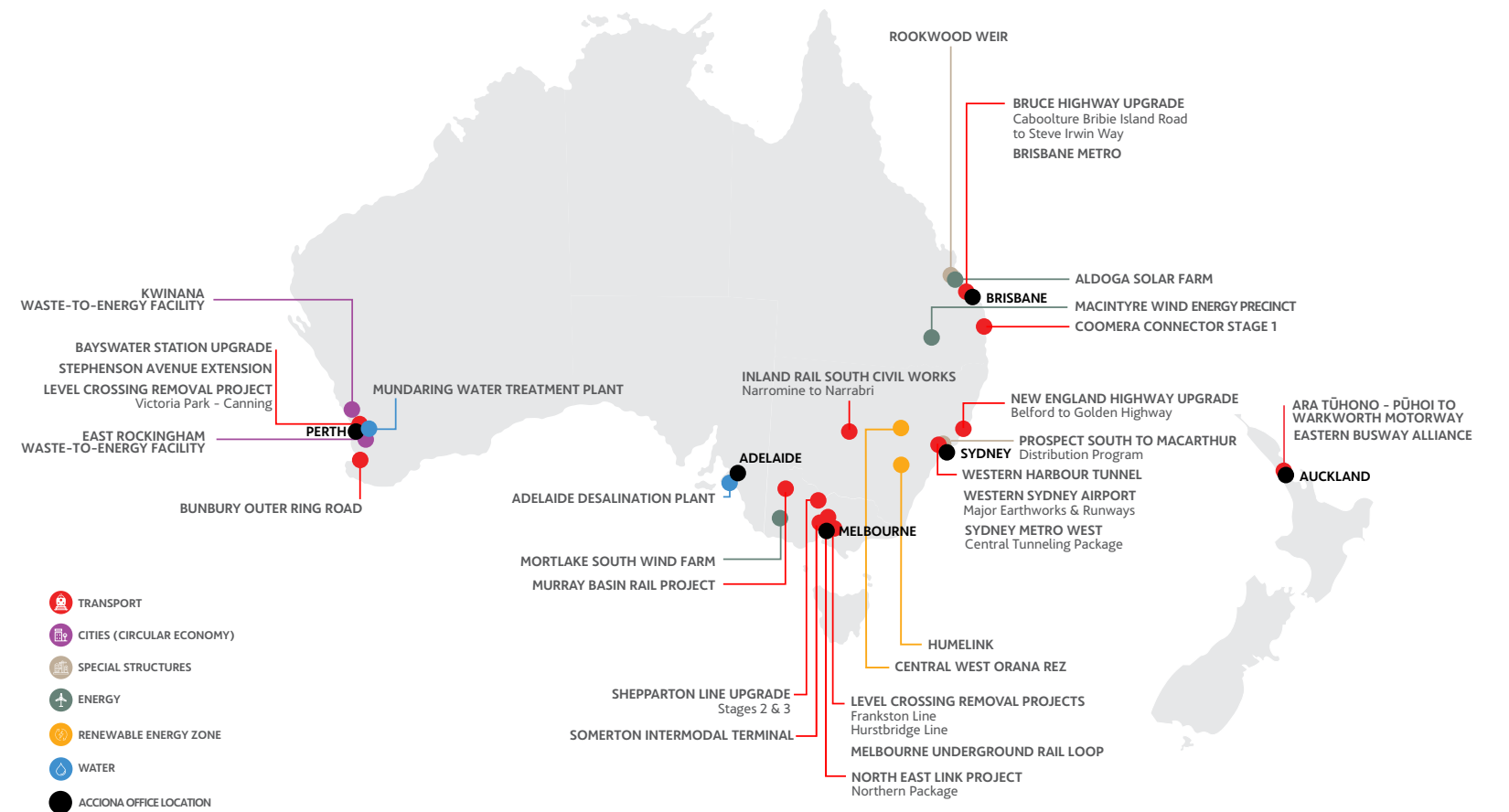
**Rail & Transport:** Rail and transport operations & maintenance and the construction of rail assets.

**Energy & Renewable:** Wind and solar farms.

Our operations are supported by our employees which as at 31 December 2022 consisted of 3155 people.



**KEY PROJECTS - AUSTRALIA & NEW ZEALAND**



**ACCIONA GLOBAL PRESENCE**

**North America**

Canada  
USA  
Mexico

**Latin America**

Argentina  
Brazil  
Chile  
Colombia  
Peru  
Panama  
Dominican Republic  
Costa Rica  
Ecuador  
Nicaragua  
Trinidad and Tobago

**Europe**

Spain  
France  
Poland  
Italy  
Portugal  
Sweden  
Greece  
Germany  
Croatia  
Norway  
Hungary  
The Netherlands  
Romania  
Denmark  
UK  
Ukraine  
Austria  
Turkey

**MIDDLE EAST & AFRICA**

UAE  
Oman  
Qatar  
Saudi Arabia  
Egypt  
Algeria  
Morocco  
South Africa  
Gabon  
Kenya

**Asia & Oceania**

Australia  
India  
The Philippines  
New Zealand  
Singapore  
Vietnam



ACCIONA carries out its business in accordance with the SMP25. The SMP25 documents our company ambitions and our pathway to success.

One of those key ambitions is our people centric focus, ensuring fulfilment of the fundamental rights of people who participate in our value systems. To us, this means the rights of people forming part of our value systems are fulfilled. It means not being complicit in any form of abuse or violation of the rights of workers, suppliers, contractors, service providers, partners, competitors, customers, local communities and society, in any of our activities and in any of the geographies we are present.

The SMP25 also prescribes the desired leadership of the ACCIONA Board in promoting and overseeing the fulfilment of the company's purpose through its operations at every level. This necessitates the continuous evolution of the company's governance and management systems, and commitment to innovation, to advance its purpose. Authenticity, taking on new responsibilities, and leading by example are key pillars of ACCIONA's leadership and governance model.

ACCIONA Infrastructure in Australia spent over \$1.1M in FY22 on Social Enterprises (as registered with Social Traders) made up of \$574,000 spent in Community Funds; \$424,000 in Training and Employment; and \$156,000 in Community Services.

Such spend was largely directed towards marginalised youth (\$574,062), people with disabilities and mental illness, seeking to improve the lives of people suffering challenging conditions or who have fallen on difficult times.

Further, ACCIONA Infrastructure's indigenous spend in Australia during FY22 totalled \$22.4M which accounted for 2.3% of our joint venture adjusted expenditure.

We believe that in many cases, a focus on social enterprise assists in mitigating the exposure of modern slavery risks in our operations and supplier network as it allows us to monitor working conditions across our own business and large suppliers in a more effective and tailored manner.

## SUPPLY CHAIN

In 2022, ACCIONA in Australia contracted with 6,955 suppliers, a significant portion of global operations.

Globally, ACCIONA believes engagement with local suppliers has a positive effect on the economic development of the communities and minimises the operating risks as delivery and execution times are reduced. 94% of the contracted suppliers or means of distribution are from the country where the project takes place.

### OVERVIEW

During 2022, ACCIONA engaged 25,515 global suppliers and 6,955 suppliers in Australia.

Of those, 1549 were new suppliers engaged in FY22 in Australia with 82% completing a full set of ACCIONA procurement questionnaires and onboarding procedures. An additional 8% were deemed 'significant vendors' due to threshold spend and completed an additional qualification process. We expect a significant increase in supplier engagement in 2023, as the new mega-projects of Western Harbour Tunnel, NELP, and Humelink commence operations.

The top 15 industries that make up ACCIONA Infrastructure's supply chain are categorised in the following table. Combined spend across these sectors exceeds \$1B.

Whilst the vast majority of our tier one suppliers reside and operate in Australia, many have products and services sourced from international markets. ACCIONA also engaged directly with a number of overseas suppliers during 2022. Such suppliers are automatically subject to ACCIONA's procurement and governance processes where ACCIONA is the lead joint venture partner.

### SUPPLY CHAIN MANAGEMENT

ACCIONA has a centralised procurement system that exists across the Group in respect of the key operating entities, with policies and procedures governing its operation. ACCIONA maintains confidence in its systems, processes and procedures which it will endeavour to negotiate the use of on joint venture projects with its partners.

In some instance where ACCIONA is not principal contractor, our joint venture partner's system may be utilised. These systems are subject to due diligence by ACCIONA to ensure they are a validated equivalent standard.

Where a joint venture, teams comprise an integrated representation of joint venture parties across all project functions, most relevantly finance, commercial, operations and procurement, ensuring ACCIONA maintains management control. Project activity is overseen by the relevant reporting entity business unit. Business unit procurement management is consolidated in a centralised management and executive team, with additional audit and compliance governance via a centralised HSEQS function and international procurement function.

ACCIONA considers that its supply chain management is a strategic priority for the business as well as a source of opportunities to generate value in the societies where it operates. The geopolitical landscape

and the dramatic repercussions of the climate crisis have exacerbated the price variations on raw materials, which means that the supply chain has become one of the main sources of financial risks but also opportunities, as it can have an impact on the company's entire value chain.

This is why ACCIONA believes that keeping a sustainable management system for the supply chain, supported by the state-of-the-art technologies to protect efficiency and able to guarantee human rights and the protection of the environment is the right strategy to produce the resilience sought in a purchasing system that will create long-term value.

This corporate commitment to sustainable management is passed on to the value chain through the Corporate Procedure on Vendor Qualification and Assessment and the Corporate Procurement Standard, both based on the systems for enterprise resource planning (ERPs), planning and reporting tools, and our PROCUR-e system.

Globally, ACCIONA's Supply Chain Management Department, coordinated with the Purchasing Departments of the different business units, is in charge of overseeing and executing the strategy described in the SMP25 for the management of the global supply chain. Further, The SMP25 consolidates sustainability within the function, mainly leveraged on the defence of social safeguards, identification of regenerative alternatives focused on reducing the carbon footprint and the development of the sustainable commitment of the supply chain. Along these lines, 80% of employees in the area of purchases has targets linked to sustainability.

Primary Category Description	Sector Name/ Classification	Total
CONSTRUCTION, CIVIL ENGINEERING AND ASSOCIATED SERVICES	Building Works	\$375,055,608.13
ENGINEERING AND ENGINEERING CONSULTANCY	Building Works	\$129,117,474.04
CONSTRUCTION AND CIVIL WORKS PRODUCTS	Goods & Products	\$114,035,413.11
CONSULTANCY AND ASSOCIATED SERVICES	Service of a General Nature	\$59,588,450.63
MACHINERY HIRING SERVICES AND OTHER HIR-INGS	Service of a General Nature	\$57,982,557.38
OTHER SERVICES, MAINTENANCE AND INSPECTIONS	Building Works	\$52,765,132.07
TRANSPORT, STORAGE AND RELATED SERVICES	Service of a General Nature	\$42,246,220.28
BUSINESS AND ADMINISTRATIVE SERVICES	Service of a General Nature	\$34,038,003.87
ELECTRICAL LINES	Goods & Products	\$30,148,784.18
MECHANICAL MATERIALS AND EQUIPMENT	Goods & Products	\$28,735,781.48
SERVICES RELATING TO PIPEWORK (INC. EXCAVA-TION AND REPLACEMENT)	Building Works	\$28,248,054.99
ENERGY, OILS, GAS AND PETROLEUM REFINED PRODUCTS	Goods & Products	\$23,963,242.39
CLEANING SERVICES AND WASTE AND RESIDUE MANAGEMENT	Service of a General Nature	\$21,845,005.16
METAL AND WOODEN PRODUCTS	Goods & Products	\$20,895,873.19
FINANCIAL AND ACCOUNTANCY SERVICES (EXCL. CONSULTANCY)	Service of a General Nature	\$17,137,457.07
<b>TOTAL</b>		<b>\$1,035,803,057.97</b>



# IDENTIFYING OUR RISK OF MODERN SLAVERY PRACTICES

ACCIONA recognises that modern slavery is a scourge that affects every region of the world.

The latest Global Estimates indicate that 50 million people were living in modern slavery in 2021. Of these people, 28 million were in forced labour. Unfortunately, the number of people in modern slavery has risen significantly in the last five years. In 2021, 10 million more people were in modern slavery compared to 2016 global estimates.

We understand that the construction industry and potentially ACCIONA's large and diverse supply chain is not immune from modern slavery risks and that practices in all countries are ever-changing. During the reporting period, ACCIONA sought to consider real and potential risks that were applicable to its business and tailored ways to mitigate those risks to the best of its ability with examples set out in the next section of this Modern Slavery Statement.

The most prevalent risks include:

1. Exploitation of workers in local and foreign jurisdictions, particularly in countries such as China which forms a part of ACCIONA's supply chain.
2. The rise of costs in materials applicable to the construction industry such as steel and bitumen which has the capacity to increase the risk of modern slavery practices within our supplier network.
3. Many suppliers having unsophisticated practices to identify the risk of modern slavery in their operations and supply chains.

From a global perspective, ACCIONA maintains a regular and fluid dialogue with its stakeholders when assessing risks. Globally, ACCIONA has identified five highlighted matters as priority action areas in accordance with the principles of responsible business conduct based on its ESG risk analysis.

Highlighted matters	Principles of the Human Rights Policy	Risk variables
<b>Discrimination in the workplace</b>	Fair, dignified and respectful treatment of people	Discrimination in the workplace
<b>Fundamental rights and principles</b>	Free work. Commitment to the right to freedom of association, unionisation and collective bargaining and fair defence. People's rights. Respect for the communities and land rights.	<b>Worker's fundamental rights and principles.</b> Forced labour. Modern slavery. Child labour. Freedom of opinion and expression, Arbitrary arrest and detention. Human trafficking. Young workers. Freedom of association and collective bargaining. Security forces and human rights. <b>Minorities' fundamental rights and principles</b> Minority rights sexual minorities. Rights of women and girls. <b>Communities' fundamental rights and principles.</b> Rights of indigenous peoples. Land, property and housing rights.
<b>Health and safety conditions</b>	Safe and healthy working conditions.	Occupational health and safety.
<b>Working and recruitment conditions</b>	Ethical, fair and equitable working and recruiting conditions.	Decent wages. Decent working hours. Informal workforce.
<b>Right to privacy</b>	Privacy and communications.	Right to privacy.

# ACCIONA'S ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISK

## GOVERNANCE IN OPERATIONS

ACCIONA's Supplier Qualification and Evaluation suite of documents, embedded within its procurement program, includes the following controls to mitigate real or potential risks materialising:

1. **Responsible Supplier Statement:** every supplier working with ACCIONA must accept the Responsible Supplier Statement that includes their express agreement to comply with the Ethical Principles for Suppliers, Contractors and Collaborators.
2. **Assessment and Certification Procedure:** In order to be awarded contracts of over €400,000, the interested companies must satisfactorily complete the procedure to assess and certify suppliers, contractors and collaborators working with the ACCIONA Group.
  - i. **Self-assessment Questionnaire on Sustainability and Corporate Responsibility:** companies must fill in the self-assessment questionnaire on compliance with international standards. If the answer is unsatisfactory, this impacts ACCIONA's Risk Map, prevents supplier certification, and triggers the audit process under the Protocol for Audits on the Supply Chain. Questions relate to whether supplier work practices consider the examples of modern slavery and whether a supplier has received penalties in relation to labour matters and workplace incidents.
  - ii. **Protocol for Audits on the Supply Chain:** companies that show a high risk of violating human rights because of their country of origin must be audited before qualifying as a validated supplier. These suppliers are known as "MACS" (Mandatory to be Audited Critical Suppliers).

Additionally, suppliers who are not deemed as MACS may also be audited due to their level of criticality, recurrence, a strategic decision or for other reasons. Audits imply on-site verification of compliance with internationally acknowledged human rights and with ACCIONA's policies, procedures and standards.

3. **Internal Control System for Social Safeguards:** this system includes six control activities that have been specially designed to ensure that all due diligence actions described above are complied with under the company's standards, procedures and policies. The department in charge of this system and providing proof of the satisfactory execution of the controls is the Sustainable Supply Chain Department.

The policy and procedure suite also contains our No-Go Policy, Risk Country Table and Risk Map of Suppliers. Although no significant changes were made to ACCIONA Infrastructure's suite of documents in 2022, 15 additional countries were reclassified from low or medium risk to high risk based on a range of global factors. The No-Go Policies establish a series of minimum requirements and if these are not met, the company cannot be hired. The circumstances leading to a No-Go status include, among others, a proven breach of the United Nations Global Compact Principles, a proven breach of ACCIONA's minimum requirements on human rights, or any suppliers in a high risk country considered for a contract above €400,000 who failed the audit. As per the snapshot below, our procurement team in Madrid strengthened our No-Go Policy with such changes to take effect in Australia in 2023.

Prior to submitting a bid for tender to our clients, ACCIONA also mandates due diligence being undertaken on its project partner(s) set out in its 'Project Summary and Investment Case' pack. The assessment includes an examination of a partner's alignment with our way of working and an assessment of their ethical practices. Our partners are also routinely assessed through the Dow Jones Risk Assessment tool. No instances of unethical or unsatisfactory conduct on the part of our partners has been identified to date.

## CASE STUDY

### No-Go Suppliers

The No-Go Policies outline all the minimum requirements on ethics and integrity, corporate responsibility and sustainability, financial solvency, and performance that the partner and/or supplier must meet. If these are not met the company cannot be hired by ACCIONA group unless they solve the issues behind the status.

In 2022, a new draft of these policies was published strengthening the criteria for social safeguards. 193 suppliers were considered No-Go in 2022, 35 of which have changed this status following the implementation of audits or action or improvement plans or enhanced due diligence.

The first case of hiring a supplier with No-Go status was detected in 2022 and this triggered the Action Plan. AN extraordinary validation committee was called, and the supplier was re-audited by ACCIONA's own staff and a third party, coming up with an improvement plan that was proposed to the supplier to repair the non-compliances that led to said status



**ORIGINATION ESG ASSESSMENT**

ACCIONA seeks to pursue sustainable infrastructure opportunities within the market that align to our business values and Sustainability Master Plan. Prior to ACCIONA's involvement, each pursuit undergoes a rigorous environmental, social and governance (ESG) assessment conducted via Verisk Maplecroft. Amongst other key ESG criteria, this assessment platform provided an early risk classification of modern slavery risk violations including forced labour, migrant workers, child labour, people trafficking, decent wages and work time, corruption, rights to privacy and minority rights. While it is acknowledged that this risk tool is only a macro-assessment of modern slavery risks based on global databases, it does provide an early indicator into potential modern slavery hotspots which need to be considered prior to pursuing or committing to a project. This preliminary assessment allows ACCIONA to apply additional due diligence to ensure the modern slavery risks are mitigated during project development and delivery.

In 2022, ACCIONA's global business continued to work on developing the global procedure to control risks and opportunities among suppliers, launching the new SCRM (Social Customer Relationship Management) methodology. The goal set by the department was to streamline the procedure to register and validate suppliers whilst also improving the Risk Map for ESG in order to establish suppliers' criticality level and handle their risks and opportunities. With this new model, ACCIONA is equipped with a standard methodology that is adapted to the new regulations, including the Directive on Corporate Sustainability Due Diligence (CSDD), Modern Slavery Act (UK and Australia), UK Bribery Act, GHG Protocol and GRI standards, among others.

The main impacts of these changes are:

- Supplier segmentation: the financial element is no longer the only factor that determines if a supplier is critical or not. A new ESG risk variable is taken into account to establish the level of criticality regardless of the supplier's sales volume with ACCIONA.
- If the supplier shows a high ESG risk, they will undergo a specific evaluation focused on the E, S or G variable (or a combination of all three variables) that was identified.
- Streamlining the registration and validation procedure for suppliers without ESG risks and below the €400,000 threshold. This helps cut down the amount of questions asked to complete the supplier's registration by up to 75% by using technology and checking over 160 databases.
- Monitoring of possible negative information on all the suppliers through new Artificial Intelligence technology.

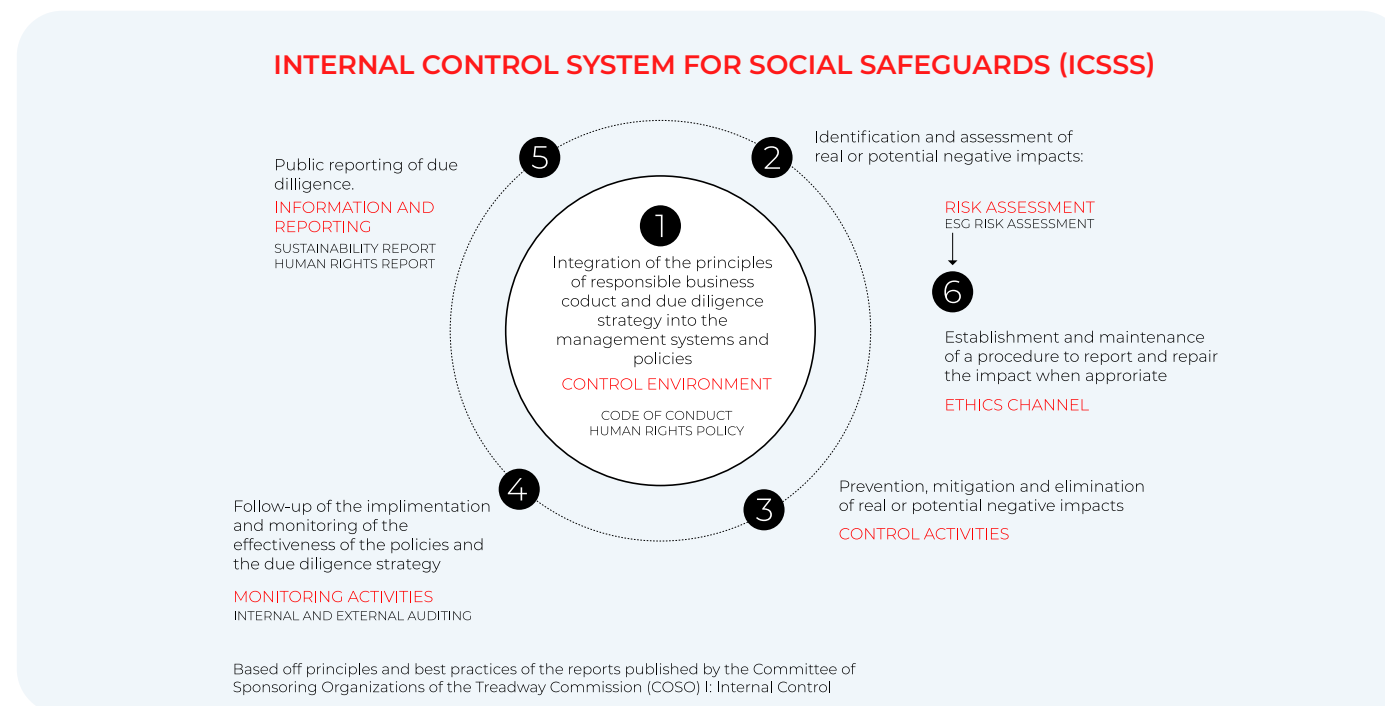
ACCIONA's goal within the SMP25 framework is to deploy this methodology gradually. The methodology is set to be implemented in Australia in FY23.

**DUE DILIGENCE STRATEGY**

ACCIONA agrees to identify, evaluate, prevent, mitigate, stop, supervise, communicate, post, deal with, remedy and report the real or potential adverse consequences of its activities and business relations on human rights through a due diligence process. The Human Rights Policy, adopted by the Board of Directors and included in ACCIONA's Policies Handbook, describes the company's due diligence strategy for a responsible business conduct.

Since 2021, ACCIONA has a procedure and an integrated social safeguard risk assessment and compliance management system in addition to a social safeguard auditing system.

ACCIONA's global business has adopted and implemented an internal control system to prevent and mitigate real or potential effects on human rights. The Internal Control System for Social Safeguards (ICSSS) promotes and consolidates a true culture of compliance and respect of current legislation and reference international standards and principles on human rights.



**POLICIES AND PROCEDURES / EMPLOYEE COVERAGE**

ACCIONA's Code of Conduct, Human Rights Policy [[https://www.ACCIONA.com/shareholders-investors/corporate-governance/rules-governance/compliance/?\\_adin=02021864894](https://www.ACCIONA.com/shareholders-investors/corporate-governance/rules-governance/compliance/?_adin=02021864894)] and Modern Slavery Policy outlines our commitment to respecting human rights and public freedoms recognised in the United Nations Universal Declaration of Human Rights. Respect for human rights is the responsibility of all persons and entities to which the Code of Conduct applies, including all businesses and project managers. Our employees, both globally and locally are required to comply with these policies and procedures.

ACCIONA supports, respects, and contributes to the protection of internationally recognised fundamental human rights, making sure not to be complicit in any form of abuse or violation of those rights with regard to workers, suppliers, contractors, collaborators, partners, competitors, customers, local communities, and society in general.

Standards driven towards preventing our involvement in modern slavery are embedded in several of our policies, including:

- Equal Employment Opportunity, Anti-Bullying, and Harassment Procedure
- Leave Procedure (including parental leave details)
- Diversity and Inclusion Policy Statement
- Aboriginal Participation in Construction Procedure
- Grievance Procedure
- Whistleblowing Policy Statement and Whistleblowing Procedure
- Anti-Corruption Guidelines Australia
- [https://cericoaeroeufle.blob.core.windows.net/public/ACCIONA%20SA/na\\_anticorrupci%C3%B3n\\_2019\\_eng.pdf](https://cericoaeroeufle.blob.core.windows.net/public/ACCIONA%20SA/na_anticorrupci%C3%B3n_2019_eng.pdf)

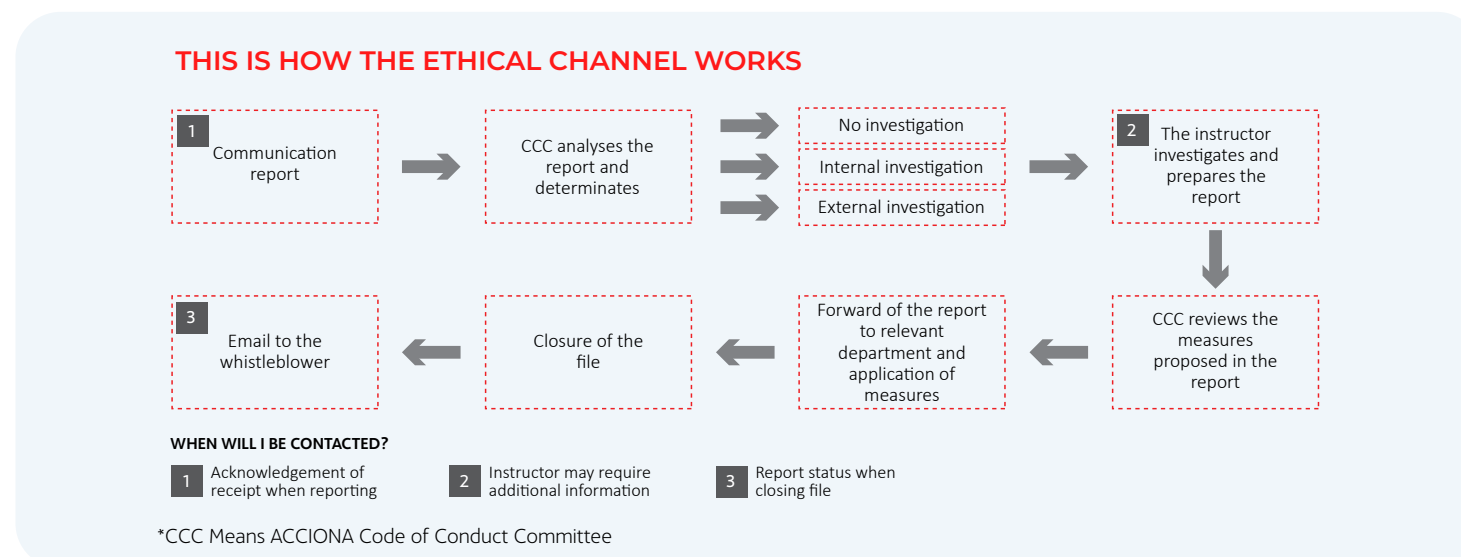
This comprehensive suite of documents set out what we stand for and strive to uphold culturally, and which enshrines the protection of the health and safety of our employees as our priority above all else.

In terms of our local employees all new starters are required to undertake on-boarding and periodic mandatory training to ensure understanding and increase compliance. In 2022, 759 people completed training on ACCIONA's Code of Conduct and 208 people completed training on the Anti-corruption course.

Further, all employees who are not subject to an employment contract are covered by collective bargaining agreements in according with the Fair Work Act 2009 (Cth).

**ETHICAL CHANNEL**

Further to the codes and policies above, our global Ethical Channel provides our employees as well as suppliers or third parties with a mechanism by which they can confidentially report any breach of the Code of Conduct to ACCIONA's Code of Conduct Committee and access solutions for the resolution of such behaviour. This includes any instances of modern slavery and human rights violations more broadly.



For any doubt or clarification, please contact us at [ACCIONA\\_Compliance@acciona.com](mailto:ACCIONA_Compliance@acciona.com)

**WHISTLEBLOWING CHANNELS AND REPORTS**

During 2022, ACCIONA continued to make its policies more accessible for its employees and third parties. For example, ACCIONA's published Whistleblowing Fact Sheet on its website, a truncated version of its internal procedure ensuring information can be readily obtained for people wishing to make an anonymous disclosure. You can access the Whistleblowing Fact Sheet [here](#).

**INFRASTRUCTURE SUSTAINABILITY COUNCIL – MODERN SLAVERY COALITION**

ACCIONA has been a participating member of the Infrastructure Sustainability Council (ISC) Modern Slavery Coalition since 2020. The Coalition consists of like-minded industry organisations who aspire to drive good modern slavery practices within the sector through collaboration and leadership.

During 2022, the Coalition focused its efforts on supplier education and the creation of templates to enable suppliers to better assess modern slavery risks within their supply chains. A template supplier questionnaire was developed and distributed as a trial to several suppliers to support the self-assessment of modern slavery risk within their operations and to provide critical feedback on the questionnaire. As feedback is received this questionnaire will be refined to ensure it maximises benefit for our supply chain partners and communicated more broadly for adoption.

Education extended to the development of an Infrastructure Sustainability (IS) Impact Note on modern slavery which outlines how infrastructure projects can drive action - through leadership and management, sustainable procurement, materials sourcing, and workforce sustainability - to integrate an appropriate and effective modern slavery response with long-term impact. The IS Impact note on modern slavery is available on the Infrastructure Sustainability Council (ISC) [website](#) for reference.

Members of the coalition also participated in modern slavery scenario-based training facilitated by ISC and Pillar Two to support the review and testing of members modern slavery response practices and procedures. The training involved a hypothetical scenario where coalition members considered the response pathway for each scenario and whether there were opportunities to strengthen their response to modern slavery violations.

Coalition members agreed that it was vital to demonstrate industry leadership and a consolidated commitment to address modern slavery risk within the sector. To this end, work commenced on the development of a joint Modern Slavery Leadership Statement in 2022 that not only articulated the commitment of coalition members to address this risk, but emphasises the importance of collaboration with our supply chain partners to actively participate in risk mitigation within their own supply chains. This Modern Slavery Leadership Statement is pending release in 2023.

# ASSESSING EFFECTIVENESS AND LOOKING FORWARD – 2023 AND BEYOND

## ASSESSING EFFECTIVENESS IN 2022

Before we can look forward, we recognise that our effort to mitigate the risk of modern slavery practices occurring in our business is not a short-term focus or initiative-specific response; it is integral to our people-centric values and achievement of our sustainability goals.

It is therefore essential that we continuously assess the effectiveness of our mitigation efforts through regular compliance monitoring and analysis, reviewing audit results, supplier screening tools, communication with suppliers and responding a comprehensive, diligent and accountable manner to any issues or grievances identified.

Of course, those efforts are underpinned by our people and our ability to ensure we equip our employees with the knowledge to identify actual or potential issues and areas of concern and report such issues or concerns without hesitation.

## WHAT NEXT?

ACCIONA is dedicated to continuous improvement to its operations and supply chains and mitigating the risk of modern slavery across its businesses. We are currently focussed on the following monitoring, assessment and improvement initiatives:

Initiative	Action items
<b>Procurement Practices</b>	Based on our internal research conducted in FY22, during FY23 and in accordance with the SMP25, ACCIONA will be implement-ing a revised Supplier Management Model. The changes aim to achieve the following goals: <ol style="list-style-type: none"> <li>a. shift the focus further to ESG Risk &amp; Opportunity Man-agement rather than expenditure</li> <li>b. ensures automatic screening of the entire supply chain (regardless of expendi-ture), and adds focused/more-rigorous controls to Suppliers that are deemed as high-risk</li> <li>c. improving adaptability to changes in regulations</li> <li>d. update our “No Go” policies to better focus on human right &amp; ESG questions posed to suppliers</li> <li>e. ensuring 100% of the Supply Chain is automatically monitored with risk intelli-gence technology with auto-matic detection and alerts from risk platforms and so-cial media</li> <li>f. simplifying processes for “low spend/non-critical sup-pliers” and improve the Supply Chain’s experience for all</li> <li>g. Monitoring of possible negative information on all the suppliers through new Artificial Intelligence (AI) tech-nology</li> </ol>
<b>Governance</b>	Continue to monitor compliance with our policies and protocols, regularly assess implementation and the sufficiency of our procedures in delivering against the objectives and implement changes where necessary. For example, ACCIONA will seek to ensure that all suppliers complete the Supplier Questionnaire prior to onboarding when using ACCIONA’s preferred Supplier Management System.
<b>Policies and Procedures</b>	We are revising our domestic and family violence policy and will launch in 2023. This policy is intended to provide paid leave to employees experiencing family and domestic alongside a dedicated awareness campaign for employees and leaders. We are also revising our Sexual Harassment Policy to clearly articulate our commitment to preventing sex-based discrimination and harassment by explaining: <ul style="list-style-type: none"> <li>• what constitutes sex-based discrimination and harassment and how allegations will be handled within the organisation;</li> <li>• A zero-tolerance approach to sex-based discrimination and harassment;</li> <li>• Key performance indicators that keep managers accountable to ensuring a discrimination-free and harassment-free workplace;</li> <li>• Mandated training for managers and staff on issues of sexual harassment and harassment prevention.</li> </ul>
<b>Monitoring Risk</b>	Continue to explore opportunities for improvement in Supplier Management Procurement Practices including investment in additional Risk Method Monitoring Alerts.

This effort is aligned with ACCIONA’s key commitment to creating a better, sustainable future for all.

# CONSULTATION ACROSS OUR GROUP ENTITIES

ACCIONA recognises that each entity within its Group, including each of the reporting entities, plays an integral role in mitigating our risk of involvement in modern slavery.

This Statement was prepared in consultation with each reporting entity referenced in Annexure B. That consultation was enabled by:

- direct engagement with key stakeholders across the ACCIONA Infrastructure Group, including the reporting entities, specifically executive team, and senior managers from Procurement, Health, Safety, Environment, Quality & Sustainability (HSEQS), Governance, Compliance & Legal, Project Controls, Operations, Commercial, Human Resources and Marketing & Communications.
- ACCIONA's management structure, specifically:
  - > vertical integration of its functional departments operating across reporting entities, which facilitates an ease in information sharing and centralised access to data; and
  - > regular and comprehensive whole of Group management and executive reviews and meetings that promotes a culture of collaboration and continuous improvement, not only for Statement preparation, but in day-to-day activities.

The reporting entities have a common Chief Executive Officer and overlapping directors, who reviewed this Statement prior to its endorsement by the Board.

I confirm this Statement was approved by the Board of ACCIONA Infrastructure Asia Pacific Pty Ltd on 21 June 2023.



**Bede Noonan**  
CEO & Managing Director  
ACCIONA Australia and New Zealand

# APPENDIX A

## HOW OUR STATEMENT ADDRESSES THE REQUIREMENTS OF THE MODERN SLAVERY ACT

Modern Slavery Act requirement	Reference in this Statement
Identify the reporting entity	'Annexure B'
Describe the reporting entity's structure, operations and supply chains	Our Structure, Operations and Supply Chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Identifying our risk of Modern Slavery Practices
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	ACCIONA's actions to assess and address modern slavery risk
Describe how the reporting entity assess the effectiveness of such actions	Assessing Effectiveness and Looking Forward – 2023 and Beyond
Describe the process of consultation with (a) any entities the reporting entity owns or controls; and (b) for a reporting entity covered by a joint statement, the entity giving the statement	Consultation across our Group Entities
Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Throughout the Statement

# APPENDIX B

## REPORTING ENTITIES

- ACCIONA Infrastructure Asia Pacific Pty Ltd ABN 19 609 210 139 (ACCIONA) - is the Australian holding company through which we conduct our operations in Australia and New Zealand. It is the Reporting Entity for the purposes of this Modern Slavery Statement.
- ACCIONA Rail Pty Ltd (ABN 81 101 299 512)
- Geotech Pty Ltd (ABN 94 114 336 515)
- ACCIONA M&E Pty Ltd (ABN 84 006 337 113)
- ACCIONA Infrastructure Projects Australia Pty Ltd (ABN 40 000 201 516)
- ACCIONA Infrastructure Australia Pty Ltd (ABN 52 140 915 251)
- ACCIONA Geotech Holding Pty Ltd (ABN 99 616 868 314)
- Geotech Holdco Pty Ltd (ACN 616 740 820)
- ACCIONA Construction Holdings Pty Ltd (ABN 59 114 553 454)
- ACCIONA CEI Australia Holdings Pty Ltd (ABN 50 147 880 966)
- Abigroup Ltd (ABN 63 000 358 467)
- ACCIONA CEI Australia Pty Ltd (ABN 52 106 594 816)
- ACCIONA CEI Australia Finance Pty Ltd (ABN 18 122 363 295)
- Abigroup Properties Pty Limited (ABN 84 002 153 068)



BUSINESS AS UNUSUAL