

NGR PROJECT COMPANY PTY LTD ON BEHALF OF NGR GROUP

MODERN SLAVERY STATEMENT 2021

1. Introduction

This Joint Modern Slavery Statement 2021 (**Statement**) is made on behalf of NGR Project Company Pty Ltd atf NGR Project Trust in accordance with the requirements of the Australian Commonwealth Modern Slavery Act 2018 (*Cth*) (*Modern Slavery Act*) for the financial year ended 30 June 2021 (FY2021) (**Reporting Period**).

This is the second statement provided by NGR Project Trust under the Modern Slavery Act. The Statement covers NGR Project Company (**Project Co**), NGR Project Trust (**Project Trust**), NGR Holding Company Pty Ltd (**Hold Co**) and NGR Hold Trust (together, **Qtectic**), each of which is a reporting entity under the Act.

The Statement outlines and reviews our approach to address modern slavery risks in our operations and supply chain. It describes the frameworks and processes that Qtectic has in place to minimise the risk of modern slavery in our business operations and supply chain.

We recognise that modern slavery can occur in many forms. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services. Given the global prevalence of modern slavery, we acknowledge the risk of modern slavery practices in our operations and supply chains. Qtectic is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across our business. Qtectic is also committed to understanding and minimising the risk of modern slavery in its operations and supply chain.

Members of our Modern Slavery Working Group have engaged with legal and industry experts to keep abreast of learnings and evolving good practice in terms of understanding modern slavery risk, improving management of modern slavery risk, and engaging with our stakeholders including our Sponsors.

A summary of the actions Qtectic completed in FY2021 and our planned actions for FY2022 are presented on pages 8 to 11 of this Statement.

2. Our Business

Qtectic is a special purpose entity established to execute the New Generation Rollingstock Project (**NGR Project**) to the State of Queensland acting through the Department of Transport and Main Roads.

The NGR Project is being delivered under a Public Private Partnership ("PPP") model, and through this contract, the NGR Project consists of the following elements:

- Delivery of 75 new six-car passenger electric trains (Multiple Units)
- A purpose-built maintenance facility at Wulkuraka, Brisbane which includes a maintenance building, administration offices, decanting facilities, signalling yard control and train lifting jacks; and
- Three NGR training simulators for train crew

The NGR Project includes a Concession Period for the maintenance of the Multiple Units until January 2046.

In undertaking the NGR Project, Qtectic:

- Subcontracted the design, manufacture, supply, testing and delivery of the Multiple Units and other related equipment (including Simulators) to a joint venture between Bombardier Transportation Australia Pty Ltd and IIIQ Pty Ltd (ITOCHU Corporation) (**D&D Subcontractor**);
- Subcontracted the design, construction, fit-out and commissioning of the maintenance facility to the D&D Subcontractor, who in turn subcontracted the design and construction of the maintenance facility to Laing O'Rourke Australia Pty Ltd; and
- Subcontracted the provision of availability & maintenance services to Bombardier Transportation Australia Pty Limited (**Bombardier**).

Qtectic's role is to execute the NGR Project through the performance of its contractual obligations, which is predominantly achieved through the management of its subcontract relationships.

In performing that role, Qtectic's objectives are:

- To deliver customer satisfaction by ensuring that the quality of the works undertaken by Qtectic, and its subcontractors meets or exceeds the requirements of the agreement between Qtectic and the State of Queensland;
- To ensure Qtectic and its subcontractors comply with all relevant legislation and contractual obligations;
- To ensure Qtectic and its subcontractors minimise the environmental impacts associated with their activities, so far as is reasonably practicable; and
- To ensure Qtectic and its subcontractors prevent injury and illness to their employees and any other parties who could be affected by the project activities.

3. Our structure and operations

Qtectic is a special purpose vehicle established specifically to execute the NGR Project. The following entities hold 100% of the equity in NGR Group:

- John Laing Investments (NGR) B.V.;
- IIIQ Pty Ltd (Itochu Corporation);
- Aberdeen Infrastructure Investments (NGR) Ltd.; and
- Bombardier Transportation Australia Pty Ltd.

An overview of the NGR Group structure is outlined below in Figure 1.

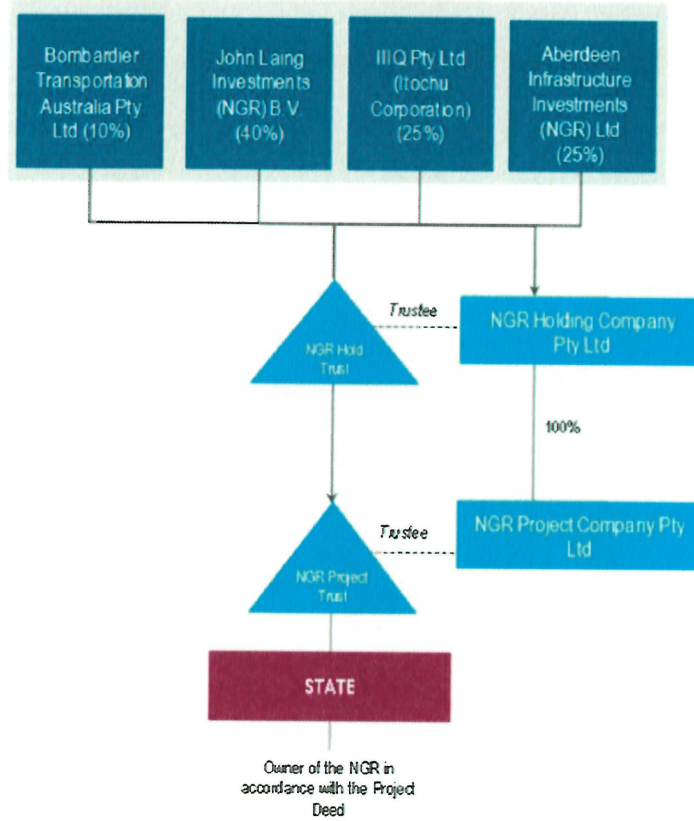


Figure 1 – NGR Group Structure

An overview of the NGR Project structure is outlined below in Figure 2.

Project structure

The Project has implemented a standard structure for an availability PPP with active management provided by an experienced Qtectic team

Overview

- Qtectic is a party to the following core Project Documents:
 - Project Deed entered into with the State of Queensland (acting through the Department of Transport and Main Roads) originally dated 20 December 2013, as amended and restated by the Deed of Amendment and Restatement – Project Deed dated 13 December 2019;
 - D&D Subcontract entered into with Bombardier Transportation Australia (BTA) and ITOCHU (as subsequently amended and restated);
 - A&M Subcontract entered into with BTA, (as subsequently amended and restated); and
 - The DSAPT Contract entered into with BTA

Structure

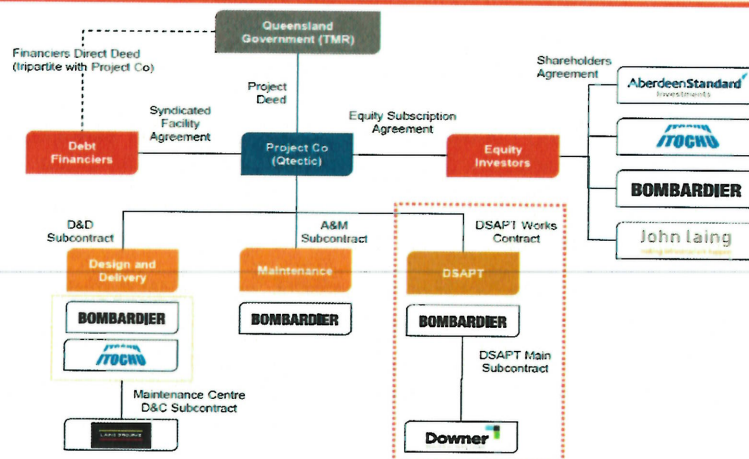


Figure 2 – NGR Project Structure

Qtectic's registered office is in Melbourne, Victoria. Qtectic currently employs 21 people who are all based in Queensland.

The key functions and project activities of Qtectic are outlined below in Figure 3:

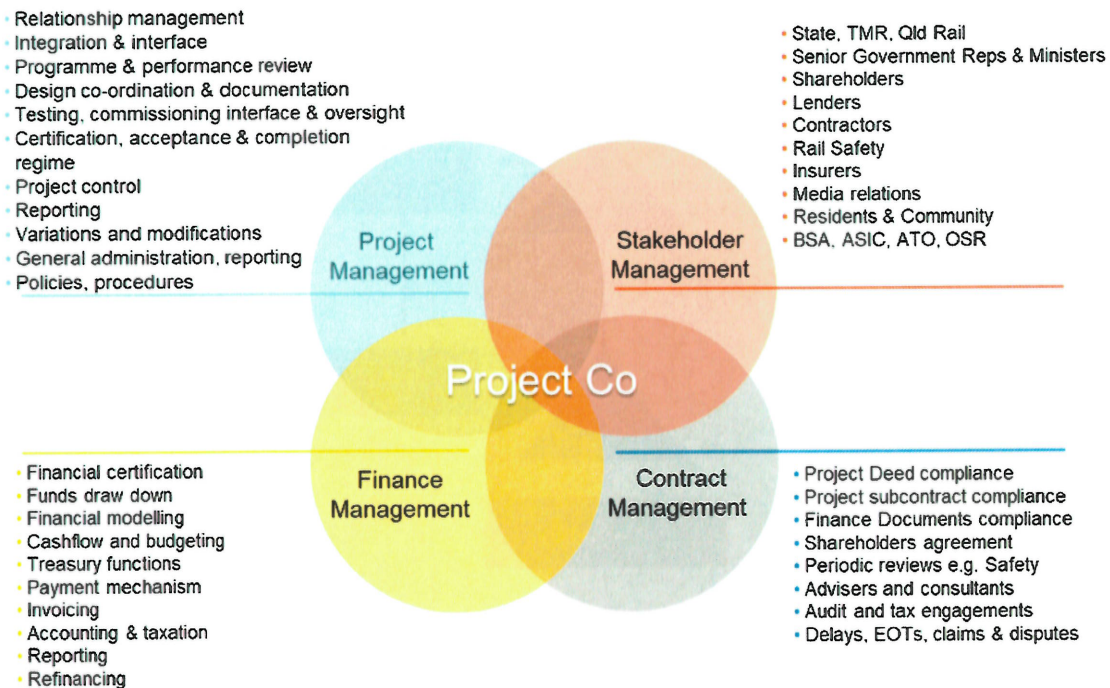


Figure 3 – Key functions and project activities

The NGR Project is delivered by Qtectic in two distinct phases:

Phase 1: Design & Delivery

- Design, manufacture, supply, test, and commission the Initial Fleet of Multiple Units and other related equipment (including Simulators); and
- Design, construct, fit-out and commission of the Wulkuraka Maintenance Facility in Wulkuraka, Queensland.

Phase 2: Availability & Maintenance Services

- Maintenance and overhaul of the Multiple Units and associated equipment at the Wulkuraka Maintenance Facility and making these available to the State;
- Presentation services including daily cleaning, monthly cleaning and rectification of graffiti and vandalism acts; and
- Returning the Multiple Units, equipment, and the Wulkuraka Maintenance Facility in the return condition on termination or expiry of the concession period.

The availability and maintenance services take place in Wulkuraka, Brisbane, Australia. NGR Project Trust is the only entity which engages with external suppliers.

4. Our Supply Chain

During the Reporting Period, NGR Group had 5 direct suppliers and 21 indirect suppliers. The direct suppliers provided train manufacturing and rollingstock maintenance services. The indirect suppliers provided a range of goods and services including:

- Depot building
- Simulators
- Train cleaning
- Wheel lathe
- Braking systems
- Interiors
- Doors
- Glazing
- Passenger information
- Train radios
- Pantographs
- HVAC
- Toilets
- Main circuit
- ETCS configuration

The majority of NGR Group's suppliers are located in Australia. A small number of the suppliers are located in India, China, France, Switzerland, Germany, Japan, and Spain.

5. Modern slavery risk in our operations and supply chains

Qtectic carried out an assessment of the modern slavery risk in its operations and supply chain during March 2021, in consultation with its external legal advisors (Allens).

5.1 Operations

Qtectic continues to consider that the risk of modern slavery in its operations is very low.

Although Qtectic operates within sectors which are considered to have an elevated risk of modern slavery (i.e., construction, transportation, and cleaning):

- Qtectic's operations are predominantly based in Australia, which has a low prevalence of modern slavery according to the 2018 Global Slavery Index;
- Qtectic's workforce is comprised of permanent employees who are covered under individual contracts and a small number of consultants. These arrangements have a very low risk of modern slavery; and
- Qtectic has policies and procedures in place which are relevant to managing modern slavery risk (see section 7.2 below).

5.2 Supply chain

To assess the modern slavery risk in Qtectic's supply chain, we carried out a risk assessment of Qtectic's primary supplier, Bombardier. This included a review of Bombardier's Modern Slavery Statement 2020 that was issued on 30 June 2021. NGR Group considers that the risk of modern slavery in the supplier's operations and supply chain is low.

Qtectic identified the following modern slavery risks in respect of Bombardier:

- Bombardier operates within sectors which are considered to have an elevated risk of modern slavery (i.e., construction, transportation and electronics and electrical products manufacture).
- Bombardier produces goods which are considered to be produced with a high risk of modern slavery (i.e., electronics and electrical products).
- Bombardier has operations in a small number of countries which have a high prevalence of modern slavery according to the 2018 Global Slavery Index (however the vast majority of countries in which the supplier operates have a low prevalence of modern slavery).

Qtectic also considered the modern slavery controls that Bombardier has in place (e.g., governance arrangements, Supplier code of conduct, policies and commitments, risk management processes, supplier on-boarding practices (including corporate social responsibility certification and whistleblowing mechanisms). Based on publicly available information, Bombardier has controls in place that manage modern slavery risk in its operations and supply chain.

Considering the risks identified above and our knowledge of Bombardier's modern slavery controls, we consider that the supplier has a low risk of modern slavery overall. In future years, we will continue to work with the supplier to understand its modern slavery risks and the effectiveness of its controls.

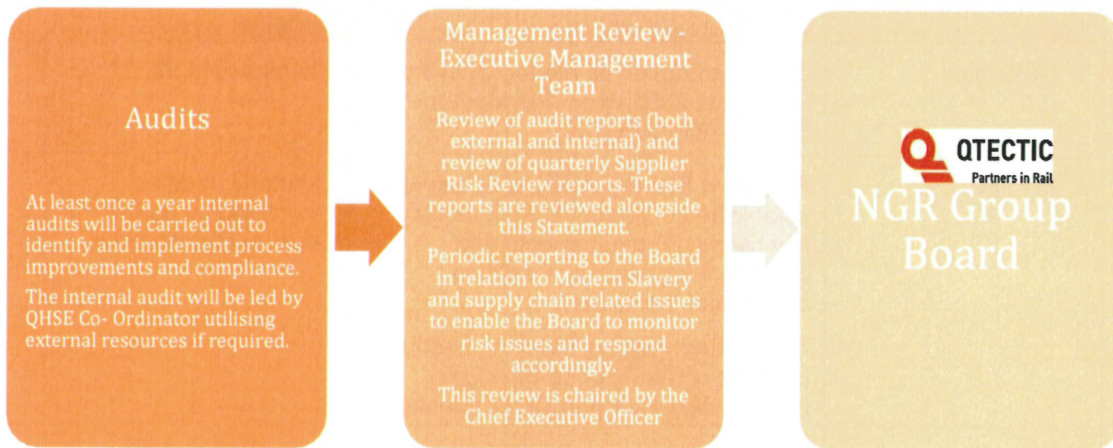
6. Modern slavery disclosure

During FY2021 reporting period, Qtectic investigated allegations made in media articles and other reports alleging forced labour / modern slavery breaches by a supplier to Bombardier. The supplier has denied allegations of modern slavery made against them. Bombardier are continuing to audit the supplier and to closely monitor the situation.

7. Assessing and addressing modern slavery risks

7.1 Oversight

Qtectic has established the following governance process to provide the Board oversight of Qtectic's modern slavery risk, and compliance with reporting requirements:



7.2 Our policies and procedures

Qtectic has a set of policies and procedures that articulate our values, ways of working and expectations for our team and suppliers. Those policies and procedures are reviewed regularly. This policy framework ensures that our team members and suppliers clearly understand our expectations, and equally that they can recognise when they are being treated in a way that is inconsistent with these expectations and understand how to raise a grievance or complaint.

The following policies are those that are most relevant to managing modern slavery risk in our operations and supply chain:

Policy / Procedure	Purpose
Code of Ethics	Sets out how we expect team members to behave towards each other, our customer, and the broader community.
Whistleblowing Policy and Procedure	Sets out how we encourage reporting of wrongdoing by providing a convenient and safe reporting mechanism, and protection for people who make wrongdoing disclosures in accordance with the policy.
Responsible Procurement Policy	Sets out our expectations for all direct suppliers in relation to human rights and responsible sourcing.
Grievance Policy	Sets out our grievance procedures including assessment, investigation, and remediation.

All the above policies and procedures are regularly reviewed and (if necessary) updated to ensure that Qtectic has robust processes in place to minimise the risk of modern slavery in our operations and supply chain.

7.3 Review of FY2020-21 Activities in relation to Modern Slavery Risks

Our approach to assessing and addressing the risk of modern slavery, and assessing the effectiveness of our approach, has been incorporated into the Qtectic compliance framework and processes. This ensures Qtectic has robust and effective processes that are firmly engraved in how we conduct business.

The table below outlines, Qtectic's work performed to date to address the risk of modern slavery.

Action	Work Performed	Status/Timing
1. Determine	Qtectic produced its Modern Slavery Statement 2002 under the Modern Slavery Act 2018 (Cth).	Completed in 2021.
2. Identify	<p>A Modern Slavery Working Group was established in March 2021 to identify key risks and requirements and oversee integration into existing compliance functions.</p> <p>The Modern Slavery Working Group consists of the Finance Director, Finance Manager and QHSE Manager.</p>	Quarterly updates completed as part of the Supplier Risk Review.
3. Assess	<p>The Finance Director and Finance Manager worked together with external advisors to assess modern slavery risks against controls and identify improvements.</p> <p>The Risk Assessment Report was finalised in October 2020. In addition to setting out the results of the modern slavery risk assessment, the report describes the methodology used to assess the risk of modern slavery, and the scope of the risk assessment, so it may be used for conduct future risk assessments.</p> <p>The methodology for assessing modern slavery risk in Qtectic's operations involves assessing inherent risk, assessing the controls that are in place to manage the inherent risk, and then arriving at a residual risk score.</p> <p>The methodology empowers Qtectic to improve on specific areas and expand its initial risk assessment in future years to deepen its understanding of the modern slavery risk in its supply chain and operations.</p>	Completed in 2021. Modern slavery risk assessment to be repeated each Reporting Period.

<p>4. Develop, document and execute</p>	<p>Key activities undertaken in 2020-21 include:</p> <ul style="list-style-type: none"> - Communication with suppliers based on risk factors; - Building staff awareness and capacity of staff; and - Uplifting training and communication regarding labour standards in NGR Group's supply chain. 	<p>Supplier Risk Review conducted on a quarterly basis.</p> <p>External legal advisers (Allens) conducted Modern Slavery training to all staff in March 2021 (recordings available for new staff).</p> <p>Modern Slavery awareness game undertaken involving all staff in May 2021. This involved identifying key modern slavery issues within a puzzle.</p> <p>All staff completed Modern Slavery training on the Litmos platform.</p> <p>Modern Slavery section with Qtectic approach included into new employee induction in 2021.</p>
<p>5. Monitor risks</p>	<p>Reviewing the risks identified by the Risk Assessment Report and improving our processes such as implementing regular review of suppliers.</p>	<p>Supplier Risk Review is conducted on a quarterly basis.</p> <p>Supplier Risk Audit was completed in February 2021.</p> <p>Review of Bombardier's Modern Slavery Statement undertaken.</p>
<p>6. Report, escalate and assurance</p>	<p>Modern slavery reporting to form part of the Board Papers on a regular basis (at least six monthly).</p> <p>The first statement under the Act was completed in March 2021.</p>	<p>Ongoing reporting to the Board undertaken on a six-monthly basis as part of the Supplier Risk Review.</p>
<p>7. Assess effectiveness of the above actions</p>	<p>Modern Slavery Working Group regularly reviews the actions taken by Qtectic and checks that Qtectic's modern slavery controls remain up to date.</p>	<p>Formal meetings to be scheduled in FY2021-22. Additional Modern Slavery training to be undertaken by the Modern Slavery Working Group in FY2021-22.</p>

7.4 Planned Actions for FY2021-22

Action	Work Performed	Status/Timing
1. Identify	The Modern Slavery Working Group is committed to meet on a quarterly basis to identify/review key risks and requirements and oversee integration into existing compliance functions.	Ongoing quarterly meetings are scheduled for FY2021-22.
2. Develop, document, and execute	<p>Key activities to be undertaken in 2021-22 include:</p> <ul style="list-style-type: none"> - Ensuring all relevant group policies and procedures include modern slavery considerations; - Communication with subcontractors based on risk factors; - Maintaining awareness and capacity of staff in regard to Modern Slavery Act and associated risks; - Uplifting training and communication in relation to modern slavery risk; and - Incorporating modern slavery training as an employee performance objective in 2022. 	<p>Continue quarterly Supplier Risk Reviews</p> <p>All staff to formally acknowledge modern slavery training as part of introduction of new payroll system.</p> <p>Modern slavery awareness included as part of induction for all new staff</p> <p>Refresher training to all staff on an annual basis.</p> <p>Expected completion by June 2022</p>
3. Monitor risks	<p>Incorporating outcomes from reviews undertaken into policies and procedures.</p> <p>Reviewing the risks identified and improving processes such as implementing regular reviews of our suppliers.</p>	Supplier Risk Review to be conducted on a quarterly basis.
4. Report, escalate and assurance	Modern slavery reporting to form part of the Board Papers on a regular basis.	Reporting to the Board on a six-monthly basis at a minimum.
5. Assess effectiveness of the above actions	<p>Modern Slavery Working Group to regularly review the actions taken by Qtectic and check that Qtectic's modern slavery controls remain up to date.</p> <p>Working with suppliers to check how they are progressing any actions they have put in place to address modern slavery risks.</p>	<p>Regular quarterly meetings are scheduled for 2022 for the Modern Slavery Working Group.</p> <p>Quarterly reviews with the key supplier including understanding any changes in modern slavery risk.</p>

8. Joint Modern Slavery Statement

This statement was prepared by Qtectic on behalf of the NGR Group entities. Qtectic did not consider that formal consultation with the other entities in the NGR Group was necessary in preparing this statement. Each of the entities have the same Board of Directors and employees of Qtectic are responsible for the management of all NGR Group entities. All NGR Group entities adhere to the policies and procedures described in this statement.

9. COVID-19 Pandemic

The disruption caused by COVID-19 presents emerging human rights risks, including increased risks to worker health and safety and modern slavery in key sourcing countries.

In response to COVID-19, many governments enforced border closures and restricted internal movement, which has limited the ability of Qtectic and its suppliers to complete supplier reviews and audits. It is envisaged that these supplier reviews and audits will resume during 2022.

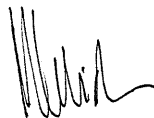
The COVID-19 pandemic has highlighted the importance of investing in strong, sustainable supply chains. As the risk of modern slavery increases, Qtectic is continuing to focus on managing the challenge that COVID-19 presents to its supply chains.

This statement was approved by the Board and Executive Team of NGR Project Company Pty Ltd, which is the sole trustee of NGR Project Trust, and NGR Holding Company Pty Ltd, which is the sole trustee of NGR Hold Trust.



Geoff Ingram

Chairperson of NGR Project Company Pty Ltd
and NGR Holding Company Pty Ltd



Michael Chadwick

Chief Executive Officer of NGR Project Company
Pty Ltd and NGR Holding Company Pty Ltd