



Modern Slavery Statement – Financial Year 2023

Introduction

The Modern Slavery Act 2018 (Cth) (“ the Act”) requires entities based or operating in Australia, which have annual consolidated revenue of more than \$100 million to report on the risks of modern slavery in their operations and supply chains, and actions to address those risks. This statement is prepared for the reporting period 1 January 2023 to 31 December 2023 (reporting period) for Victorian Correctional Infrastructure Partnership Pty Ltd (ACN 107 247 067) (“**the Company**”) as it met the consolidated revenue threshold during the reporting period.

This statement outlines the commitment and approach of the Company towards tackling modern slavery throughout its supply chains and ensuring there is transparency in the business that it operates.

Mandatory Criteria One & Two: Identify the reporting entity and describe its structure, operations and supply chains.

The Victorian Correctional Infrastructure Partnership is 100% held by BBGI Holding Limited, which is a UK incorporated company.

In 2003, the Victorian Correctional Infrastructure Partnership Pty and the Victorian Government entered into the project agreement to design, construct and finance the development of remand and correctional facilities in Victoria and then to operate and maintain the facilities over a 25-year concession with the Victorian Department of Justice (the “State”).

The Company has the right to use land owned by the State for the construction of the remand and correctional facilities and then for the subsequent operating and maintenance of the facilities for the operating and maintenance period. Upon termination of the service concession agreement, the Company has the obligation to return to the State the Company's right to use the land it had previously been granted the right to use.

In 2021 the Company and the State entered into an Augmentation Order to design and manufacture modular cells for the increased capacity at the remand and correctional facilities in Victoria. This project materially completed by the end of 2023.

Whilst the Company itself does not have any employees, the Company procures goods and services from various suppliers to meet the delivery of services specified in the Project Deed. The Company’s most significant expenditure relate to construction costs, facilities management (FM) services; and other professionals services such as legal, tax, audit and technical consultancy.



Mandatory Criteria Three: Describe the risks of modern slavery practices in the operations, supply chains of the reporting entity and any entities the reporting entity owns or controls.

The FM and construction services procured by the Company are provided by Cushman & Wakefield ('C&W') and Built Pty Ltd ('Built') respectively. Both C&W and Built are large, reputable, multinational companies, which are also reporting entities under the Act.

C&W has identified specific risks of modern slavery practices within its operations and supply chains. Cleaning services are a particularly high-risk service category often characterised by tight profit margins and intense competition. The current scarcity of workers and increased wages is a current focus. One of the key risk factor in the provision of security services is the engagement of subcontractors who employ workers on temporary visas, who are at a higher risk of exploitation due to their lack of job security and dependence of their employer for sponsorship, leading to forced labour and debt bondage. The complexity and extensive network of C&W's supply chain involves multiple countries, each with varying modern slavery risk.

Built's operations where labour is directly engaged are limited to Australia, New Zealand and UK businesses. As Built's labour engagement and management policies and practices are structured strictly in accordance with the relevant laws, the risk of Built directly causing modern slavery is considered low. Built acknowledges that given the diversity and depth of parts of its supply chain, it is links of this nature that are considered Built's most significant risk of exposure to modern slavery. In particular, the risks of modern slavery are most likely to arise from: 1) materials sourced from overseas regions at risk of modern slavery; and 2) local trades where unskilled or semi-skilled labour is sourced.

Mandatory Criteria Four: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.

The Company has undertaken a risk-based approach in conducting its due diligence on the Company's key partners and suppliers to identify modern slavery risks. The Company has written to each identified higher risk supplier and requested copies of their relevant policies and the completion of the Annual Modern Slavery Questionnaire (MSQ). The existing MSQ was updated to include additional questions and the supplier responses were reviewed.

C&W

C&W has conducted client case studies with the criteria assessed included business legitimacy and integrity of records; underage and forced labour; discrimination and disciplinary practices; working hours and overtime; freedom of association and the effective recognition of the right to collectively bargain; harassment and abuse practices; wages, benefits and terms of employment; and subcontracting compliance.

C&W's Ethical Sourcing Framework promotes fair treatment of workers, minimises environmental impact, and follows the internationally recognised 'Base Code' for ethical practices. Each supplier is individually assessed, inherent risk is considered and a risk rating is applied. Risk ratings inform Spot Check frequencies, and any non-conformance is escalated to the Risk Committee for targeted investigation or external independent audits.



Built

During the reporting period, Built established Modern Slavery and Social Procurement Working Groups to identify both risk and opportunity within its supply chain to drive positive procurement outcomes. Built's Modern Slavery Hot Spot Risk Analysis has been integrated into its Sustainable Procurement Plan, facilitating a risk assessment based on the scope of each project, while identifying high risk trades or materials based on known or emerging hotspots. Built continued to use the Equifax Ethical Supplier Screening platform to screen their top 200 suppliers by value spend. Built further encouraged its suppliers to carry out due diligence audits of their own supply chains to verify upstream and downstream modern slavery risks are being mitigated.

As Built migrates to the industry-wide platform, Informed365, it expects to reach a greater number of direct and indirect suppliers, starting with the top 500 suppliers by spend, further boosting its capabilities to identify and address instances of modern slavery in a more streamlined manner.

If there are areas for concern, the respondents are followed up directly for further detail and action.

Mandatory Criteria Five: Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

The Company's higher risk suppliers are large, reputable, multinational suppliers who are reporting entities under the Act. We have obtained their modern slavery statements and reviewed these against the mandatory criteria on modern slavery that they must respond to.

The Company will continue to review and identify any changes to the profile of the suppliers engaged. In the next reporting period, the Company intends to take the following actions:

- Request findings from C&W's Ethical Sourcing Spot Checks and Audits
- Enquire about Built's upstream and downstream supplier audits; and
- Enquire about Built's migration to Informed365.

Mandatory Criteria Six: Describe the process of consultation with any entities that the reporting entity owns or controls.

The Company does not own or control any entities.

Mandatory Criteria Seven: Any other relevant information

None.

Approval

This statement was approved by the Board of VCIP on 25 June 2024.



VCIP

Luke Falla

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Director