

Modern Slavery Statement

Financial Year 2020/2021

An MTR, John Holland and UGL Company

MTA | 
Metro Trains Australia

“Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include:

- *human trafficking*
- *slavery*
- *servitude*
- *forced labour*
- *debt bondage*
- *forced marriage, and*
- *the worst forms of child labour”*

Australian Government, Department of Home Affairs¹

¹ <https://www.homeaffairs.gov.au/criminal-justice/Pages/modern-slavery.aspx>

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1. About Metro Trains Australia Pty Ltd

Metro Trains Australia Pty Ltd (**MTA**) is a consortium of rail and construction businesses. Our shareholders are MTR Corporation, John Holland Group and UGL Rail.

MTA operates the Rail Industry Worker (**RI**) Program which is an online national competency management system for Australian rail workers and operators. It ensures railsafety workers working within the rail industry are competent to do so.

The RIW Program is owned and endorsed by the Australasian Railway Association. MTA commenced operating the RIW Program in June 2019.

MTA also provides consultancy services to the rail industry.

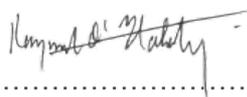
1.1 Consultation with Metro Trains Melbourne Pty Ltd

MTA is the holding company of Metro Trains Melbourne Pty Ltd (**Metro**). Metro operates and maintains the metropolitan rail service in Melbourne, typically moving up to 800,000 passengers each day. In more recent times, the impacts of Covid-19 in Melbourne have led to a significant drop in passenger numbers as people heed public health advice. Metro has submitted a separate Modern Slavery Statement for Financial Year 2020/2021.

MTA and Metro have undertaken a collaborative approach to the development of their respective Modern Slavery Statements in order to combat modern slavery. Through this collaborative approach MTA has been able to ensure that appropriate action is being taken by MTA and Metro to identify, assess and address the modern slavery risks relating to each entity.

This consultation has occurred through regular meetings between executives and senior managers of MTA and Metro’s procurement and legal teams and briefings to the Board of Directors of each entity.

This Modern Slavery Statement was approved by the Board of Metro Trains Australia Pty Ltd on 7 December 2021.

 (Signed)

.....
Name: Raymond O’Flaherty

Position: Director and Chief Executive Officer

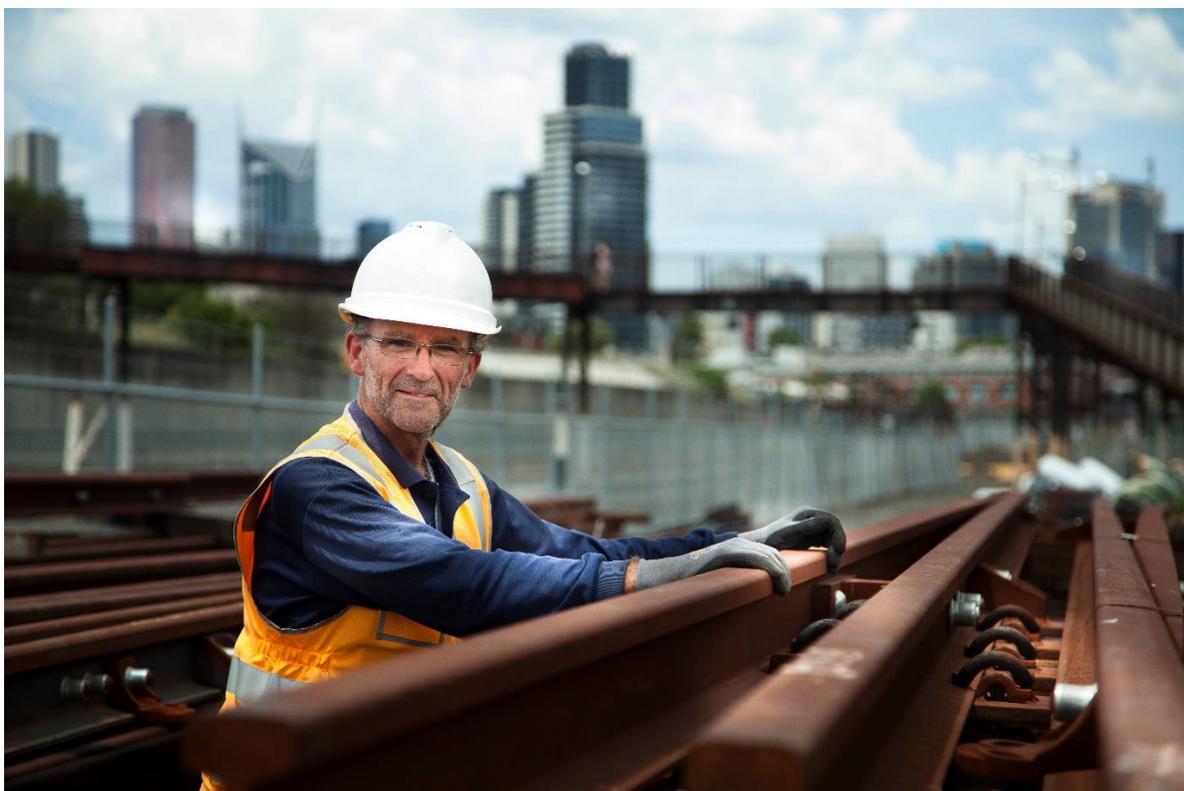
2. MTA operations and supply chain

2.1 Operations

The RIW Program supports the rail industry by giving participant organisations full visibility of workers moving between projects and employers. It maintains a single electronic record of a worker’s job roles, competencies, education and fitness for work. This ensures that work is carried out by qualified people, enhancing overall safety on rail networks across Australia to meet the requirements of Rail Safety National Law.

MTA also provides consultancy services to the rail industry.

MTA has a core team of employees from diverse backgrounds who have specialist knowledge and experience in areas such as management and delivery of assurance services, competency management, rail safety, learning and development, account management, information technology, cyber security, communications, finance and legal.



2.2 Supply chain

MTA has engaged a number of suppliers to deliver the overall RIW Program and these are shown in Figure 1 below:

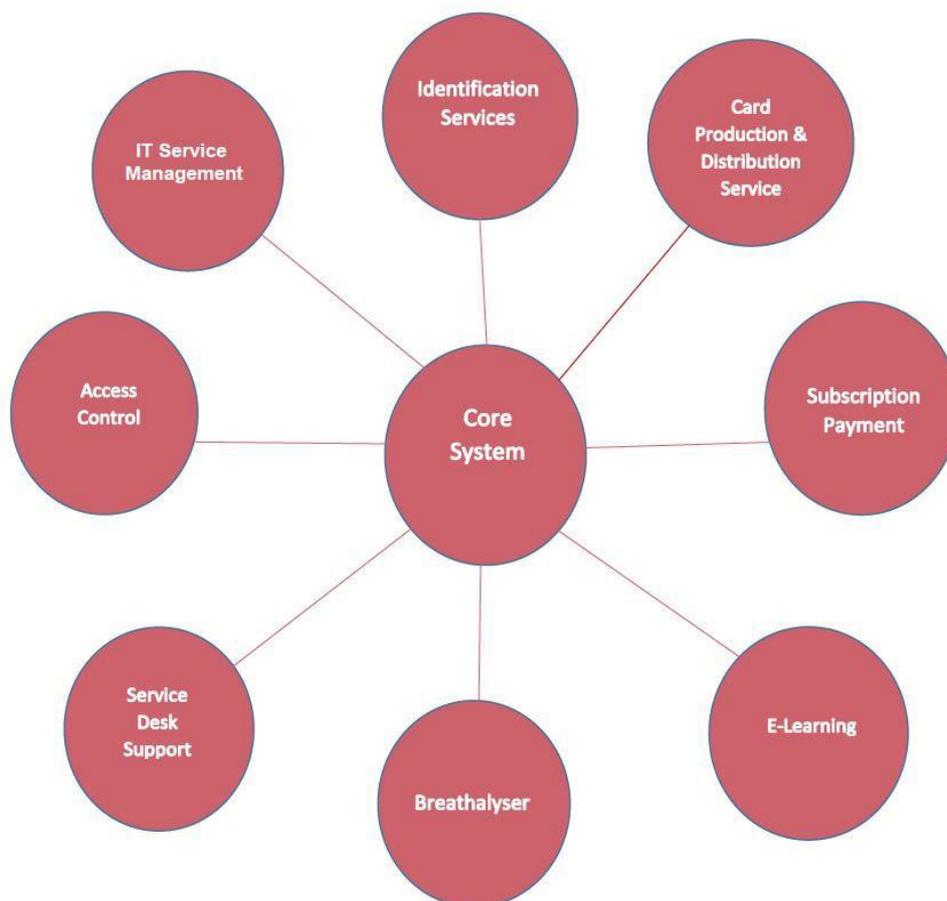


Figure 1: RIW Program – Goods and Services provided by Suppliers

MTA also engages specialist consultants to assist with the provision of consultancy services and supplies for banking, insurance, travel, telecommunications and legal services.

Our supply chain is predominantly drawn from Australia, the United Kingdom and the United States of America. Where MTA sources products and services from overseas, these are mainly specialised technical products and services such as software development, IT service management and IT equipment.

3. Our approach

3.1 Operational risks

Due to MTA’s localised operational structure and the fact that all employees are professionals engaged under common law contracts providing all legal entitlements and requirements, modern slavery risks are perceived to be low within our organisation.

MTA’s executives oversee all recruitment with assistance from human resource specialists. All salaries are benchmarked using industry data to ensure equitable remuneration for employees.

3.2 Covid-19 impact on MTA’s operations

MTA is an essential service provider and has continued to operate the RIW Program during the Covid-19 pandemic. Measures continue to be in place to ensure the health and safety of employees and to ensure adherence to the State’s recommendations and restrictions. By doing this, we support essential rail workers being able to continue to work on maintenance and renewals and project and construction activities for the transport industry.

In line with public health advice in early 2021, MTA mobilised return-to-office for employees who had been working from home during the pandemic. Measures were put in place to ensure a safe return, including reduced density limits, and support was available for employees to move easily between working from home and from an office. With further lockdowns occurring in Melbourne during 2021, MTA continues to follow the relevant health advice around workforce return-to-office.

A range of measures have been put in place to help support the safety and wellbeing of our employees including:

- Employees are encouraged to continue to take annual leave as an important wellbeing measure;
- A daily meeting occurs via video conference to ensure employees remain connected and supported by peers and managers; and
- A COVID-19 Response Communications program provided by MTM keeps everyone up to date and informed about changes to restrictions and work arrangements. We have an important “Staying Connected” wellbeing program available to all employees. We have also consistently encouraged employees to reach out to our Employee Assistance Program (EAP) if they, or family members, feel extra support is needed.

3.3 Supply chain risks

High-risk categories of services identified are typically engaged in manual tasks that do not require qualified professionals. This includes non-technical or skilled labour hire providers such as service desk providers. Often without union representation or Enterprise Agreements and/or from disadvantaged backgrounds (as defined by the Victorian Government Disadvantaged Workers Strategy), this is an example of potential for unsafe work practices or exploitation.

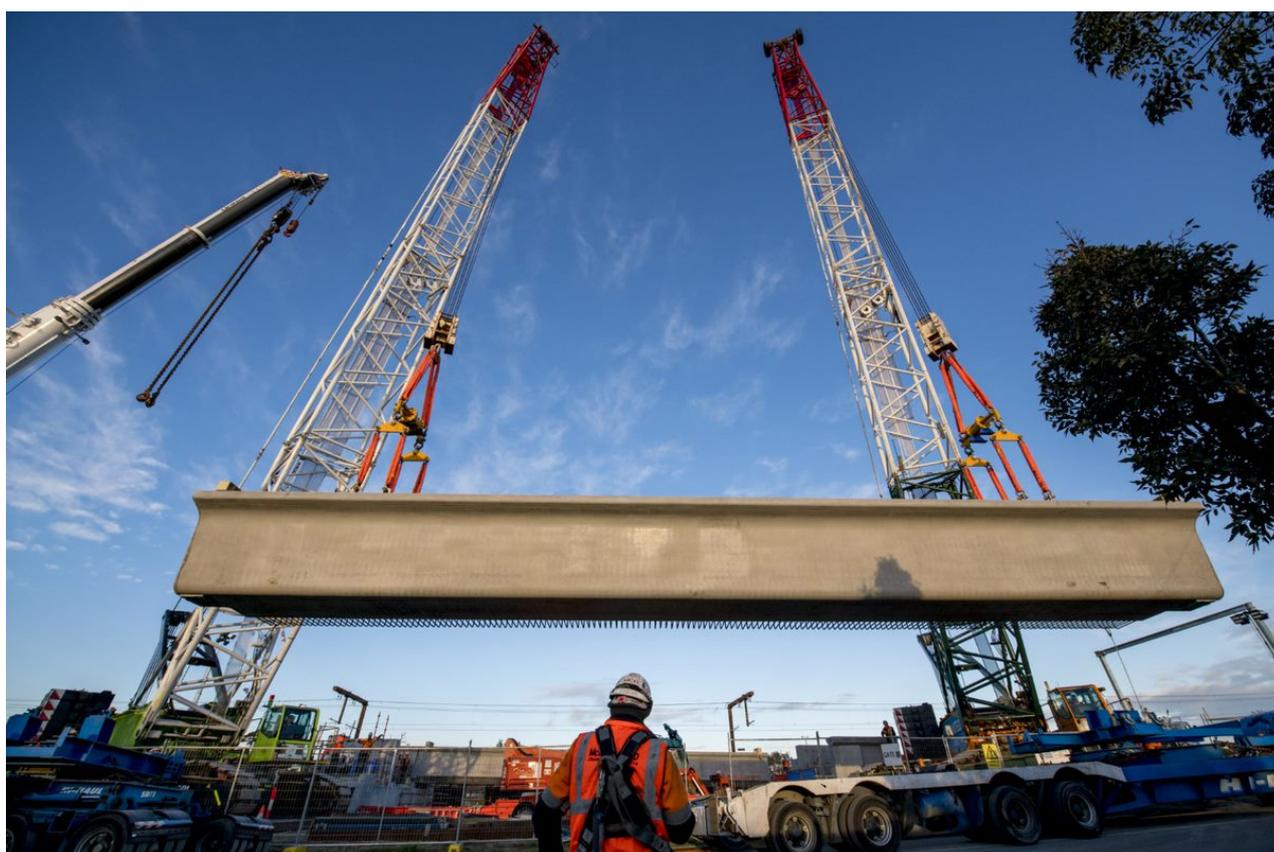
High-risk categories for goods, materials and spare parts are goods manufactured or sourced from overseas suppliers and categories where imported or manufactured raw materials or components are used. This is particularly for suppliers without strong company policies and procedures or sourced from high risk countries as defined by the Global Slavery Index².

MTA primarily has visibility of its first tier suppliers. Through Avetta, our supplier pre-qualification platform, we have collected data concerning the Modern Slavery Act compliance obligations of our suppliers in order to increase our knowledge of the steps taken by our suppliers to mitigate modern slavery risks.

3.4 Covid-19 impact on MTA’s critical suppliers

Maintaining supplier relationships through good communication and robust contract management has been very important during this period. MTA needs critical suppliers to be able to carry on business to support our continuing operations. MTA has not observed any significant changes in supply chain or increased modern slavery risks within our critical suppliers that can be directly related to Covid-19 pandemic.

² <https://www.globalslaveryindex.org/>



4. Actions

4.1 Laying foundations

During FY20/21, MTA continued to lay foundations to ensure compliance with the Modern Slavery Act and to support anti-modern slavery practices.

MTA's first Modern Slavery Statement was included on the Australian Border Force's online register of statements.

MTA management received modern slavery awareness training and received specific communication about modern slavery.

MTA's Executive Director Finance and Legal led conversations and work across the organisation to raise awareness of MTA's obligations under the Modern Slavery Act. We also reviewed and took learnings from Modern Slavery Statements lodged by other companies in order to improve the approach, measures and effectiveness of MTA's own anti-modern slavery efforts.

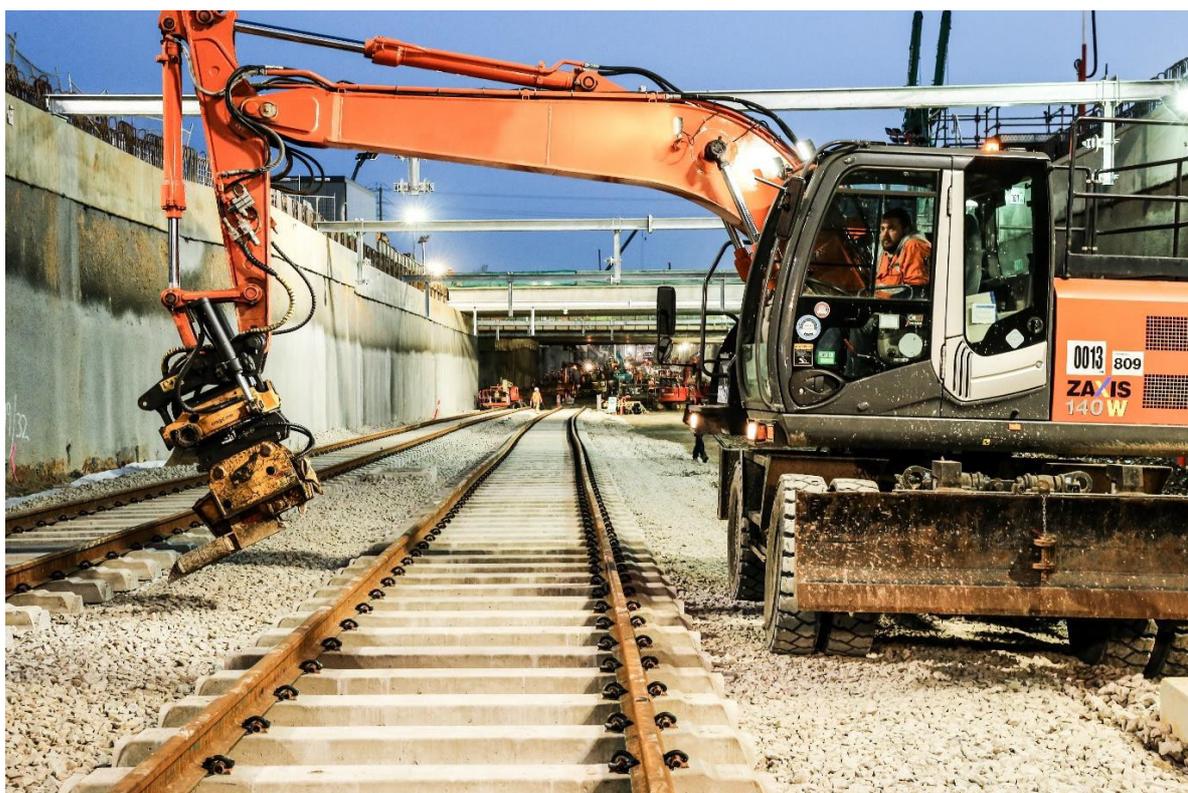
4.2 Managing risks within MTA's Operations

- MTA's Code of Conduct / Workplace Behaviour Policy provides guidelines for employees to report and address poor behaviours.
- Wellbeing programs and EAP are made available to support employees.
- Return-to-office employee surveys were distributed to gather concerns and preferences as input for return-to-office and flexible work arrangements.
- Company policy and procedures were reviewed and new work and leave-related procedures introduced to provide flexibility. This has been done with the intent to accommodate different working arrangements in the post-COVID-19 era for the health, safety and wellbeing of the employees.

4.3 Managing risks within MTA's Supply Chain

- MTA's supplier on-boarding and ongoing monitoring processes via Avetta assess a supplier's OH&S statistics, offences pending resolution, labour hire licence and subcontractor management where applicable.
- We are progressing with collection of data about suppliers' Modern Slavery Act compliance obligations as well as seeking to understand the source countries of goods and services supplied to MTA. This data collection is facilitated through Avetta using the modern slavery question sets developed in 2020. This work also raises awareness of the Modern Slavery Act among MTA's supplier base. Collected data is used to identify and prioritise suppliers for further enquiry into their internal modern slavery processes.
- Our sourcing and procurement processes for high-risk categories stipulate restrictions on sub-contracting of works, assess the reasonableness of labour cost/rates, review past and current offences or litigations pending resolution and corporate policies concerning workers as considerations for selection.

- MTA’s standard contract templates contain restrictions on sub- contracting of works, audit rights and reporting/information requirements relating to labour hours and pay. MTA is working with existing suppliers to update all contracts to include these contractual provisions where relevant. This will support MTA’s compliance with anti-modern slavery efforts.
- MTA is at a relatively advanced stage of its supply chain mapping as MTA has strong and regular engagement with its suppliers and robust contract management processes. This has enabled MTA to undertake a thorough assessment of its supply chain to identify, prevent, mitigate and take account of modern slavery risks. There will be a focus on monitoring as MTA’s supply chain mapping continues to mature.



5. Assessing Effectiveness

5.1 Foundations

During this reporting period, MTA has been focusing on collecting data to assess and better understand modern slavery risks within our supply chain, while managing impacts of the pandemic on our suppliers and employees. MTA's processes to review the effectiveness of the measures will continue to develop in the coming years.

- We have had positive outcomes with suppliers including through embedding ethical labour and anti-modern slavery clauses into existing contracts. MTA will continue to look to reduce any impact on vulnerable workers in future supplier changeovers which impact major labour related categories.
- Learnings and ideas from other organisations help with confirming and adjusting MTA's approach to managing modern slavery risks. This includes reviewing and updating our own policies, processes and frameworks as we progress.
- The modern slavery question set on the Avetta platform has meant that we have raised awareness of the Modern Slavery Act across the majority of MTA's supplier base and are gathering valuable data on source countries of goods and services procured by MTA.

5.2 Improvement across existing practices

- MTA's suppliers are covered by a cyclical audit program and follow-ups on any significant findings. Audit findings and lessons learnt from contract management and monitoring will continue to improve compliance and quality of records maintained by MTA's suppliers. MTA has incorporated lessons learnt into its procurement practices and contractual requirements for its suppliers to promote alignment in ethical sourcing and an increased accessibility of records for audit. Improvements have also been observed via the willingness of suppliers to accept ethical labour and anti-modern slavery contract clauses and more transparency and co-operation with audit requests and provision of records, as well as quality and timeliness of records provided.
- Restrictions on sub-contracting of works has reduced risks of sham contracting and improved job security of workers, especially for labour intensive services contracts.

5.3 Looking forward

MTA will use its best endeavours to progress its multi-year post Covid-19 road map to reduce the risk of modern slavery in our supply chain and organisation.

We will continue to raise modern slavery obligations with our suppliers. This will be managed through MTA’s standard contract terms, our procurement policy, sourcing and ongoing contract management processes.

We will review and assess suppliers who source from high-vulnerability areas as to whether they are sufficiently managing their own supply chain modern slavery risks. Where MTA does not feel that actions being undertaken by a supplier are sufficient – a plan for remediation will be put in place. Progress will be tracked by either a MTA contract manager or independent auditor. Termination of that supplier, while possible, is not the preferred outcome as this can lead to unintended consequences back through that supplier’s chain.

Through reviewing and updating MTA policies, processes and frameworks, we will increase the awareness, prevention, detection and response to modern slavery issues across the organisation. This will include a clear channel being embedded into business practice to report concerns or make further enquiries about modern slavery risks.

