



Modern Slavery Report

September 2023

Infratil Limited (NZX:IFT, ASX:IFT)

This is the Modern Slavery report made by Infratil Limited for the financial year ended 31 March 2023. It has been prepared pursuant to the requirements of the Australian Modern Slavery Act 2018 (Cth).

This report was approved by the Infratil Board in September 2023.

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Foreword

The Infratil Board believes that the respect of human rights is a fundamental part of society and supports the protection and advancement of human rights globally.

We are pleased to publish our fourth report on Modern Slavery.

The Board acknowledges the work of the United Nations (UN) and accepts its standards of achievement for all peoples and nations within the Universal Declaration of Human Rights (the Declaration). Based on the Declaration, we understand that infringements on human rights can occur in many forms and across many countries and industries.

Infratil has a vision to be a leader in sustainable infrastructure investment. As set out on page 10 of its recently released [2023 Sustainability Report](#), Infratil focuses its sustainability efforts on four key pillars that reflect the most material ESG issues for Infratil and its stakeholders: Governance, Leadership, Climate & Nature, and People. In relation to the latter, Infratil aims to support its people and communities to thrive from an intellectual, physical, cultural, and economic perspective. To achieve this objective, Infratil seeks to drive positive societal change through its portfolio, including through its Portfolio Entities' supply chains.

We are committed to understanding modern slavery risks that may arise within each of the industry sectors in which we participate and, on our behalf in its capacity as our Manager, Morrison & Co actively engages with Infratil's investments to support identification and mitigation of these risks.

Our 2023 Modern Slavery Report builds upon our prior three disclosures and provides an overview of our progress made in identifying and addressing Modern Slavery risks within our Portfolio Entities and their direct and indirect supply chains during the reporting period. We have continued our engagement with Infratil's Portfolio Entities, supported by independent research-led insights, to understand the extent to which they are managing this risk.

While there is some variation between each Portfolio Entity's approach, it is pleasing to report that good progress continues to be made.



Alison Gerry
Chair



Jason Boyes
Chief Executive

Introduction

This Modern Slavery Report has been prepared pursuant to the Australian Modern Slavery Act 2018 (Cth) (the Act)

Infratil's fourth Modern Slavery Report (**Report**) describes Infratil, its investment portfolio and its operations, and outlines:

- Infratil's structure, operations, and supply chains
- Infratil's approach to the identification of risks of Modern Slavery practices occurring in its direct supply chains, its Portfolio Entities and their supply chains.
- The actions taken by Infratil and its manager, Morrison & Co, to identify, assess and address these risks.
- An assessment of the effectiveness of actions taken to address Modern Slavery risk.

This Report covers Infratil's FY2023 period, being 1 April 2022 to 31 March 2023 (the **Period**).

Definitions

Infratil

Infratil Limited (ARBN 144 728 307), a New Zealand incorporated company which is listed on the New Zealand Stock Exchange (NZX) and the Australian Stock Exchange (ASX). Infratil has a Board of Directors, but no directly employed staff.

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 marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour.

Morrison & Co or Manager

The day-to-day management of Infratil has been delegated to Morrison & Co, a leading global alternative asset manager with experience across infrastructure and property in both private and listed markets. Further information on Morrison & Co is set out on page 6 of Infratil's 2023 Sustainability Report and its position and commitments in relation to Modern Slavery are set out in its [Human Rights & Modern Slavery Position Statement](#).

Morrison & Co's purpose is to invest wisely in ideas that matter and, in doing so, it aims to create long-term value for its clients, the environment and society. It has been a signatory to the Principles for Responsible Investment (PRI) since 2010. Morrison & Co believes that action should be taken globally to minimise the number of people in forms of Modern Slavery.

Portfolio Entities

All entities in which Infratil has invested, including subsidiaries and associates, as set out in the table on the next page.

Tier

The level at which a supplier participates in an organisation's corporate supply chain. A tier 1 supplier is a direct supplier to Infratil or a Portfolio Entity. A tier 2 supplier provides goods or services to a tier 1 supplier, and so on.

About Infratil

Infratil is an infrastructure investment company whose purpose is to invest wisely in ideas that matter. Its Portfolio Entities provide services that society needs today, and we believe will need more of in the future, like clean energy, connectivity, and healthcare.

Infratil was established in 1994 and is publicly listed on the NZX and the ASX, with its registered office in New Zealand. Since inception, Infratil has grown and now has a global investment portfolio of over NZ\$8 billion focused on four core sectors: renewable energy, digital infrastructure, healthcare, and airports.

As at 31 March 2023, Infratil's portfolio comprises 13 companies (**Portfolio Entities**) across four continents, with a total workforce of over 6,000 employees. Infratil also has a property investment in Auckland New Zealand (IIPL, held for sale) and investments in venture capital funds managed by Clearvision Ventures, which are both excluded from this Report.

Some of the Companies in Infratil's portfolio are relatively newly established, such as Fortysouth (2022), Mint (2022), Gurin (2021) and Galileo (2020). Others are long-standing investments, such as Manawa Energy, which was one of Infratil's inaugural investments in 1994.

Infratil's "Portfolio Entities" for the purposes of this Report are:

Sector	Entity	Location
Renewable Energy	Manawa Energy	New Zealand
	Longroad Energy	USA
	Gurin Energy	Asia (ex China and North Korea)
	Galileo	Europe
	Mint Renewables	Australia
Digital	CDC Data Centres	Australia & NZ
	Kao Data	UK
	One NZ	New Zealand
	Fortysouth	New Zealand
Healthcare	RHCNZ Group	NZ
	Qscan	Australia
Retirement Living	Retire Australia	Australia
Airports	Wellington International Airport	New Zealand

Infratil

as of 31 March 2023

Renewables



51% Infratil
27% TECT / 22% Public



37.1% Infratil
37.1% NZ Super / 13.8%
Management / 12% MEAG



40% Infratil
20% CSC / 20% NZ Super
20% MGIF



95% Infratil
5% Management



73% Infratil
27% CSC

Digital



48% Infratil / 24% CSC
24% Future Fund
4% Management



49.9% Infratil*
49.9% Brookfield
0.2% Management



40% Infratil
30% Legal & General
30% Goldacre



20% Infratil
40% InfraRed
40% Northleaf



Healthcare



55.1% Infratil
33.1% Doctors / 13.8% MGIF



50.1% Infratil
49.9% Doctors



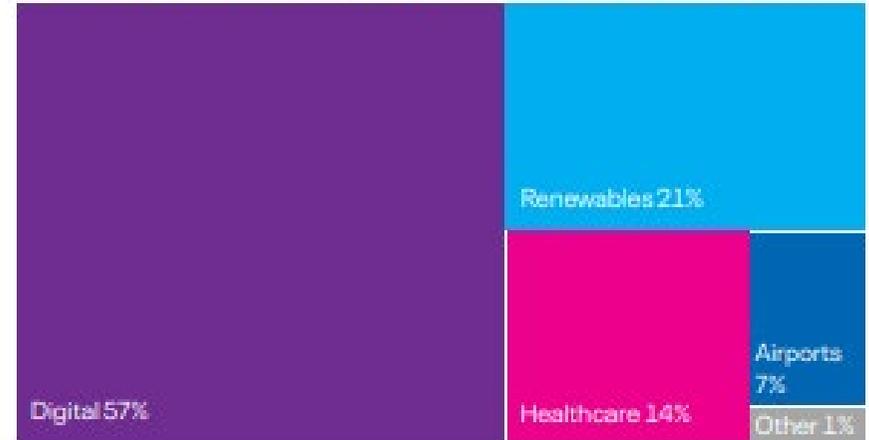
50% Infratil
50% NZ Super

Airports



66% Infratil
34% Wellington City Council

Portfolio Composition (by fair value)- Sector



Portfolio Composition (by fair value)- Geography



* Increased to 99.9% ownership on 15 June 2023 with Infratil's acquisition of Brookfield's shareholding.

Corporate Governance

Infratil’s Board has overall responsibility for ESG governance, including in relation to Modern Slavery.

The Board of Directors (“**Board**”) is elected by Infratil’s shareholders. As well as having overall responsibility for ESG governance, the Board is also responsible for approving Infratil’s sustainability strategy, investment exclusion policy, sustainability initiatives, and sustainability disclosures – including in relation to Modern Slavery.

The Board is committed to undertaking its role in accordance with internationally accepted best practice, within the context of Infratil’s business. Infratil’s corporate practices have been prepared with reference to the Financial Markets Authority’s Corporate Government Handbook, the requirements of the NZX Listing Rules and the recommendations of the NZX Corporate Governance Code.

Infratil has no directly employed staff – instead it contracts to Morrison & Co for its day-to-day activities, including investment management. A description of Infratil’s approach to integrating material ESG issues through the investment process is set out on page 16 of Infratil’s 2023 Sustainability Report.

Infratil’s Portfolio Entities are managed by their own boards or directors and management teams – Infratil does not directly operate these businesses. An overview of Infratil’s ESG governance arrangements are set out on pages 14-15 of Infratil’s 2023 Sustainability Report.

Infratil’s Supply Chain Network

The four key elements of Infratil’s supply chain networks are its Manager, other directly engaged professional service providers, its Portfolio Entity investments, and the Portfolio Entities’ supply chains.

Infratil’s Manager, Morrison & Co	As at 31 March 2023, Morrison & Co had about NZ\$30 billion in funds under management across its various funds and clients with over 180 staff in seven offices globally, located in Sydney, Melbourne, Wellington, Auckland, Singapore, London and New York. Morrison & Co’s main category of suppliers operate in professional services, as well as travel, hospitality, real estate and computer/IT services.
Infratil’s supply chain	The main category for Infratil’s suppliers is professional services: legal, financing, advisory, communication, accounting, assurance, and technology. There are some suppliers that provide travel services and facilities in relation to Board travel (airlines, hotels, and ground transport) and others involved in Infratil’s investor days (venue, catering). Excluding payments to Morrison & Co, insurance, and financing costs, recent data indicates Infratil has annually recurring spend of approximately \$7m across about 100 suppliers, with around 15 suppliers making up about 80% of total spend. Over half of Infratil’s suppliers (by number) are headquartered in New Zealand, and over 85% of spend is with New Zealand based companies.
Infratil’s Portfolio Entities	Infratil’s Portfolio Entities are managed by their own boards of directors and management teams – Infratil does not directly operate these businesses. Collectively, Infratil’s Portfolio Entities employ over 6,000 people, predominantly in New Zealand and Australia.
Portfolio Entity supply chains	Given Infratil’s Portfolio Entities operate across a range of sectors and jurisdictions, their supply chains include diverse local and global businesses. We set out a brief description of the characteristics of each sector’s supply chains on pages 7-9.

Modern Slavery Risk in Infratil’s Supply Chain Network

To better understand Modern Slavery risks and inform supply chain engagement, Infratil (through its Manager) undertakes periodic reviews of activities in its corporate supply chain as well as the companies and sectors in which it invests. The aim of these reviews is to identify the activities within Infratil’s operations, its Portfolio Entities and their supply chains that are believed to be most exposed to the potential occurrence of Modern Slavery. To support these reviews, Infratil uses the FairSupply technology platform.

FairSupply links global trade flow data with supplier spend data to map global supply chains risk up to ten tiers, across 190 countries and nearly 16,000 sectors. The analysis provided by FairSupply includes detailed supply chain data for the sectors in which Infratil’s Portfolio Entities operate, as well as for Infratil’s direct supply chain. In 2023, FairSupply updated its dataset to incorporate:

- 2023 Global Slavery Index (GSI) data, capturing an increase in the number of people in slavery globally - the estimated incidence of forced labour in particular has more than doubled in some countries. The 2023 GSI represents the latest available data on the location and prevalence of slavery globally.
- latest research from FairSupply on forced labour risk factors at the industry level, and the September 2022 release of the US Department of Labor's List of Goods Produced by Child Labor or Forced Labor.

Going forward, FairSupply’s risk assessments are expected to be run using this new dataset, but to support data integrity, previously existing assessments have not been edited.

Building on the three assessments undertaken in FY2022, in this Period and up to the date of this Report, another three of Infratil’s Portfolio Entities used the FairSupply tool to assess their supply chains. Infratil and Morrison & Co also assessed their corporate suppliers using the platform.

Sector	Sector Traits	Key Risk Areas	Company and sector-specific comments
Investment / Investment Management <ul style="list-style-type: none"> • Infratil • Morrison & Co 	Key suppliers are predominantly in professional services sectors, such as financial, auditing, legal, accounting and taxation advice, insurance, strategy, marketing, communications, and research services. These sectors generally have relatively low direct modern slavery risk as they predominantly comprise a highly skilled & educated professional workforce that commands strong levels of bargaining power in the workplace.	<ul style="list-style-type: none"> • Office-related procurement (IT equipment and catering) • Cleaning & security services • Accommodation & restaurants 	<ul style="list-style-type: none"> • Infratil has no offices, but Morrison & Co engages contractors to provide facility management services for its offices, such as cleaning and security. Morrison & Co’s suppliers also include companies that provide IT equipment and services. Both Morrison & Co and Infratil directly engage suppliers for travel and hospitality / events management. • Infratil’s 2023 FairSupply analysis of its direct suppliers assessed them all to be low or moderate-low risk other than one supplier, which was rated moderate (this supplier has a Supplier Code of Conduct, is a signatory to the UN Global Compact and cites a commitment to upholding human rights in its latest sustainability report). Desktop analysis undertaken in 2023 showed the majority of Infratil’s supplier expenditure was with New Zealand based entities. • Morrison & Co’s 2023 FairSupply analysis had a similar profile, with all its suppliers rated low or moderate-low risk. Morrison & Co also undertook desktop due diligence on its top 20 suppliers, covering c.60% of spend. Findings included: 75% had a Modern Slavery statement published in either Australia or the UK, 70% had a Code of Ethics covering their operations and conduct of their employees, which in most

Sector	Sector Traits	Key Risk Areas	Company and sector-specific comments
Airports	Airports typically employ a relatively limited direct workforce but engage contractors/subcontractors to undertake facility services. Further, there are tenants (aeronautical, retail and commercial) on site that may employ their own contractors. Construction activities occur on site and may include major works.	<ul style="list-style-type: none"> • Cleaning, maintenance & security • Construction activities • Human trafficking & detainment 	<p>instances, required ethical conduct and approximately 55% had published a Supplier Code of Conduct.</p> <ul style="list-style-type: none"> • In FY2023, Infratil developed a Supplier Code of Conduct, published in August 2023. This sets expectations and desired approaches for Infratil's suppliers in relation to ethics, environment, social impacts and health and safety. • For suppliers that meet certain thresholds, Morrison & Co and Infratil undertake supplier ESG assessments that include a focus on human rights. Morrison & Co also has Whistleblowing policies in place. <p>Wellington Airport covers its approach to modern slavery risk in its 2023 Kaitiakitanga Report. The company has policies and processes in place to manage its Modern Slavery risk and has utilised the FairSupply platform to provide insights on risk in its supply chains.</p>
Renewable Energy <ul style="list-style-type: none"> • Manawa Energy • Longroad Energy • Galileo • Gurin Energy • Mint Renewables 	Organisations associated with the development and operation of utility-scale renewable energy projects and infrastructure are primarily office based with some infield operations required for maintenance and engineering purposes. Contractors are often engaged for any construction or major works and specialist engineering required across the network. Equipment, or key inputs to equipment, may be sourced from countries with an increased risk of Modern Slavery occurrences.	<ul style="list-style-type: none"> • Construction activities • Contracted labour force (operations & maintenance) • Equipment, and key inputs to equipment, manufactured offshore 	<ul style="list-style-type: none"> • Galileo, Gurin and particularly Mint, are all relatively early-stage companies. Nonetheless, each company is cognisant of the need to manage risks in relation to human rights and modern slavery in the business and their supply chains. • Infratil's renewable energy companies are aware of the potential for Modern Slavery risk in their supply chains. The companies have been provided with sector-relevant resources, such as the Clean Energy Council's white paper "Addressing Modern Slavery in the Clean Energy Sector". • Manawa is looking at how it might assess and manage the risk of modern slavery in its supply chain to prepare for proposed Modern Slavery regulations in New Zealand. • Longroad is the most active generation development company in Infratil's portfolio, and now typically sources most of its solar panels from First Solar's factory in North America. The company also has a Compliance and Ethics Hotline. See case study on page 11 for an identified instance of Modern Slavery at First Solar's offshore operations. • Galileo has integrated environmental, social and governance (ESG) principles into its business processes and reporting through an ESG Policy which sets out its expectations for its group companies, people, partners, contractors, and suppliers and outlines its commitment to human rights and fair and ethical employment and pay practices.

Sector	Sector Traits	Key Risk Areas	Company and sector-specific comments
Digital	<p>Organisations operating within the data and connectivity sector are largely office-based.</p> <p>Contractors are regularly engaged to deliver infrastructure-related projects and technology upgrades.</p> <p>Electronics and telecommunication-related systems may be sourced from countries with an increased risk of Modern Slavery occurrences.</p> <p>Technology and devices associated with this sector may incorporate raw material inputs such as gold, tin, tungsten and other metals that have been termed “conflict minerals”.</p>	<ul style="list-style-type: none"> Support services e.g. data warehousing, customer call centres, some of which are offshore. Telecommunications and IT equipment manufactured offshore. Contracted facility services (i.e., cleaning and security) Construction activities. 	<ul style="list-style-type: none"> Gurīn Energy has an ESG Policy that includes a focus on human rights. As the company grows and expands its footprint, Infratil intends to prioritise engagement on Modern Slavery with Gurīn due to the elevated risk associated with its geographic focus. Mint Renewables outlines its stance on ESG principles on its website including a Code of Conduct, an ESG Policy (that outlines a commitment to protecting human rights and fair and ethical employment practices, and monitoring of projects and suppliers regarding their approach to mitigation of modern slavery risk) and a Whistleblower Policy. Mint is a signatory to the Clean Energy Council's Best Practice Charter that includes a commitment to providing local employment and procurement opportunities. One NZ has a number of corporate governance documents including a Supplier Code of Conduct, a Modern Slavery Policy and a suite of Supplier Policies. CDC is a Reporting Entity under the Act and has a publicly available Supplier Code of Conduct that sets out its expectations in relation to human rights and modern slavery. It also has a Whistleblower Policy. Kao Data is a reporting entity under the UK Modern Slavery Act. Although not publicly available, Kao documents human rights parameters in its Supplier Code of Conduct and has a Whistleblowing Policy.
Retirement Living	<p>Retirement living businesses typically employ head office staff and a small management team at each facility. Contract services are often utilised such as cleaning, catering, gardening and care assistance roles. Due to the often geographically disparate nature of retirement living communities, different service models may exist between facilities. Residents may also directly engage healthcare professionals and other service providers. Personal Protective Equipment (PPE) may be used within the facilities, some</p>	<ul style="list-style-type: none"> Contracted facility services (i.e., catering, cleaning, waste management and groundskeeping, care staffing) Medical consumables such as PPE 	<ul style="list-style-type: none"> RetireAustralia is a Reporting Entity under the Act and has a Procurement Framework to inform decisions regarding suppliers. It uses modern slavery related clauses as part of its supplier terms and conditions and has a contractor Code of Conduct and a Whistleblower Policy. In May-June 2023, Morrison & Co undertook a Fair Supply assessment of RetireAustralia’s suppliers to support better understanding and identification of modern slavery risk.

Sector	Sector Traits	Key Risk Areas	Company and sector-specific comments
	<p>manufacturers of these products have a degree of modern slavery risk.</p> <p>The maintenance and construction of new retirement villages presents elevated risk and contracted labour used to maintain facilities may involve unskilled and migrant labourers, who are at greater risk of being exploited.</p>	<ul style="list-style-type: none"> Construction and maintenance activities 	
<p>Healthcare</p> <ul style="list-style-type: none"> Qscan RHCNZ (Pacific Radiology, Bay Radiology, Auckland Radiology) 	<p>Diagnostic imaging clinics are typically office-like facilities with multiple enclosed rooms utilised for medical imaging services and to undertake medical procedures and consultations. Administrative and support staff work alongside doctors and diagnostic imaging specialists at each facility. Maintenance and specialist engineering services are required on an ad hoc basis which are often outsourced. Cleaning services for the facilities are also outsourced.</p> <p>Medical imaging devices may incorporate raw materials such as various metals, lead, cobalt and lithium which have been linked to occurrences of modern slavery.</p> <p>Single use medical consumables such as plastic gloves, gowns and masks may have an elevated risk of modern slavery in their manufacture.</p>	<ul style="list-style-type: none"> Cleaning, maintenance, technical services Medical consumables such as PPE Medical imaging equipment Support services procured offshore e.g., IT helpdesk, HR & payroll. 	<ul style="list-style-type: none"> Qscan is a Reporting Entity under the Act. FairSupply was used to assess Qscan's top 100 suppliers. This exercise revealed a significant proportion of Qscan's supplier spend is with global and well-known medical manufacturing companies such as Canon, GE, Siemens, and Philips, many of which are reporting entities under the Act and/or UK Modern Slavery Acts. In addition, Qscan's property leases are with Australian landlords, some of which are Reporting Entities under the Act. RHC NZ has a Whistleblower Policy, but further focus and support is required to further develop its capabilities in relation to identification and management of Modern Slavery risks, particularly given proposed Modern Slavery regulations in New Zealand.

Approach to Managing Modern Slavery Risk

The Board has defined its expectations for minimising Modern Slavery risk across the Infratil portfolio in its Human Rights and Modern Slavery Position Statement. It expects that by delivering on these expectations, the likelihood of Modern Slavery occurring within its supply chain should be minimised.

Infratil's Human Rights and Modern Slavery Position Statement describes the commitments that Infratil has made in relation to human rights and Modern Slavery. This Position Statement was reviewed and updated by the Infratil Board in September 2023 and is available on its website here. Other mechanisms deployed to identify, assess, and address Modern Slavery risk by Infratil include:

- Governance policies and processes** As set out on page 14 of Infratil's [2023 Sustainability Report](#), 100% of Infratil's Portfolio Entities have a Code of Ethics / Conduct in place, over 60% have a Supplier Code of Conduct and over half have a policy that covers human rights and/or modern slavery. Infratil itself introduced a [Supplier Code of Conduct](#) in August this year, which sets expectations and desired approaches for Infratil's suppliers in relation to ethics, environment, social impacts and health and safety. In addition, some of the Portfolio Entities may use screening processes and/or specific clauses in supply contracts or framework agreements that set out expectations or minimum standards in relation to human rights and modern slavery.
- Engagement** As set out on page 16 of Infratil's 2023 Sustainability Report, Infratil seeks to integrate environmental, social and governance (ESG) considerations through the investment lifecycle.

As part of Infratil's approach to ESG integration, Morrison & Co's sustainability specialists and investment professionals are responsible for understanding and, where feasible, seeking the mitigation of ESG risks, including Modern Slavery risk, associated with the operations and supply chains of Portfolio Entities. Infratil uses tools like FairSupply to help its Portfolio Entities identify key areas of risk for Modern Slavery, to enable targeted engagement with their suppliers. Modern Slavery risk considerations are incorporated in the ESG due diligence process for potential new investments.
- Training** To support the commitment to minimising Modern Slavery risk, in May 2023, Morrison & Co employees participated in online Modern Slavery training to increase their understanding of the risk, and to raise their awareness of where Modern Slavery risks can arise in the operations and supply chains of Portfolio Entities. In addition, the Morrison & Co new employee induction process incorporates online human rights and Modern Slavery training.
- Seeking external expertise** In an effort to lift its effectiveness in its approach to identifying and managing modern slavery risks, Morrison & Co sought external expertise to formulate a multi-year Modern Slavery Action Plan which identifies a prioritised list of initiatives to mitigate Modern Slavery risk. The Action Plan covers Morrison & Co's approach to risk analysis, the policies and procedures to help mitigate risk, a training programme, grievances and remediation actions and a framework to evaluate progress.
- Leveraging technology** In order to further understand Infratil's potential Modern Slavery risks, Morrison & Co uses an independent supplier risk assessment platform (FairSupply) which provides detailed supply chain data for the sectors in which Infratil's Portfolio Entities operate.

The analysis from FairSupply indicates that Infratil, as well as its Portfolio Entities, generally present as low risk for Modern Slavery occurrence. This is due to the assets predominantly being located in Australia, New Zealand, US and the UK – jurisdictions with high standards of governance, as well as the sectors in which the Portfolio Entities operate (i.e., none of Infratil’s Portfolio Entities directly operate in high-risk sectors such as mining, electronics manufacturing, agriculture, seafood or textiles).

- Industry collaboration & engagement

Morrison & Co is a member of the Responsible Investment Association of Australasia and sits on the Human Rights Working Group associated with that body. During the Period, Infratil submitted to the Ministry of Business, Innovation and Employment as part of its consultation on the then proposed Modern Slavery Reporting and Due Diligence regime for New Zealand.

Case Study: Longroad Energy and First Solar

Infratil’s Portfolio Entity, Longroad Energy, sources solar panels for its solar farms from US-based First Solar. Whilst First Solar has a factory in the US, which is currently the predominant supplier to Longroad, it also has factories offshore. First Solar is a member of the Responsible Business Alliance (**RBA**), the world’s largest industry coalition dedicated to supporting the rights and well-being of workers and communities in the global supply chain, and on its website, First Solar sets out its commitment to responsible sourcing with zero tolerance for forced labour.

First Solar recently conducted onsite third-party RBA Validated Assessment Program audits at its manufacturing facilities in the United States, Malaysia, and Vietnam. While the company’s US and Vietnam operations achieved platinum status, the highest possible rating, the audits uncovered the fact that four service providers at its Malaysia facility fell short of First Solar’s standards. Details of the findings and First Solar’s corrective actions are included in the company’s [2023 Sustainability Report](#).

The four identified service providers were involved in providing security, cleaning, building maintenance and warehousing services employing foreign migrant workers who were subjected to unethical recruitment including the payment of recruitment fees in their home countries, passport retention and the unlawful retention of wages.

First Solar publicly disclosed the incident and has since reported the return of the wages and passports to the identified workers and noted that they are pursuing further corrective measures including a reimbursement plan with a third party, to reimburse any recruitment fees to current and former employees. They have also reported that they have updated their service agreements.

Although not associated with Longroad or Infratil’s operations, this event is a key example of how modern slavery may occur beyond tier 1 in supply chains and the importance for companies to actively investigate to identify Modern Slavery risks and occurrences. It also highlights the importance of having a credible response – transparency, remediation, and re-assessment of controls.

Assessing the Effectiveness of Infratil's Approach

Infratil is committed to applying a disciplined, ongoing focus on the identification, monitoring and management of Modern Slavery risk to support the effectiveness of its actions.

The use of independent, data-driven software supports Infratil to understand Modern Slavery risks in its operations, in its Portfolio Entities and across their supply chains. Based on the refreshed FairSupply data, Infratil analysed the trend in theoretical slaves associated with its portfolio on an absolute and intensity (per \$ million invested) basis. Both metrics increased over time, and the re-setting of the FairSupply database would likely have been a contributing factor – the increase in the scale of the portfolio would also have contributed to the growth in the absolute footprint.

In 2023, Infratil measured its corporate footprint for the first time using the FairSupply platform, and intends to monitor trends over time, as well as using the insights to inform where it should focus its supplier analysis and engagement.

To date, Infratil has not identified any actual or potential cases of Modern Slavery within its direct operations. However, as is typical of most large organisations with global operations, Infratil's global supply chain is complex. Once it was publicly disclosed, Infratil was promptly notified of the incidence of Modern Slavery in First Solar's operations (covered on page 12), though the facility in that case is not currently part of Longroad's supply chain.

Infratil and Morrison & Co acknowledge that the identification of Modern Slavery risk requires ongoing focus and attention. Regular engagement by Morrison & Co with each of Infratil's Portfolio Entities on their approach to Modern Slavery risk management so that Morrison & Co, and Infratil, are aware any incidents if they occur.

If an actual or potential incident of Modern Slavery is identified within Infratil's supply chain, it would be treated in a similar manner to a material environmental incident, namely, key stakeholders would be notified, remedial measures implemented (subject to Infratil's level of control) and the incident response tracked to closure. Any Modern Slavery occurrences that are identified would be reported via Infratil's regular risk register assessments and reviewed to ascertain any learnings that would support further improvements to risk management systems. Infratil has not formalised a remediation policy for Modern Slavery incidents at present.

The Board is committed to reviewing the effectiveness of the requirements of its Human Rights and Modern Slavery Position Statement on a biennial basis and reporting in line with the Act. Infratil is also committed to periodically reviewing Modern Slavery risks within its portfolio so that its position remains current.

Infratil and Morrison & Co are committed to continuous improvement in corporate systems and processes (e.g., enterprise risk management) to minimise the risk of Infratil being complicit in Modern Slavery violations.

