

# FY20 MODERN SLAVERY STATEMENT



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## Introduction

This statement is prepared by STP AT Pty Ltd (ACN 626 630 144) as trustee of the STP Asset Trust and STP PT Pty Ltd (ACN 626 630 153) as trustee of the STP Project Trust (together “STP Group”) for the purposes of the *Modern Slavery Act 2018 (Cth)* (the Act) for the year ended 30 June 2020.

The Act requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains. Modern slavery involves the exploitation of human beings, and is completely unacceptable. STP Group recognises that it has a responsibility to improve our understanding of modern slavery and mitigate the risks of it occurring within our operations and supply chains.

This is STP Group’s first Modern Slavery Statement to be issued in accordance with the Act.

# ABOUT STP GROUP: STRUCTURE, OPERATIONS AND SUPPLY CHAINS

## Structure

STP Group comprises the STP Asset Trust and the STP Project Trust, which along with their trustees (which are Australian proprietary companies), act as holding vehicles for a consortium of investors' interests in the WestConnex motorway network in Sydney, New South Wales.

The STP Investors comprise: Transurban (50%), AustralianSuper (20.5%), Canadian Pension Plan Investment Board (20.5%) and Tawreed (9%) (STP Investors). STP Investors are jointly responsible for decision making in respect of STP Group.

The trustees of the STP Group trusts are registered in Sydney. However, as the STP Group is purely an investment vehicle, the trustees do not have their own offices or employees. STP Group holds 51% of the ownership of the WestConnex motorway. The New South Wales Government owns the remaining 49% of WestConnex.

Transurban has been appointed as operator of WestConnex and also provides general corporate services to the STP Group including tax, accounting and company secretarial services. Transurban is one of the world's largest toll-road developers and operators, operating toll roads in Melbourne, Sydney and Brisbane, as well as in the Greater Washington area in the United States and Montreal in Canada.

Transurban is lodging its own modern slavery statement for FY20 under the Act, which will be available on its website at [transurban.com](https://transurban.com) (the Transurban Modern Slavery Statement). The Transurban Modern Slavery Statement details the governance and risk management processes and policies that Transurban applies in relation to its supply chains and operations (including as they relate to STP Group and WestConnex). This STP Group Statement details the governance and risk management processes and policies that STP Group applies in relation to its own supply chains and operations.

## STP Investors in numbers

Transurban (50%)

AustralianSuper  
(20.5%)

Canadian Pension  
Plan Investment  
Board (20.5%)

Tawreed (9%)

# ABOUT STP GROUP: STRUCTURE, OPERATIONS AND SUPPLY CHAINS

(CONTINUED)

## Operations

STP Group's sole operations are providing a vehicle for the STP Investors to hold their investment in WestConnex. It does not maintain offices, employ workers or undertake any significant activities in its own right.

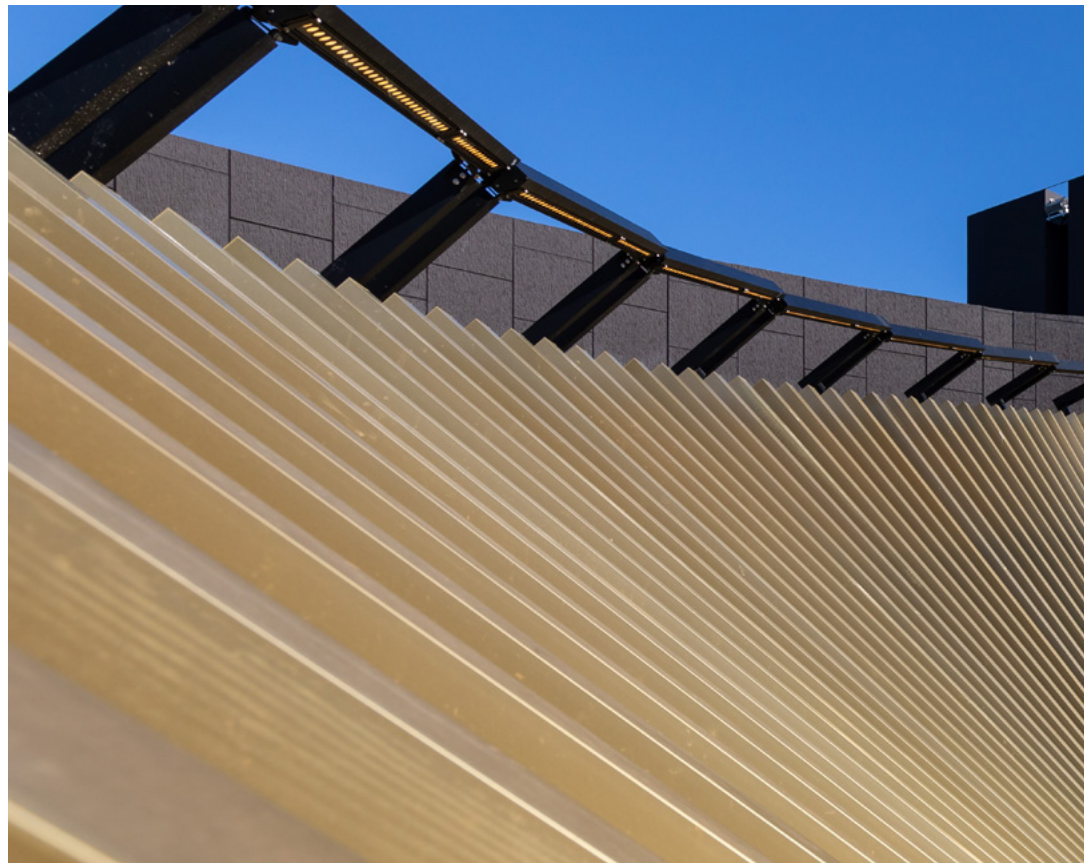
The WestConnex motorway network is the largest road infrastructure project in Australia, linking western and south western Sydney with the city, airport and port in a 33-kilometre continuous motorway. Motorists will be able to bypass up to 52 sets of traffic signals when travelling from Beverly Hills to Parramatta.

WestConnex, is lodging its own separate modern slavery statement for FY20 under the Act, which is attached at Appendix B (the WCX Modern Slavery Statement) and forms part of this Statement.

Please refer to the 'Our structure and operations' section on pages 5–7 of the WCX Modern Slavery Statement for information on WestConnex's operations, which form the material aspects of STP Group's operations.

## Supply Chain

STP Group does not procure goods or services in its own right. Rather, any goods and services relating to the operation of STP Group are procured by Transurban as a services provider to the STP Group. The nature of these services is primarily administrative and professional, reflecting that STP Group is an investment vehicle. Key categories include tax, accounting and company secretarial services.



# MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAINS

STP Group's principal risk exposure in relation to modern slavery practices arises in its operations, specifically in providing a vehicle for the STP Investors to hold their interests in WestConnex.

STP Group's investment in WestConnex and exposure to WestConnex's operations and supply chains represents the primary potential area of risk for STP Group. Please refer to the specific modern slavery risks identified by WestConnex in its operations and supply chains outlined in the 'Modern Slavery Risks' section on pages 9–10 of the WCX Modern Slavery Statement.

STP Group's supply chain, comprising the administrative and professional services provided to STP Group by Transurban, are considered by STP Group to be a lower risk area given the skilled nature of the services, the jurisdiction in which they are provided (i.e. Australia) and the governance and risk management processes adopted by Transurban.



# OUR APPROACH



STP Group relies on the actions of WestConnex and the WestConnex operator, Transurban, to review and respond to modern slavery risks with respect to WestConnex. STP Group monitors and has oversight of WestConnex in its capacity as part owner of WestConnex, including through receiving and considering financial and risk reporting by WestConnex.

The actions taken by WestConnex and Transurban to assess and address WestConnex's modern slavery risks, including due diligence and remediation processes, are set out in WCX Modern Slavery Statement in the following sections:

- 'Due diligence processes' section on pages 11–12;
- 'Remediation' section on page 13; and
- 'Training and capacity building' section on page 14.

# MEASURING EFFECTIVENESS

STP Group relies on WestConnex and the WestConnex operator, Transurban, to assess the effectiveness of actions undertaken to respond to modern slavery risks with respect to WestConnex.

The way in which WestConnex and Transurban assess the effectiveness of such actions is set out in the 'Measuring effectiveness' section on pages 17–19 of the WCX Modern Slavery Statement. As mentioned above, STP Group monitors and has oversight of WestConnex in its capacity as part owner of WestConnex, including through receiving and considering financial and risk reporting by WestConnex.

## APPROVAL

### Consultation

This Statement has been prepared by Transurban on behalf of STP Group, in accordance with their general corporate services arrangement and following consultation with the STP Investors and the WestConnex management team. The Statement was also circulated to the Transurban executive team, in the context of its role as operator of WestConnex, prior to it being put to the Board of the STP Group reporting entities for final review and approval.

This Modern Slavery Statement was approved by the Board of STP AT Pty Ltd, as trustee of the STP Asset Trust, and STP PT Pty Ltd, as trustee of the STP Project Trust, on 18 February 2021.

Signed



**Scott Charlton**  
STP Group Board Chair

# APPENDIX A

The table below outlines how this Statement aligns to the mandatory reporting criterion under the Act:

Mandatory Reporting Criterion	Reference in this Statement
Identify the reporting entity	<ul style="list-style-type: none"> <li>• Introduction—see page ii</li> <li>• About STP Group: structure, operations and supply chains—see page 01</li> </ul>
Describe the reporting entity's structure, operations and supply chains	<ul style="list-style-type: none"> <li>• Appendix B—About WestConnex—see page 3</li> <li>• Appendix B—Our structure and operations—see page 5</li> </ul>
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	<ul style="list-style-type: none"> <li>• Appendix B—Modern slavery risks—see page 9</li> </ul>
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	<ul style="list-style-type: none"> <li>• Appendix B—Our Approach—see page 11</li> </ul>
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	<ul style="list-style-type: none"> <li>• Appendix B—Measuring effectiveness—see page 17</li> </ul>
Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement, the entity giving the statement	<ul style="list-style-type: none"> <li>• Consultation—see page 05</li> <li>• Approval—see page 05</li> </ul>
Include any other information that the reporting entity, or the entity giving the statement, considers relevant	



# APPENDIX B

Please refer to the WestConnex Modern Slavery Statement on the following pages.

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# WestConnex

FY20 Modern Slavery Statement



# Our commitment



At WestConnex, our values underpin the way we go about our work, how we treat each other and the people that we come in to contact with. These values—integrity, respect, accountability, collaboration and ingenuity—are at the core of how we manage our operations and interact with our suppliers.

By working together, we can look for ways to do things better, to manage risk and ultimately create better social and environmental outcomes. This year we have continued to work with suppliers to identify and address possible exposures to human rights risks (including modern slavery) in our supply chains.

It is estimated that 40 million people globally remain victims of modern slavery, and we are committed to playing our role in helping eradicate activities that exploit human beings.

This is our first Modern Slavery Statement and it outlines how we work to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains. While we did not identify any instances of modern slavery in our operations or supply chains in FY20, we acknowledge that we must remain vigilant in monitoring and addressing these risks.

WestConnex's purpose is to strengthen communities through transport, which will underpin our efforts to support economic recovery, job creation and address the impacts of the COVID-19 pandemic.

We recognise that the ongoing global pandemic may also increase the risk of exploitation for those most vulnerable, which is why we have taken significant steps to support our employees, contractors, customers and suppliers.

We look forward to expanding on the work we have done so far, while also raising awareness and sharing knowledge among our industry partners to protect human rights.

A handwritten signature in black ink that reads "A Head". The signature is written in a cursive, slightly stylized font.

Andrew Head  
Chief Executive Officer

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## WestConnex Reporting Entities under the Act

This statement is prepared for the purposes of the *Modern Slavery Act 2018 (Cth)* (Act). This is a joint statement by each of the reporting entities under the Act within the WestConnex Group as defined in Appendix A.

For the purposes of this statement, 'WestConnex' collectively refers to the WestConnex entities as defined in Appendix A. 'Transurban' collectively refers to the Transurban Group, as defined in Appendix A.

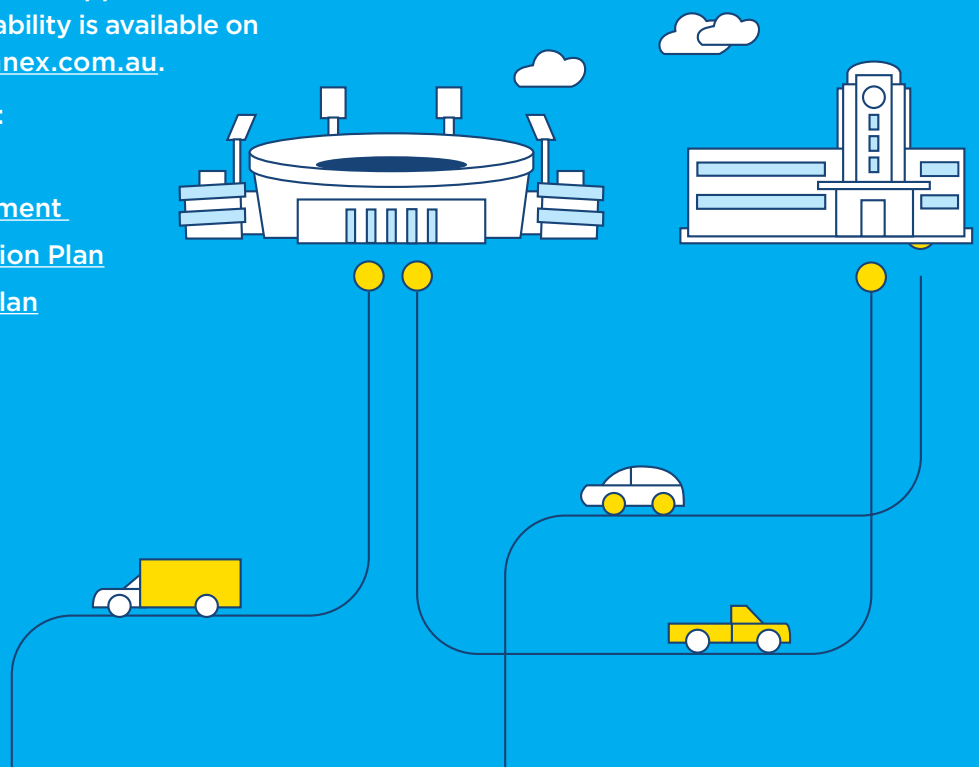
During the course of FY20, the Transurban Sustainable Procurement Program (the Program) was deployed across WestConnex, and is being managed by the Transurban-led Procurement team. Transurban will be lodging its own separate modern slavery statement under the Act. As a result, there is a substantial amount of overlap across each of these statements. Statistics and data presented in this statement will only include those businesses related to WestConnex, unless otherwise stated.

## Our broader sustainability efforts

Further information on our broader approach to our community and sustainability is available on [transurban.com](https://transurban.com) and [westconnex.com.au](https://westconnex.com.au).

This includes the Transurban:

- [FY20 Corporate Report](#)
- [FY20 Sustainability Supplement](#)
- [Innovate Reconciliation Action Plan](#)
- [Financial Inclusion Action Plan](#)



- In FY20, WestConnex did not identify any instances of modern slavery in our operations or supply chains, although we also acknowledge that this does not mean modern slavery was not present
- More than 99% of our direct spend with Tier 1 suppliers is located locally in Australia
- Most of our direct Tier 1 procurement spend is on services not goods
- We are increasingly integrating sustainability into all aspects of our business strategy, planning, operations and supply chain management activities and are committed to making meaningful contributions to the UN Sustainable Development Goals

# FY20 in review

Modern slavery involves the exploitation of human beings, and is completely unacceptable. WestConnex recognises that we have a responsibility to improve our understanding and mitigate the risks of it occurring within our operations and supply chains.

During FY20, WestConnex progressed a number of initiatives to address human rights risks, including modern slavery, within our operations and supply chain. These initiatives support our broader approach to managing sustainability, which is aligned to the UN Sustainable Development Goals (SDGs).

This is our first Modern Slavery Statement to be issued in accordance with the Act. A solid foundation has been set during FY20, and we look forward to enhancing our actions over time and reporting on them into the future.

Key activities for FY20 included:

## Policies and procedures

- Reviewed, refreshed and strengthened key policies and procedures such as our Supplier Sustainability Code of Practice and Supply Chain Modern Slavery Remediation Guidelines (see page 13)

## Contractual terms

- Commenced inserting strengthened contractual protections and requirements relating to modern slavery for a new generation of standard clauses on supply contracts, which are classified as higher risk for modern slavery (see page 12)

## Risk identification

- Continued to evolve the way we identify and assess risks by considering a broader human rights view. For example, by looking at key commodities, sectors, industries, geographical areas and specific organisations, we have drawn upon numerous external resources to better explore our potential supply chain risks (see page 9)

- Set the foundation to further develop our operational risk assessment capabilities across our assets over the longer term (see page 9)

#### Reporting processes

- Updated our independent whistleblower service, which can be accessed to make complaints around modern slavery. This service is available to anyone, including employees, customers, suppliers and workers in our supply chain (see page 13)
- Established a dedicated, monitored internal communication channel for all employees to raise issues or general queries about modern slavery (in addition to our independent whistleblower service)

#### Training and awareness raising

- Achieved a 100% training completion rate for employees with material procurement responsibilities to improve their ability to identify and respond to modern slavery risks
- Held detailed workshops with all Procurement sourcing employees and a number of key suppliers (see page 14)

#### Industry collaboration

- Actively participated in numerous multi-stakeholder forums with suppliers as well as other industry leaders to share learnings and knowledge
- Undertook joint industry-based initiatives to avoid taking a fragmented approach in our Sustainable Procurement Program (see page 21)

## Program timeline

### FY18

Transurban Sustainable Procurement Program established and aligned to ISO 20400:2017

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Commenced working with our suppliers in anticipation of the *Modern Slavery Act* being passed through Parliament

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### FY19

Joined the UN Global Compact Network Australia's Modern Slavery Community of Practice

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Partnered with the Infrastructure Sustainability Council of Australia to establish the Modern Slavery Road Construction Industry Coalition

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### FY20

Established a leadership role dedicated to Sustainable Procurement & deployed Program to WestConnex

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Implemented new policies, procedures and contractual terms to better address our risks

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Our people and supplier partners engaged in modern slavery awareness training and workshops

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# About WestConnex

## WestConnex in numbers

3 operating assets

2 projects scheduled for completion by FY24

M5 West<sup>1</sup> to be part of the WestConnex network when the current concession expires in 2026

WestConnex is the largest road infrastructure project in Australia, linking western and south western Sydney with the city, airport and port in a 33-kilometre continuous motorway. Motorists will be able to bypass up to fifty-two sets of traffic signals from Beverly Hills to Parramatta.

Key benefits of WestConnex include:

- improving motorway access and connections to Western Sydney and key employment hubs across the city
- moving traffic and heavy vehicles to the underground motorway
- reducing traffic on local streets and creating opportunities for urban renewal
- providing more green space than any other urban road project in Australia, up to 18 hectares of open space and around 23 kilometres of new and improved cycle-ways and walkways.

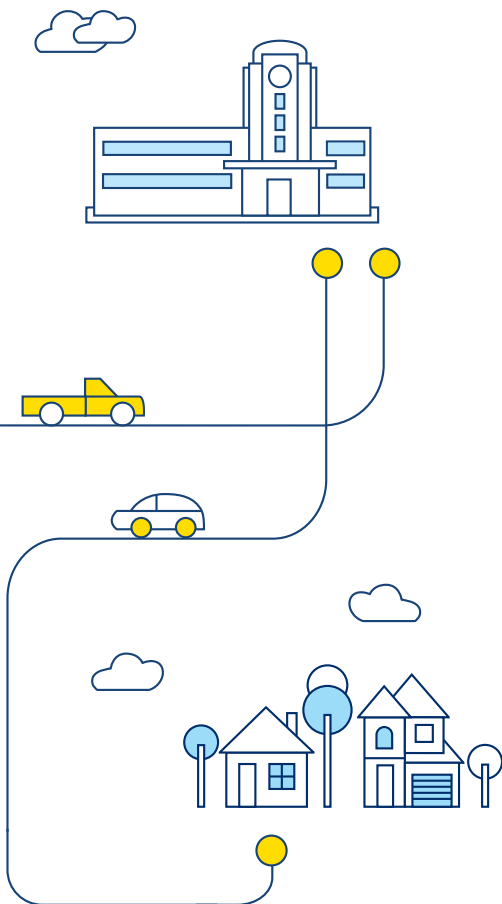
WestConnex also links Greater Sydney to major international gateways at Sydney Airport and Port Botany, and the future Western Harbour Tunnel, BeachesLink and M6 Stage 1.

On 31 August 2018, the NSW Government announced a 51 per cent stake in Sydney Motorway Corporation was awarded to Sydney Transport Partners (STP PT Pty Ltd)—a consortium led by Transurban STP Project Co Pty Ltd. The NSW Government retains a 49 per cent residual stake through Roads Retained Interest Pty Ltd.

Our purpose—to strengthen communities through transport—underpins all that we do, from designing and building new roads to supporting community initiatives in the neighbourhoods where we operate.

We continually challenge ourselves in the way we respond to social and environmental issues, and invest in both to create social inclusion and manage our environmental impacts.

Further details about WestConnex, including details about its executive team and its assets can be found at our website at [westconnex.com.au](http://westconnex.com.au) or in the [Transurban FY20 Corporate Report](#).

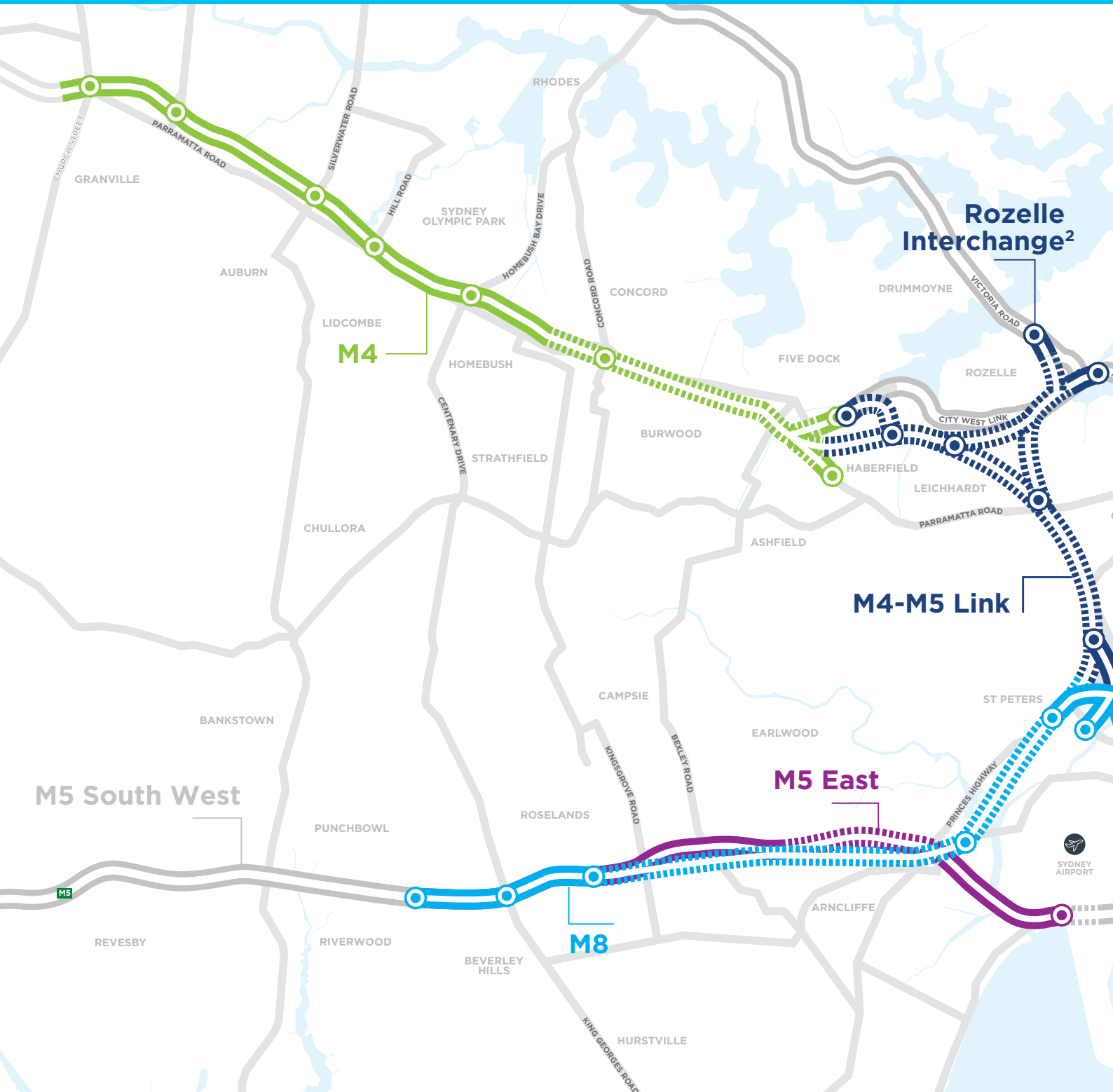


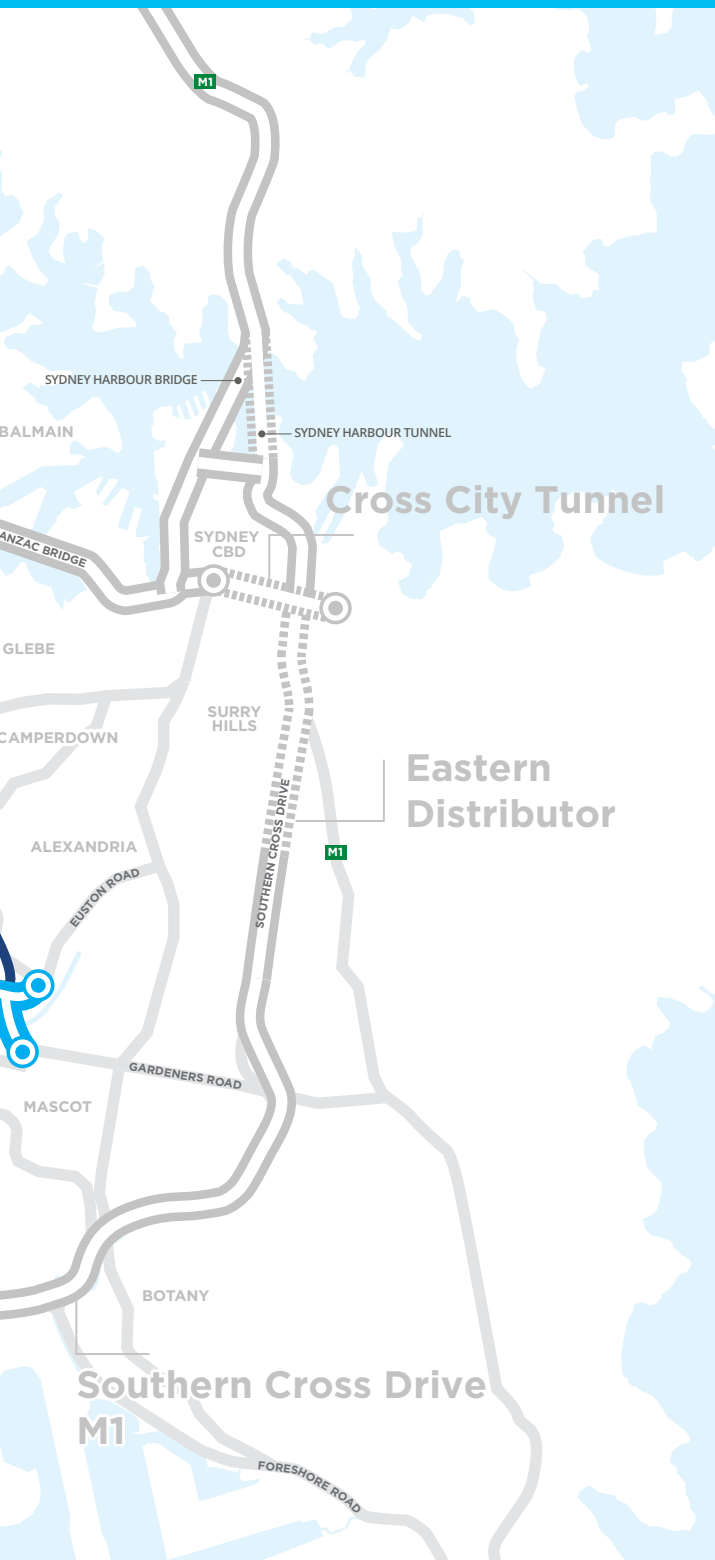
<sup>1</sup> Transurban currently owns 100% of M5 West, when the current concession expires in December 2026 the M5 West will form part of the WestConnex network with the concession through to December 2060.





# Our structure and operations





M4	49% NSW Government 25.5% Transurban 10.45% AustralianSuper 10.45% CPPIB 4.59% Tawreed
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M5 East	49% NSW Government 25.5% Transurban 10.45% AustralianSuper 10.45% CPPIB 4.59% Tawreed
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M8	49% NSW Government 25.5% Transurban 10.45% AustralianSuper 10.45% CPPIB 4.59% Tawreed
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 M4-M5 Link	49% NSW Government 25.5% Transurban 10.45% AustralianSuper 10.45% CPPIB 4.59% Tawreed
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 Rozelle Interchange <sup>2</sup>	49% NSW Government 25.5% Transurban 10.45% AustralianSuper 10.45% CPPIB 4.59% Tawreed
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 Project

<sup>2</sup> Rozelle Interchange is being delivered and funded by Transport for NSW.

# Our structures and operations

(Continued)

WestConnex's workforce is made up of over 130 employees in Australia working directly on the project. Our people are involved in a broad range of activities ranging from toll road operations and maintenance and major road project delivery through to head office functions including Technology, Finance, Corporate Affairs and People and Culture.

Further details of WestConnex, including our roads and projects, can be found at our website at [westconnex.com.au](https://www.westconnex.com.au) or in the [Transurban FY20 Corporate Report](#).

The processes and practices that WestConnex applies with respect to managing modern slavery risks in our workforce form part of our overarching risk management program and are subject to the oversight of the WestConnex Boards and their Committees.

Our Code of Conduct and values articulate the behaviour expected of WestConnex's Directors, Senior Executives and employees. It also covers suppliers engaged to provide a service. The Code and policies, such as Ethical Business Practices, set out clear expectations with respect to human rights. These policies are supported by documented processes for the management of complaints and grievances and we have an independent whistleblower service should employees wish to report policy breaches confidentially. These policies and procedures are reviewed regularly and material breaches of policy are reported to the relevant group Board for the business.

In Australia, employment conditions are covered by the National Employment Standards (NES) which set out the ten minimum employment entitlements that have to be provided to all employees.

In addition, over 45% of our employees are covered by Modern Awards or internal Enterprise Agreements, which set minimum pay and conditions for specific categories of workers. The remainder of our employees have individual employment contracts, which provide additional conditions for an individual employee, but cannot reduce or remove the minimum entitlements prescribed under the NES.

We undertake annual reviews of the Modern Awards and employment contracts to ensure our workers' entitlements are being met. We also undertake regular internal and external audits of payroll to ensure our workers are being paid correctly. In addition, WestConnex does not engage in external lending activities.

# Our supply chain

Over \$1.58b in annual managed spend and 140+ direct suppliers

With four assets and two projects scheduled for completion by FY24, WestConnex is in a strong position to make long-term improvements to the way we design, construct, operate and maintain our roads. To do this, we rely on a diverse range of suppliers, from large global multinational construction contractors to small local businesses.

Major project construction, incident response and maintenance, and facilities management for our offices are among services that are outsourced on long-term contracts with critical supply chain partners. Our Tier 1 supply chain profile is heavily weighted towards the purchase of services, rather than direct goods or materials, which then form part of our extended supply chain.

Our top supplier categories for FY20, which constituted over 96% of our total spend were:

- **major project construction services**—design and construction of new or enhanced roads to improve connections within cities and to help people get where they need to be
- **general consulting services**—provision of a variety of corporate management consulting services, which are predominantly desktop based
- **operations and maintenance services**—provision of ongoing works on our road assets to ensure that safety and operating standards are maintained in line with regulations and our concession deed requirements

## Our Procurement team

Procurement at WestConnex is integrated with the wider Procurement team from Transurban, who are charged with wide-ranging responsibilities including category management, strategic sourcing, procurement operations, the Transurban Sustainable Procurement Program and contract management framework, as well as supporting strategic corporate supplier relationships. This team has local personnel based in Sydney, but reports into a central management team based out of Transurban headquarters in Melbourne.

## Sustainable Procurement Program

The Transurban Program was formally established at WestConnex in FY20 and focuses on the economic, social and environmental lifecycle impacts of our supply chain, including human rights issues.

This Program is aligned to the International Guidance Standard on Sustainable Procurement (ISO 20400:2017) and Transurban's sustainability approach, which aligns with the UN SDGs. This Program is managed by the Transurban Sustainable Procurement Manager, which is a role newly created in FY20. Further information on the governance of this program is contained in 'Our approach' on page 11.

# Modern slavery risks

We recognise that we have a responsibility to identify the risk of modern slavery within our operations and supply chain. While we continue to develop and refine the way we identify these risks, we have implemented a consistent set of due diligence processes across WestConnex.

## Risk assessment

Our risk assessment processes align with WestConnex's enterprise risk management framework and the ISO 20400 guidelines. However, we also recognise the need for a broader view when assessing human rights and modern slavery risks, and have considered the continuum of conduct approach outlined in the UN Guiding Principles on Business and Human Rights as suggested by the Guidance for Reporting Entities issued by the Federal Government for the Act. This continuum of conduct approach explains how a company may cause, contribute to, or be directly linked to modern slavery.

We have assessed our direct workforce as being of low risk to modern slavery, and believe our People and Culture policies and practices further mitigate this risk. Accordingly, we consider that our greatest risk of involvement in modern slavery is being directly linked to it through our supplier relationships. Therefore, our Program has focused on our supply chain.

We have put in place various policies and processes (see 'Our approach' section on page 11) to mitigate this risk. This includes a cross-regional operations working group, which seeks to identify risks such as the broader potential for modern slavery to occur within our operations (for example, the risk that human traffickers may use our toll roads as part of their wider operations).

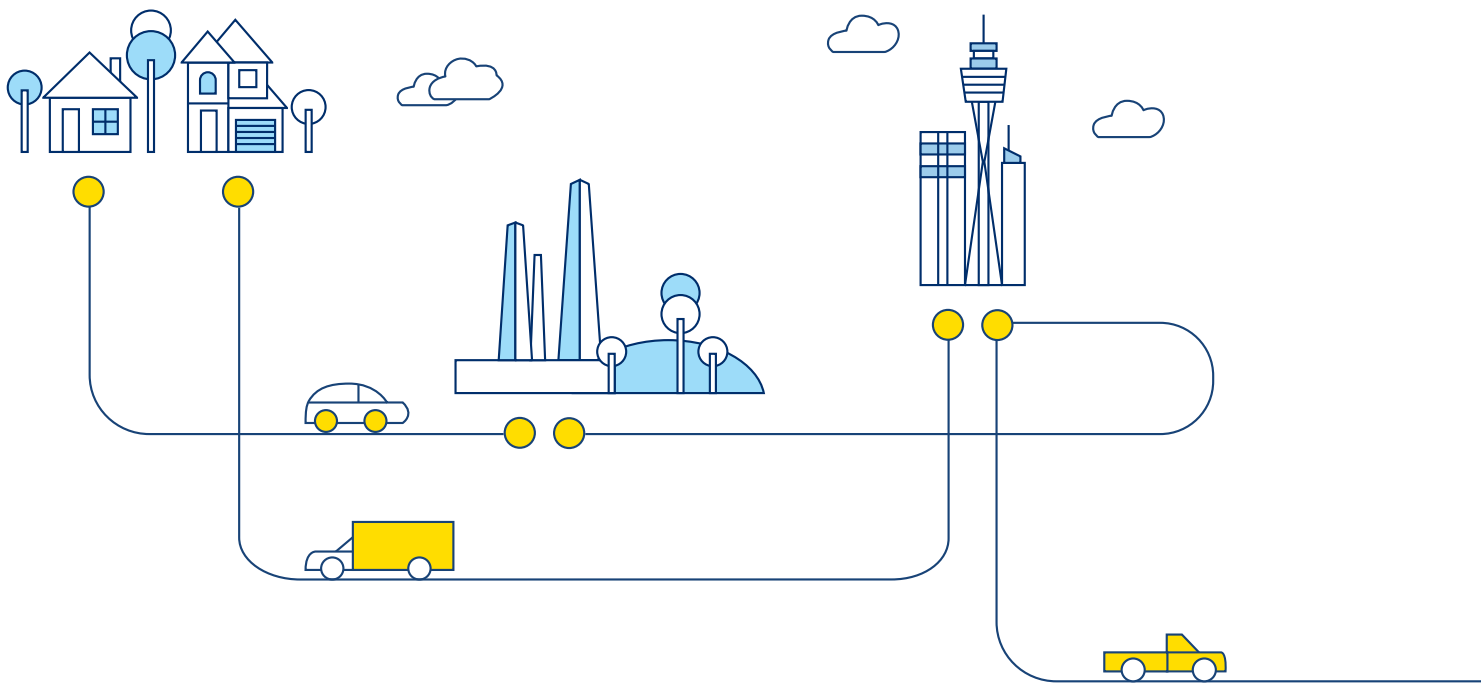
Given the size and complexity of our supply chain, our focus in FY20 has been on direct Tier 1 suppliers. However, we will continue to expand our approach, with the longer-term aim to better identify and act upon risks and opportunities deeper within our supply chain.

In FY20, we further developed our understanding of the risks surrounding modern slavery, including with reference to the information contained within the *Guidance for Reporting Entities* issued by the Federal Government.

We have drawn upon a combination of the following external resources to better explore our potential supply chain risks by looking at key commodities, sectors, industries, geographical areas and specific organisations. These include:

- [Global Slavery Index 2018](#)
- [U.S. Department of Labor's 2018 List of Goods produced by Child Labor or Forced Labor](#)
- [Baptist World Aid Australia 2016 Electronic Industry Trends](#)
- [Responsible Construction Leadership Group Modern Slavery in Construction report](#)
- [Modern Slavery registry](#) (to view certain supplier submissions online)
- Various public articles, including media
- Any relevant information submitted from our independent whistleblower service

Information submitted from suppliers in line with standard response schedules issued by Procurement during sourcing events was also used. This included a review of annual spend against each commodity and supplier to better assess our ability to leverage and influence changes in the market with these categories.



### Identification process

We assess these risks through a series of workshops with participants from across the business. The following indicators were the primary source used to identify and assess actual and potential supplier risk.

## Risk indicators

### Country profile

We recognise that certain countries or sectors have a higher risk of modern slavery practices, but also that no country or industry is completely free of these practices.

The geographical location of a particular commodity can be an important indicator of risk based upon the vulnerability of the population and associated government response. All of our annual spend sits with suppliers whose direct trading site or headquarters is located in either Australia or New Zealand.

### Sector, industry and supplier profile

As part of our risk assessment process, we determined that thirteen categories ranging across areas linked to technology, infrastructure, major project construction and corporate services were of higher risk.

As a result of the risk assessment processes highlighted above, the following categories were prioritised for review during FY20:

- onsite cleaning services
- major project construction materials
- promotional items

These areas lay the groundwork for future expansion of our efforts on other categories as part of our continuous improvement approach.

In FY20, WestConnex did not identify any instances of modern slavery in our operations or supply chains, although we also acknowledge that this does not mean modern slavery was not present.

# Our approach



Governance



Due diligence  
processes



Remediation  
processes



Training and  
capacity building

## Governance

As part of our established Governance protocol, each of the Reporting Entities (as defined in Appendix A) is overseen by the WestConnex Boards with direct responsibility for the relevant Reporting Entity. The Transurban Procurement team is responsible for operational management of the Sustainable Procurement Program. During FY20, the WestConnex Boards and the Transurban Executive Committee (including the CEO of WestConnex) received regular progress updates on the Program.

We have also established an internal working group to support and expand this Program with senior representatives from departments including Procurement, Sustainability, Corporate Affairs, Risk and Legal.

### Policy foundation

Consistent application of policies and procedures across our operations and supply chains is also key in our approach to managing the risks of modern slavery.

Our employee Code of Conduct establishes not only base principles linked to our core values, but also encourages our people to seek continuous improvement and challenge themselves to find better ways of working. Our aim is to create an environment where everyone is treated respectfully and encouraged to fulfil their potential. WestConnex has introduced a 'continuous listening' platform and approach, which enables management to engage more regularly with its staff to better understand what is important to them.

In addition to the Code of Conduct, the following policies and codes set out clear expectations to respect human rights, including in relation to modern slavery:

- [Whistleblower Policy](#)
- [Privacy Policy](#)
- [Sustainability Policy](#)
- Diversity Policy
- Ethical Business Practices Policy
- Supplier Sustainability Code of Practice
- Procurement Policy

We also have a number of other avenues to gather further information and document our decision-making processes, especially with regards to supply chain sourcing decisions (see 'Due Diligence processes' section below).

## Due diligence processes

Our due diligence processes assess and respond to human rights risks, including in relation to modern slavery. With the newly created role of a dedicated Sustainable Procurement Manager, our aim is to bring consistency to our approach when assessing these risks and developing an appropriate response. Our key due diligence activities are listed on the next page.



### Sourcing toolkit and assessment

Sustainable Procurement practices are built into our standard approach for every event where a sourcing lead from the Procurement team is involved. Considerations such as human rights risk, including modern slavery, form part of our business process from inception of our sourcing strategy through to execution of final contracts. For example, the sourcing team will typically become involved with sourcing transactions with a spend over a certain threshold and issue the tenderers with a self-assessment questionnaire, which will include sections covering Sustainable Procurement. The response tabled by the tenderer will form part of the evaluation process, and the sourcing lead can also engage with the Sustainable Procurement Manager to ensure that a consistent approach is followed.

Where a particular commodity or supplier is determined to be high risk, additional assessment and supplier engagement will be carried as an effective way of further understanding our risks and driving positive change through our supply chain (see IVE case study on page 20).

### Contractual clauses

We have updated our standard contractual clauses to be used in new supplier contracts for categories classified as higher risk for modern slavery (as identified through our risk assessment processes outlined on page 9). These clauses clearly set out our expectations for the supplier to use all reasonable endeavours to prevent and respond to modern slavery in its own supply chain and activities. Continued engagement with our suppliers is also acknowledged as being important to learn more about their practices to meaningfully address their modern slavery risks.

### Ethical business practices

We recognise that modern slavery can include a range of exploitative human rights practices, and that it may also be connected to other serious criminal activity such as fraud, bribery and corruption. WestConnex has an Ethical Business Practices Policy which supports its governance and integrity framework. This policy defines the standard required from employees and third parties when working with WestConnex and highlights the processes for prevention, detection and the investigation of reports of fraudulent or corrupt conduct (including those related to modern slavery). The policy and related frameworks are supported and reinforced by formal training and awareness programs across the business and proportionate disciplinary action if breached. All material breaches of this policy are reported to the WestConnex Boards.

In addition, we identified certain areas for potential improvement in our risk assessment and due diligence processes in FY20, including with respect to our approach to supplier diligence and management, as well as the thresholds we apply for analysing spend. We will keep these items under review for future periods in line with our continuous improvement approach.

# Our approach

(Continued)

## Remediation processes

We recognise the importance of remediation, or our contribution towards remediation, in line with the UN Guiding Principles on Business and Human Rights. Key processes to support remediation activity in FY20 include:

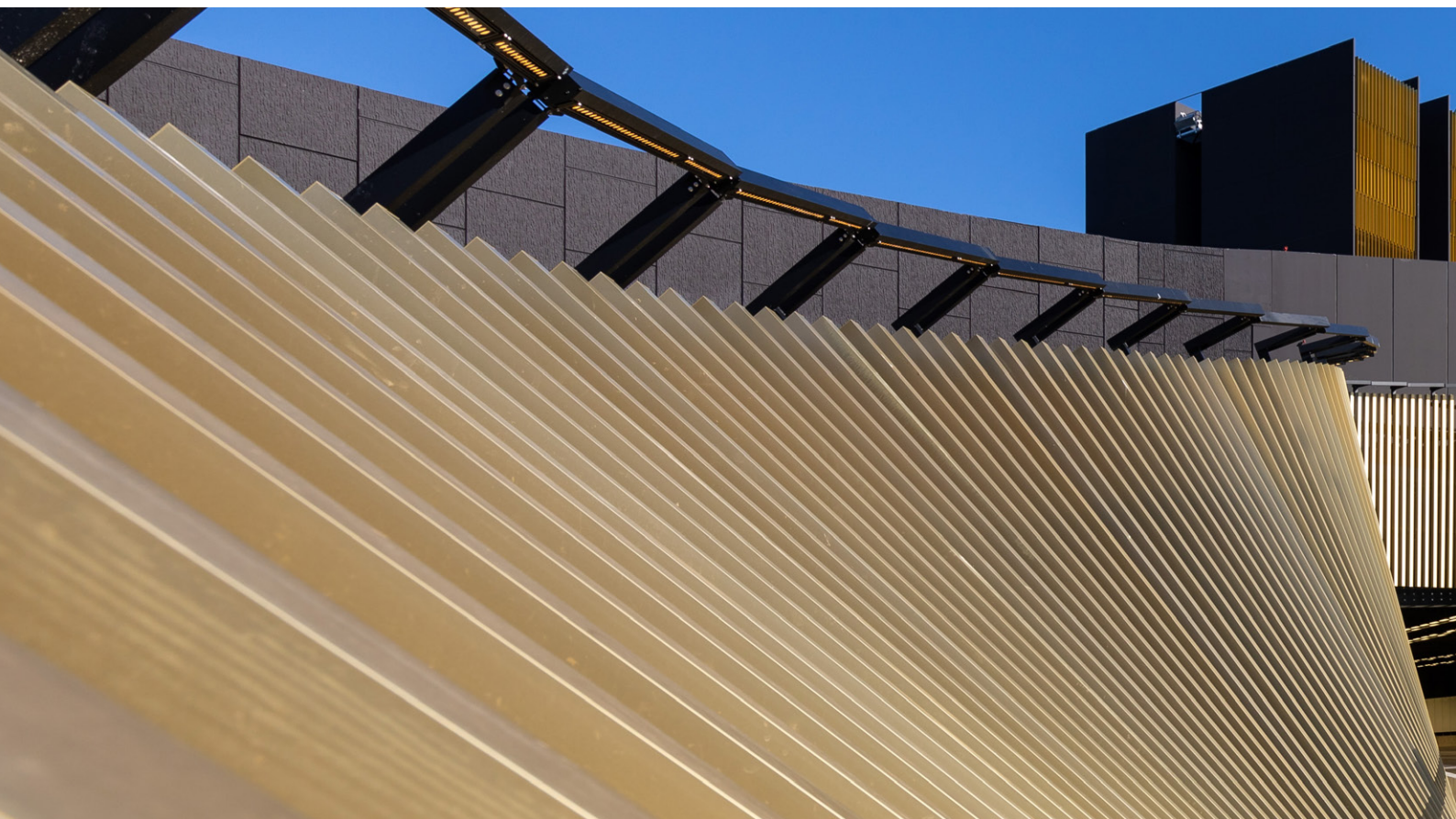
### Independent mechanism for reporting potential issues

Our independent external whistleblowing hotline service was fully transitioned to a new provider in FY20, and is available for anyone to use, including employees, customers and members of our supply chain, to raise issues including those related to fraud, conflicts of interest, bribery, corruption and modern slavery. It can be accessed via email, a toll-free hotline telephone number, online or by web-based access, post or fax.

### Remediation guidelines

During FY20, Transurban developed a set of remediation guidelines which can be implemented at WestConnex in the event that human rights violations are found in the supply chain.

We recognise that these issues can be complex and sensitive to navigate, therefore these guidelines are designed to prioritise the protection and support of identified victims. The guidelines include making sure that we clearly log the issue, allocate responsibility for investigations with appropriate timelines and define protocols for handling business relationships with suppliers in accordance with our contractual rights, up to and including the complete termination of the relationship and referral to the appropriate authorities.



## Training and capacity building

Awareness raising, training and capacity building are important for both our employees and our supplier partners to be better equipped to identify and respond to modern slavery risks. During FY20, all WestConnex employees completed mandatory online training on our Ethical Business Practices and Whistleblower policies. We also recognised that the specific risks surrounding modern slavery were not well understood, and as such deployed further mandatory training to all employees with material procurement responsibilities (including corporate credit card purchases). This additional training covered:

- key risks surrounding modern slavery
- stories from survivors of modern slavery
- information on how modern slavery can be embedded deep within the extended supply chain
- key policies governing our approach to these risks
- signs to watch out for that may indicate the presence of modern slavery
- who to contact for further assistance via a dedicated and monitored internal communication channel (in addition to our independent whistleblower service).

We had a 100% completion rate for all nominated employees, and plan to expand our training and capability development efforts to a wider cross section of our employees in FY21.

Detailed training workshops on modern slavery, and key requirements under the Act, were also held for all Procurement sourcing employees as part of our wider Program.

In addition, the Sustainable Procurement Manager held workshops with key representatives from across our supplier base (and wider industry groups), to build our respective working knowledge and capacity to address modern slavery risks. We believe that a key aspect of any successful approach requires us to work closely with like-minded industry partners to avoid taking a fragmented approach to the market (see multi-stakeholder engagement on page 21).



## Case Study

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# Response to COVID-19

Like most businesses, WestConnex was impacted by the COVID-19 pandemic in FY20. As a long-term operator of critical road infrastructure, WestConnex continued to operate all of its road networks and major projects through the period and in accordance with government-mandated restrictions and implemented new initiatives to manage the safety of employees and contractors who were required for operations. Our focus on flexible working for office-based employees, underpinned by a significant investment in technology, enabled us to rapidly shift to remote working arrangements. A number of our planned modern slavery workshops and working group sessions were converted from face-to-face meetings into online forums using our existing collaboration systems.

WestConnex has also been working closely with our existing suppliers to manage potential supply chain risks with the aim of maintaining our human rights requirements through our Supplier Sustainability Code of Practice and contract clauses. We recognised the significant financial impact to our small business suppliers across both our Australian and North American markets and, from March 2020, we instigated a temporary program to expedite payments to our small business suppliers and reduced our standard payment terms from 30 to 14 days.

During FY20, we had also planned to post details (such as physical posters) of our whistleblower service across all WestConnex offices (it is important to note that these details are still available on WestConnex's intranet and external website). However, due to government mandated restrictions as a result of the COVID-19 pandemic, the majority of our offices were closed for an extended period. This activity is now planned to occur in FY21.

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# Measuring effectiveness

WestConnex regularly assess the effectiveness of our actions to address modern slavery and uses feedback to refine our Program. We seek and receive feedback from both internal and external sources including employees, suppliers, investors, industry groups, external specialist consultants and NGOs.

Some examples of the actions during FY20 include:

## Internal governance and Program management

### Procurement:

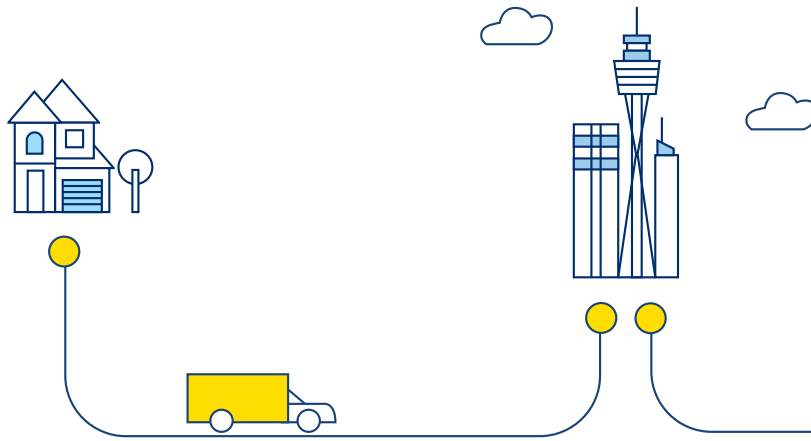
- Created a dedicated role to lead the Program, and to ensure that we achieve tangible and consistent outcomes
- Performance based KPIs to emphasise the importance of delivering against the Program objectives prescribed for Procurement management, as well as each sourcing lead
- Ongoing refinement of our Supplier Sustainability Code of Practice and sourcing toolkit to improve clarity around our expectations on human rights practices across our supply chain
- Established Sustainable Procurement as a dedicated agenda item at all group sourcing team meetings

### Governance:

- Initiated a formal governance structure and established a cross-functional working group for the Program to provide regular engagement and feedback

### Internal audit and monitoring:

- Commenced a regular tracking report of key activities, with formal status updates being distributed to all Transurban Executive Committee members (including the WestConnex CEO) on a regular basis



- Completed a major update on our Program risk-mapping process, to capture the latest information available around human rights practices. Yearly updates are planned
- Ongoing monitoring of our independent whistleblower service
- Initiated a two-phase internal audit process on our Program, and our preparedness to report against the Act. The review was led by the Head of Internal Audit, with additional technical support provided by an external human rights and social impact specialist. Phase one was completed midway through FY20 and the resulting report was presented to the WestConnex Boards. The report identified six findings for FY20 that were reviewed and fully actioned by management

#### Training:

- Rolled out new modern slavery training to employees with material procurement responsibilities—see page 14
- Completed detailed training for all Procurement sourcing personnel

## External collaboration

#### Industry groups and investor rating agencies:

- Responded to the Dow Jones Sustainability Index, Global Real Estate Sustainability Benchmark, and reported in accordance with the Global Reporting Initiative
- Actively participated in numerous industry dialogues and collaboration events, which helped to further develop and refine the overall approach of the Program

#### Suppliers and investors:

- Delivered modern slavery presentations and responded to high level Program queries to the environmental, social and governance (ESG) teams of several major institutional investors, which supported the further development of our approach to risk assessment
- Held workshops with key executive representatives from supplier organisations to raise awareness of the Act and track their progress

We plan to continue to evolve and mature our processes to measure the impact and effectiveness of our efforts, and explore further outcome-focused metrics.



# Measuring effectiveness

(Continued)

## Case study

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# Industry working together to address modern slavery

During FY20, a nation-wide coalition of key roads sector organisations has worked together to drive a consistent and collaborative response to preventing and addressing modern slavery risks within our industry. The Coalition is being led by the Infrastructure Sustainability Council of Australia (ISCA), with membership from the Australian Constructors Association, Downer, Fulton Hogan, John Holland Group, Main Roads WA, McConnell Dowell, Lendlease, Transurban and VicRoads. The Coalition aims to work together to equip members to respond better to the legislation and ultimately minimise the risk of modern slavery occurring in project operations and supply chains. Vanessa Zimmerman, CEO of Pillar Two, a business and human rights advisory firm, has been appointed as the Independent Chair of the Coalition.

“The Coalition is exploring what tools we can create to support organisations to minimise modern slavery risks such as developing common questions to ask suppliers around modern slavery, creating tools for internal and external awareness-raising, and guiding organisations in prioritising their suppliers for assessment and mitigation measures” said ISCA CEO Ainsley Simpson.

“It is the right time for the road infrastructure industry to be proactive as well as look for collaborative solutions. With significant growth in the Australian road infrastructure sector, the recent modern slavery legislation as well as increasing expectations from external stakeholders—including investors, customers and civil society—companies in the road sector need to be able to know and show that they are managing their modern slavery risks” said Independent Chair Vanessa Zimmerman.



## Case study

# Sustainable supply chains



“We are committed to maintaining a sustainable supply chain and aspire to be a positive contributor to our communities, people and the environment. We recognise that our performance depends on our dedicated staff and our supply chain; therefore, we aim to work in partnership and collaboration to deliver value and work towards our vision to create and build solutions for a sustainable future.”

—Cliff Brigstocke CEO, IVE Production and Distribution

As part of our risk-mapping process, our working group identified promotional items as a low value but high risk commodity for human rights issues (including modern slavery). These items typically cover a range of low-cost branded goods that are given away to employees or customers to promote the organisation. Previously, the suppliers for these items had been selected without support from the sourcing team due to the low value of a typical transaction. To better address this risk, we instigated a study to gain a greater understanding of which items are purchased regularly, the internal stakeholder groups that require these items, and which suppliers provided these items. Detailed questionnaires were issued to the market and discussions held to better understand supplier processes and their commitment for improvement against their human rights practices.

As a result, IVE Group was selected as our national supplier in Australia, with internal procedures changed to ensure that IVE would be WestConnex’s preferred supplier for promotional items. IVE is a member of SEDEX (one of the world’s leading ethical trade service providers), and it is ISO9001 and ISO14001 certified. IVE’s suppliers comply with SA 8000 (or equivalent) certification and it conducts regular factory audits (both with internal and external resources). To further build awareness of our partnership, we invited a manager from the IVE Group to present at a WestConnex event (with more than 100 attendees) to share their experiences on addressing modern slavery within their supply chain.

**Case Study**

## Sharing lessons with Mirvac

Learning and sharing information with like-minded industry partners is an important activity for us. During the year, we have worked closely with representatives from the Mirvac property group to learn more about their practices in managing modern slavery risks within their supply chain, especially relating to onsite cleaning services, which we have identified as a high-risk area.

The Procurement and Facilities Management teams from both organisations have held a number of sessions to share experiences and details about our approach. In particular, discussions have centred around key risks surrounding labour and human rights in the supply chain. This experience has been invaluable in helping our team better craft and design our own approach for the provision on onsite facilities management services across our operational sites.

“Working to strengthen human rights in business is not something about which we should get competitive. Mirvac recognises how much we can learn, and how much we can contribute, by sharing openly with other organisations in and beyond our industry to help eradicate exploitation and modern slavery in Australian supply chains” said Sarah Clarke, General Manager Sustainability at Mirvac.

# Multi-stakeholder engagement

WestConnex is committed to playing an important role in contributing to the development of policy and collaboration activities in this field<sup>3</sup>. During FY20 our representatives regularly participated in industry initiatives to share knowledge and learn from each other. We also undertook joint initiatives with industry groups to drive stronger and more coordinated outcomes across the community.

Key initiatives progressed during FY20 include:

- Actively participated in multi-stakeholder sessions to discuss human rights issues, including modern slavery, such as:
  - [UN Global Compact Network Australia’s \(GCNA\) Modern Slavery Community of Practice](#). In FY20, the UN GCNA was also announced as one of five key peak bodies that will permanently sit on the Federal Government’s newly established Modern Slavery Expert Advisory Group
  - [2019 Australian Dialogue on Business and Human Rights](#)
  - Modern Slavery roundtable hosted by State of Flux
  - Modern Slavery consultation and interactive session hosted by the Catholic Archdiocese of Sydney (CAS)
- Actively presented and shared our experiences on our work to address modern slavery at industry events such as the:
  - Modern Slavery Act workshop hosted by the Australian Border Force in Melbourne
  - Modern Slavery Act workshop hosted by the Supply Chain School and the Infrastructure Sustainability Council of Australia (ISCA)
- Engaged with two NGOs (one Australian and one overseas) to gather feedback which supported the development of our remediation guidelines
- Partnered with ISCA to continue the Modern Slavery Road Construction Industry Coalition. Although the construction industry has been impacted by government mandated restrictions in response to the COVID-19 pandemic, the Coalition has continued to meet regularly throughout this period (see ISCA coalition case study on page 19).

<sup>3</sup> All external engagement initiatives are conducted having regard to applicable laws, including the Competition and Consumer Act 2010 (Cth).

# Approval

## Consultation

WestConnex operates as an integrated group of companies with overarching policies, systems and approaches that are designed to be consistently applied across each of the entities comprising WestConnex. The entities comprising WestConnex also have a common Procurement management team.

In preparing this Modern Slavery Statement, WestConnex has communicated with relevant entities across the group to frame expectations, increase awareness, inform our disclosure in this Statement and strengthen our approach to addressing modern slavery risks. This has included seeking input from our ongoing working groups for modern slavery risk management, which include representatives from across a broad range of functions (such as Operations, Sustainability, Corporate Affairs, Risk and Legal).

During FY20, management also presented to the WestConnex Boards on the status of relevant Procurement practices and the preparation of this Statement under the Act.

This Modern Slavery Statement has also been reviewed by executive representatives from WestConnex, prior to being put to the WestConnex Boards for review and final approval.

This joint Modern Slavery Statement was approved by each of the Board of Directors of WCX AHT Pty Ltd ACN 625 890 708 and WCX PHT Pty Ltd ACN 625 890 744 (together “WestConnex Boards” as the ‘higher entity’ for the reporting entities in WestConnex within the meaning of the Act):

11 December 2020

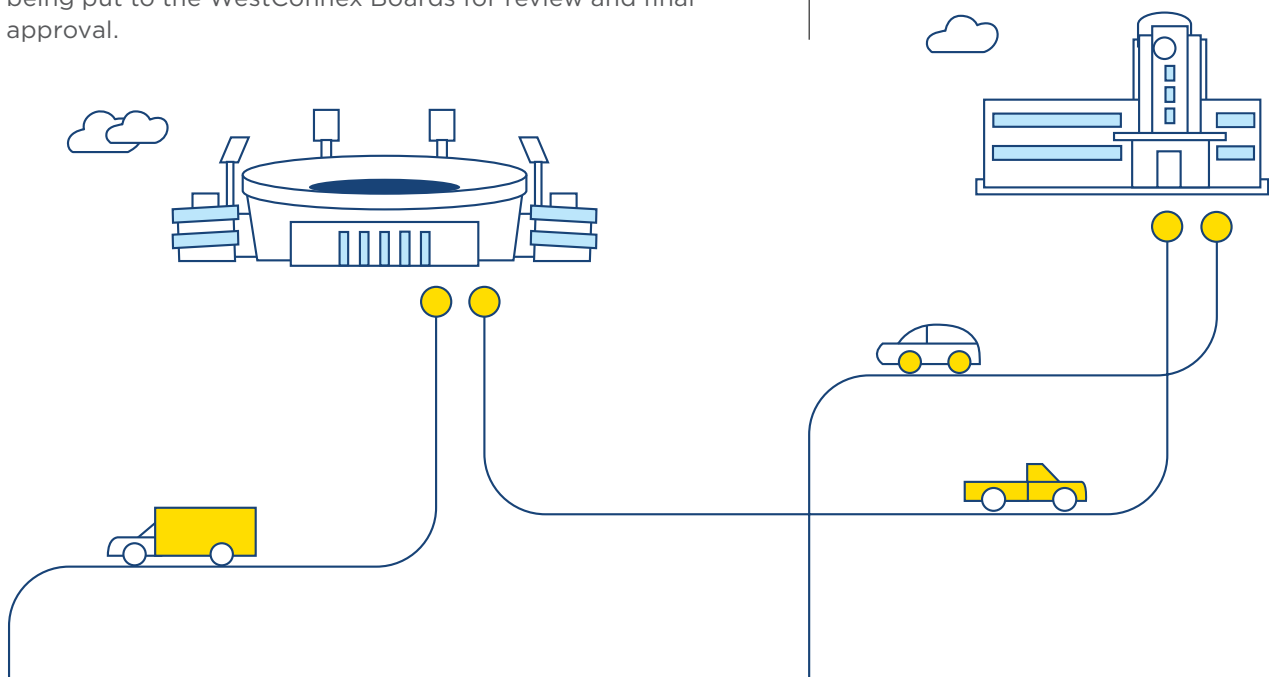


R A Finlay  
*Chair, WestConnex*



Andrew Head  
*Chief Executive Officer, WestConnex*

As representatives of the  
WestConnex Boards



# Appendix A

## Reporting entities

This Modern Slavery Statement has been prepared as a joint statement on behalf of the following reporting entities:

- WCX AHT Pty Ltd ACN 625 890 708
- WCX AT Pty Ltd ACN 625 890 753
- WCX PHT Pty Ltd ACN 625 890 744
- WCX PT Pty Ltd ACN 625 890 799 (collectively the “WestConnex Group”)
- WCX M4 PHT Pty Ltd ACN 614 741 374
- WCX M4 PMT Pty Ltd ACN 626 329 342
- WCX M4 PT Pty Ltd ACN 614 741 436
- WCX M4-M5 Link AHT Pty Limited ACN 624 153 751
- WCX M4-M5 Link AMT Pty Ltd ACN 626 329 333
- WCX M4-M5 Link AT Pty Ltd ACN 624 153 742
- WCX M4-M5 Link PHT Pty Limited ACN 624 153 779
- WCX M4-M5 Link PMT Pty Ltd ACN 626 329 566
- WCX M4-M5 Link PT Pty Limited ACN 624 153 788
- WCX M5 AHT Pty Ltd ACN 608 763 524
- WCX M5 AMT Pty Ltd ACN 626 329 253
- WCX M5 AT Pty Ltd ACN 608 798 081
- WCX M5 PHT Pty Ltd ACN 608 763 088
- WCX M5 PMT Pty Ltd ACN 626 329 477
- WCX M5 PT Pty Ltd ACN 608 798 465

(together, referred to as ‘WestConnex’)

## Sydney Transport Partners and the Transurban Group

In September 2018, Sydney Transport Partners, an Australian-led consortium made up of Transurban, Canadian Pension Plan Investment Board, Tawreed and Australian Super, reached financial close in a 51% stake of the WestConnex Group. The remaining 49% continues to be held by the NSW State Government through Roads Retained Interest Pty Ltd.

References to ‘Transurban’ in this statement collectively refers to the Transurban Group.

Further details on WestConnex roads and projects managed by the reporting entities outlined above, together with all Transurban Group roads and projects, are covered in the [Transurban FY20 Corporate Report](#).

# Appendix B

The table below outlines how this Statement aligns to the mandatory reporting criterion under the Act:

Mandatory Reporting Criterion	Reference in this Statement
Identify the reporting entity	<ul style="list-style-type: none"> <li>• WestConnex Reporting Entities under the Act—see page iii</li> <li>• Appendix A—see page 23</li> </ul>
Describe the reporting entity’s structure, operations and supply chains	<ul style="list-style-type: none"> <li>• About WestConnex—see page 3</li> <li>• Our structure and operations—see pages 5-7</li> <li>• Our supply chain—see page 8</li> </ul>
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	<ul style="list-style-type: none"> <li>• Modern slavery risks—see page 9, 10</li> </ul>
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	<ul style="list-style-type: none"> <li>• Our approach—see page 11-14</li> <li>• Multi-stakeholder engagement—see page 21</li> <li>• Measuring effectiveness—see page 17, 18</li> </ul>
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	<ul style="list-style-type: none"> <li>• Measuring effectiveness—see page 17, 18</li> </ul>
Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement, the entity giving the statement	<ul style="list-style-type: none"> <li>• Consultation—see page 22</li> <li>• Approval—see page 22</li> </ul>
Include any other information that the reporting entity, or the entity giving the statement, considers relevant	<ul style="list-style-type: none"> <li>• Our broader sustainability efforts—see page iii</li> <li>• Multi-stakeholder engagement—see page 21</li> </ul>



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