

Modern Slavery Statement 2021

(1 July 2020 – 30 June 2021)



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Modern Slavery Statement

About us

ALTRAC Light Rail Partnership (**ALTRAC**) was established in 2014 to deliver the Sydney Light Rail project (**SLR**). The SLR project is a public-private partnership (**PPP**) procured by Transport for New South Wales (**TfNSW**) and is deemed State Significant Infrastructure.

The SLR comprises:

- the operation and maintenance of the new light rail system to service the Sydney CBD and South-East Sydney, known as the CSELR; and
- the operation and maintenance of the Inner West Light Rail (**IWLR**).

ALTRAC will operate and maintain the SLR until 2036.

The design, construction, manufacture, testing and commissioning of the CSELR achieved completion on 3 July 2020. The CSELR runs from Circular Quay to Central Station via George Street, and from Central Station on to Kingsford and Randwick via Surry Hills and Moore Park. It comprises 12 kilometres of railway, Light Rail Vehicles (**LRVs**), CSELR Stops, terminus facilities, interchanges and facilities for the maintenance and stabling of the LRVs. The CSELR became operational in December 2019.

The LRVs on the CSELR feature energy efficient permanent magnet motors, LED lights, sensor-based air-conditioning and are able to capture and recover 99 per cent of energy used from braking. At the end of their life the LRVs are 98 per cent recyclable. Vehicles run in coupled sets carrying up to 462 passengers.

The IWLR is a 13-kilometre line from Central Station to Dulwich Hill and it has been operational since 1997. ALTRAC took over the operation and maintenance of the IWLR in 2014. The CSELR connects with the IWLR at Central Station and has capacity of 207 passengers in a single vehicle.

The SLR is a vital component of Sydney's public transport system, helping to ease traffic congestion, improve sustainability outcomes by reducing vehicle emissions, creating jobs and supporting economic activity.

The CSELR was successfully refinanced at the start of July 2021 with a 12-year Green Loan with Climate Bond Initiative certification. The CSELR meets the Climate Bonds Standard low carbon transportation criteria and will help to avoid greenhouse gas emissions from alternative modes of transport, demonstrating ALTRAC's commitment to sustainability.

Overview

Modern slavery is a term which describes a range of extreme labour rights abuses and exploitive conduct. It includes the exercise of ownership over a person, forcing a person to work through coercion, threats or deception, menacing (threatening, frightening, intimidating) a person working under an arrangement with a financial debt or penalty, deceptive recruitment practices, forced marriage, child labour and human trafficking. It is often hidden and difficult to detect.

The United Nations and Walk Free Foundation estimate there are approximately 40 million victims of modern slavery around the world and that 17 million of these victims are exploited in the private economy.

ALTRAC believes that we all have a role to play in addressing the risks of modern slavery and prohibiting practices that are known to contribute to the risk of modern slavery.

ALTRAC is committed to fostering a culture that respects internationally recognised human rights. ALTRAC acknowledges the United Nations Universal Declaration of Human Rights.

ALTRAC is committed to robust corporate governance policies and practices that are fundamental to the success and prosperity of ALTRAC and the SLR and ensuring that ALTRAC conducts its business with integrity and in a manner that honours the dignity of human rights.



Mandatory Criteria 1 and 2 – Reporting entity, structure, operations and supply chains

Reporting entity

This Modern Slavery Statement (**Statement**) covers ALTRAC. This is ALTRAC's second statement and is made in compliance with the Modern Slavery Act 2018 (Cth) (**Modern Slavery Act**).

This Statement is made for the financial year ended 30 June 2021.

This Statement has been reviewed and approved by the Partnership Committee of ALTRAC, being ALTRAC's principal governing body.

Structure and operations

ALTRAC is comprised of three equity investors, Acciona Concesiones S.A., Aware Super Pty Ltd as trustee for Aware Super (**Aware Super**) and John Laing PLC. In addition to the equity investments, ALTRAC funds its operations through an on-loan from ASTRA SLR Finance Pty Limited, who is the borrowing entity of a senior debt from seven Australian and international lenders (the **Financiers**) who support the SLR.

ALTRAC, together with its subcontractors Transdev Sydney Pty Ltd (**Transdev**), Alstom Transport Australia Pty Limited (**Alstom**) and ACCIONA Infrastructure Australia Pty Ltd (**Acciona**), formed a consortium to deliver the SLR project. As such, ALTRAC is a special purpose vehicle for the delivery of the SLR project. This is reflected in its corporate and contractual structure, described below.

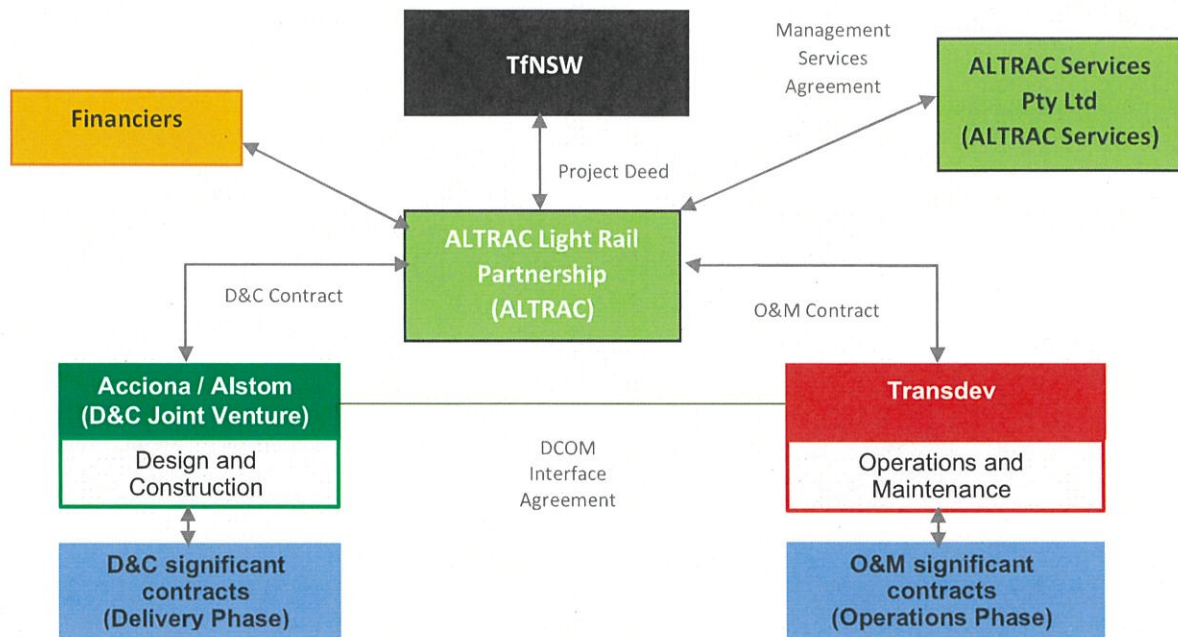
The design and construction of the CSELR was undertaken by a design and construction joint venture consisting of Acciona and Alstom (**D&C Contractor**). Now that the CSELR is fully operational and the construction of the CSELR achieved completion on 3 July 2020, the D&C Contractor's role is limited to rectification of defects.

The operation and maintenance of the CSELR and the IWLR is being undertaken by Transdev (**O&M Contractor**). Transdev subcontracts with the following operation and maintenance specialists to assist it to operate and maintain the CSELR and IWLR networks:

- Alstom for systems and rolling stock maintenance (**Alstom Maintenance**);
- Transdev Maintenance Services Pty Ltd (**TDMS**) for civil asset maintenance; and
- ICS Service Solutions (**ICS**) for stop and LRV cleaning.

Other stakeholders in the SLR project are the Financiers, third parties such as the City of Sydney, Centennial Park Moore Park Trust, Randwick City Council, University of NSW, Australian Turf Club, Airport Motorway Limited and the Sydney Harbour Foreshore Authority, Utility Providers such as Sydney Water Corporation and Ausgrid, and the Department of Planning and RMS (now part of TfNSW).

The corporate and contractual structure of the SLR project is set out below.



Given ALTRAC’s status as a special purpose vehicle for the delivery of the SLR Project, ALTRAC, through ALTRAC Services Pty Ltd (**ALTRAC Services**)¹, employs only a small number of employees. As at the date of this Statement, ALTRAC employs 12 employees in total. Most of ALTRAC’s employees are employed directly through ALTRAC Services, under ongoing permanent employment or mid to short-term fixed contracts (i.e. payroll employees). A few are employed under short-term consulting contracts or secondment arrangements (i.e. external contractors). ALTRAC provides all its employees with access to a complimentary employee assistance programme which provides, amongst other things, confidential support and counselling.

Supply chain

At the peak of the construction of the CSELR, by virtue of ALTRAC’s contractual structure, ALTRAC’s supply chain was extensive across the construction, engineering, manufacturing and labour hire sectors. As a result of the construction of the CSELR having achieved completion and now being in a fully operational phase within the transportation sector, the exposure to any potential risks associated with modern slavery have reduced.

ALTRAC’s D&C Contractor and O&M Contractor are Australian entities with robust corporate governance. However, their subcontractors and suppliers comprise both Australian and overseas entities (for example from the United Kingdom, France and Spain), who source goods and products from overseas countries, such as China, that present a higher risk of modern slavery, according to the Global Modern Slavery Index.

¹ ALTRAC engages ALTRAC Services under a Management Services Agreement to employ all staff to perform the functions and day-to-day operational activities of ALTRAC.

Mandatory Criterion 3 – Risks in operations and supply chains

Recognising that ALTRAC operates in the construction, engineering, manufacturing, transportation and labour hire sectors in the delivery of the SLR project, ALTRAC acknowledges the risk of modern slavery within its supply chain.

Risk factors can vary significantly within these sectors and industries, and between regions and countries. ALTRAC has identified the following risk factors:

- known countries or regions with high levels of modern slavery;
- known goods / services using labour exploitation;
- goods / services associated with vulnerable workers;
- goods / services associated with labour types at risk of labour exploitation;
- suppliers who do not have documented procurement policies and procedures;
- suppliers with poor management policies and practices; and
- suppliers with evidence of previous incidents or investigation / concerns.

Mandatory Criterion 4 – Addressing risks in operations and supply chains

There are a number of measures that ALTRAC has in place to address and mitigate the risks of modern slavery.

Policies and governance

Policies

ALTRAC has in place policies and procedures, including those identified on page 7 of this Statement which, together, constitute a framework for addressing modern slavery (collectively ALTRAC's **Modern Slavery Framework**). The Modern Slavery Framework was updated and reviewed in the last reporting period.

ALTRAC's Modern Slavery Framework is aimed at preventing, detecting and responding to incidents or potential incidents of modern slavery and human rights abuses in ALTRAC's supply chain.

The policies and guides that comprise the Modern Slavery Framework apply to all workplace participants at ALTRAC, including all directors, partner's representatives, employees, contractors, consultants and any individuals or groups (including suppliers) undertaking activity for, or on behalf of, ALTRAC.

ALTRAC reserves the right to terminate its commercial relationship/s with business partners or suppliers if they breach the Modern Slavery Policy or do not comply with the ALTRAC Supplier Code of Conduct.

Policy / Procedure	Purpose
Code of Conduct	Explains the standards ALTRAC expects of all its employees in the conduct of ALTRAC's operations. The Code of Conduct supports ALTRAC's core values of Respect, Integrity, Teamwork, Commitment, Innovation and Leadership (Core Values).
Employee Conduct Guideline	Supports the Code of Conduct by explaining in more detail the standards and expectations of all employees each day and covers bribery and corruption, conflicts of interest and money laundering.
Modern Slavery Policy	<ul style="list-style-type: none"> • Affirms ALTRAC's commitment to fostering a culture that respects internationally recognised human rights, including by addressing critical risks associated with modern slavery. • Sets out a framework for ALTRAC to prevent, mitigate and, where appropriate, remedy the impacts of modern slavery in ALTRAC's operations and supply chains.
Modern Slavery Guide	<ul style="list-style-type: none"> • Facilitates greater awareness and understanding of modern slavery risk by: <ul style="list-style-type: none"> ○ explaining in more detail what is modern slavery; ○ identifying the risks in ALTRAC's supply chain; and ○ describing actions that can be taken to tackle modern slavery risks. • Provides practical first steps that ALTRAC employees can take to support ALTRAC in mitigating the risks of modern slavery.
Supplier Code of Conduct (Supplier Code)	Sets out ALTRAC's expectations and seeks to apply ALTRAC's Core Values in partnership with ALTRAC's third party suppliers, consultants and contractors. For example, ALTRAC's suppliers are, at a minimum, obliged to comply with the laws and regulations of the country/s in which they operate including in relation to labour practices and modern slavery.

Governance

The highest levels of ALTRAC's leadership and management are involved in and responsible for the Modern Slavery Framework.

ALTRAC Partnership Committee

The ALTRAC Partnership Committee is responsible for overseeing ALTRAC's modern slavery commitments and its processes and procedures for implementing the commitments, and its reporting obligations. It is also responsible for the review of the Modern Slavery Policy and the Modern Slavery Guide.

ALTRAC's CEO

ALTRAC CEO's has the day-to-day responsibility for:

- developing, implementing and updating the Modern Slavery Policy and the Modern Slavery Guide;
- monitoring compliance with the Modern Slavery Policy and ALTRAC's Modern Slavery Framework;
- ensuring that an appropriate communication and training strategy for the Modern Slavery Framework is implemented and reviewed to assess effectiveness;
- conducting due diligence in compliance with the *Supplier Code*;
- receiving notification of issues or concerns relating to modern slavery and investigating and addressing modern slavery risks; and
- assisting in the discharging of ALTRAC's reporting obligations (including by preparing or providing information relevant to reports).

ALTRAC recognises, however, that everyone has a role to play in mitigating the risks of modern slavery, including ALTRAC's employees.

ALTRAC's employees

ALTRAC's employees are obliged to:

- be aware of, and comply with, the policies and guidelines which comprise the Modern Slavery Framework;
- identify, assess and address risks of modern slavery in accordance with the Modern Slavery Framework;
- provide any information required by ALTRAC for the purpose of any reporting obligations; and
- report issues or concerns relating to modern slavery in accordance with the Modern Slavery Policy.

Supplier due diligence

ALTRAC engages with its suppliers and business partners to identify, assess, and address risks of modern slavery. All suppliers are required to be endorsed by ALTRAC, which includes an assessment of risks associated with modern slavery and are required to comply with ALTRAC's Supplier Code of Conduct. ALTRAC follows up and conducts due diligence on modern slavery risks that ALTRAC becomes aware of in its supply chain from time to time.

ALTRAC also mandates, by inclusion in its contract provisions, compliance with all applicable laws and with the NSW Code² and the NSW Guidelines³, and that equivalent provisions are contained in any subcontracts within the supply chain of ALTRAC's contractors. These contractual provisions demand compliance with the law, without exception, and best practice in relation to workplace health and safety, workplace practices, industrial relations and supply chain management.

If ALTRAC becomes aware of possible instances of modern slavery in its operations (for example, in its supply chain), ALTRAC will act immediately. This involves identifying with the relevant entity, allegations or possible instances of modern slavery and requesting pertinent information from that entity to enable ALTRAC to consider and assess the information and escalate the matter to relevant stakeholders and / or authorities, if required. The information ALTRAC would seek includes:

- confirmation that the relevant entity contained in its subcontracts with suppliers' obligations requiring compliance with all applicable laws, in particular, in relation to modern slavery legislation, workplace health and safety and workplace practices and;
- the action/s (if any) that the relevant entity has taken to ensure that it and entities in its supply chain comply with all applicable laws, in particular, in relation to modern slavery legislation, workplace health and safety and workplace practices, including what processes the relevant entity has in place or implemented to ensure that any goods supplied by entities in its supply chain are not impacted or compromised by allegations concerning labour practices in its supply chain; and
- to the extent of any possible non-compliance by the relevant entity with applicable laws, in particular, in relation to modern slavery legislation, workplace health and safety and workplace practices, what remedial action/s (if any) the relevant entity has taken in respect of the possible non-compliance, including when it became aware of the possible non-compliance and when it took the remedial action.

² The NSW Code of Practice for Procurement issued on 18 January 2005, which outlines how the NSW Government will conduct its procurement activities when interacting with the private sector, and with which the private sector must comply.

³ The NSW Building and Construction Guidelines, which have been in force since 1 July 2013 and apply to building and construction companies that bid or tender for NSW Government infrastructure work, to support compliance with the law, productivity, safety and freedom of association (amongst other things).

Stakeholders

ALTRAC's key stakeholders are the Financiers, the equity investors, its client (TfNSW) and its contractors. ALTRAC's stakeholders hold themselves to a very high standard of ethical conduct, legal compliance and best practice. As such, ALTRAC's stakeholders provide a check and balance on ALTRAC's compliance with modern slavery legislation and labour practices in its operations. For example, if ALTRAC's stakeholders become aware of a possible instance or allegation of modern slavery in its operations through its supply chain, they will seek information and / or advice from ALTRAC in connection with that allegation. In these circumstances, ALTRAC would act immediately and follow the process outlined above to address the concerns raised by the stakeholders.

Mandatory Criterion 5 – Effectiveness of actions taken

ALTRAC acknowledges the importance of assessing the effectiveness of its actions to manage and mitigate risk of modern slavery in its operations and supply chains.

ALTRAC is committed to ensuring that the measures it has in place to manage and mitigate the risk of modern slavery are effective, and to improving those measures if required to ensure they continue to be effective.

To do this, over the next reporting period ALTRAC will continue to focus on the following three actions:

- **Workshop / Ongoing training** - engage with all ALTRAC employees to review and assess the effectiveness of ALTRAC's Modern Slavery Framework and its application in ALTRAC's day to day operations.
- **Review of suppliers** – as ALTRAC shifts to operating in predominantly the transportation sector (from construction) review of our supply chain to identify new or different suppliers who could be considered higher risk and proactively engage with those suppliers to conduct focused due diligence.
- **Continual review of the Modern Slavery Framework** – having regard to the workshop and engagement with ALTRAC employees and the review of ALTRAC's supply chain, consider whether any other measures, policies, guides, minimum standards or key performance indicators should be implemented to improve or supplement ALTRAC's Modern Slavery Framework.

Mandatory Criterion 6 – Consultation with entities ALTRAC owns or controls

ALTRAC does not own or control any other entities and therefore this criterion is not applicable.

Approval

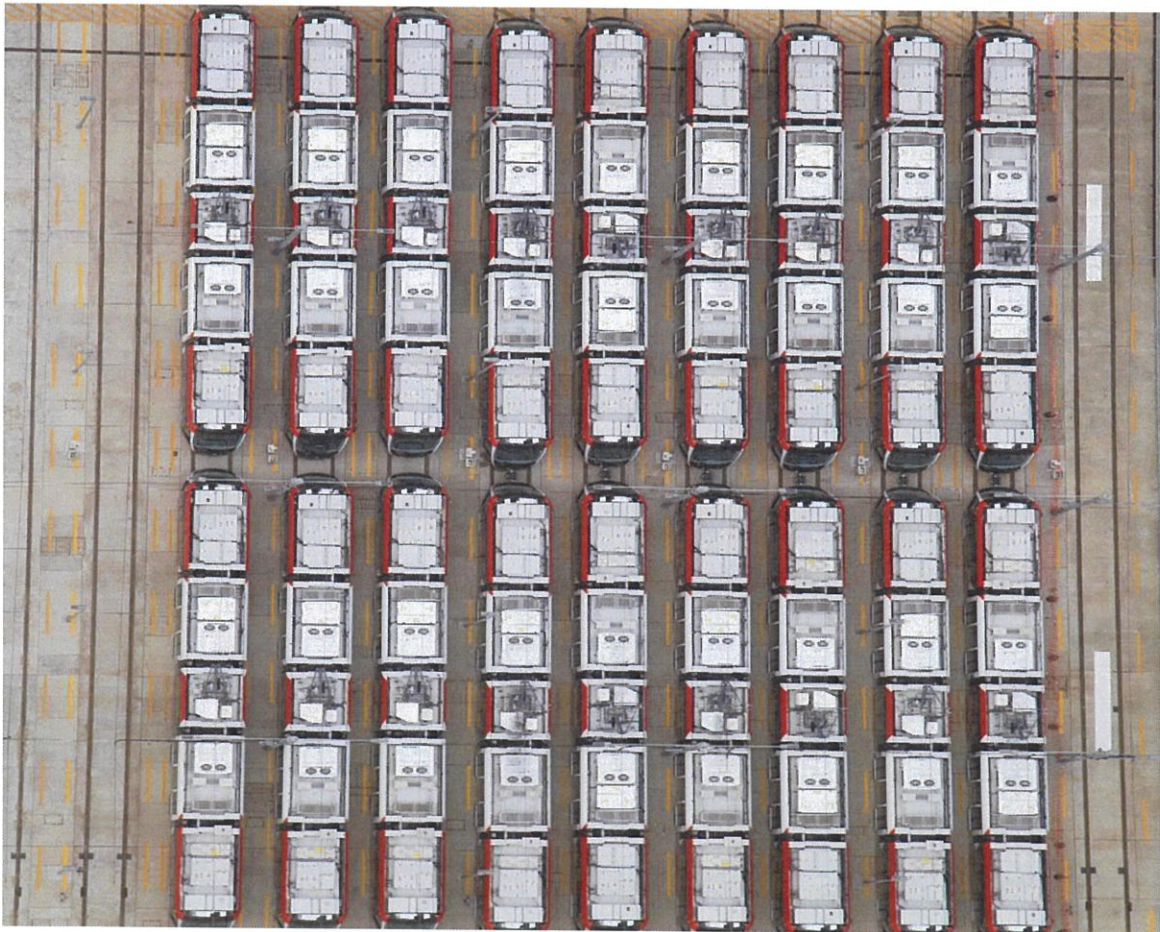
This Statement is made in accordance with the requirements of the *Modern Slavery Act 2018* (Cth) and constitutes ALTRAC's Modern Slavery Statement in respect of the period from 1 July 2020 to 30 June 2021.

This statement was approved by the ALTRAC Partnership Committee in its role as principal governing body of ALTRAC on 16 December 2021 and is signed by Penny Graham in her role as the Chair of the ALTRAC Partnership Committee.

This Statement was also made available to the Board of ALTRAC Services Pty Limited.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Penny Graham
Chair of the ALTRAC Partnership Committee



Annexure: Modern Slavery Act Reporting Requirement

The table below outlines the mandatory criteria of the Act that apply to ALTRAC and corresponding sections of this Statement.

Modern Slavery Act Requirement	Reference in this Statement	Page No.
Section 16(1)(a) Identify the reporting entity	Mandatory Criteria 1 and 2 – Reporting entity, structure, operations and supply chains	3
Section 16(1)(b) Describe the structure, operations and supply chains of the reporting entity	Mandatory Criteria 1 and 2 – Reporting entity, structure, operations and supply chains	3
Section 16(1)(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Mandatory Criterion 3 – Risks in operations and supply chains	6
Section 16(1)(d) Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Mandatory Criterion 4 – Addressing risks in operations and supply chains	6
Section 16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	Mandatory Criterion 5 – Effectiveness of actions taken	10
Section 16(1)(f) Describe the process of consultation with any entities the reporting entity owns or controls	Mandatory Criterion 6: Consultation	10