

Modern Slavery Statement

FY 2022



1. INTRODUCTION

We would like to acknowledge the Kurna people as the custodians of the greater Adelaide region and that their cultural and heritage beliefs are still as important to the living Kurna people today. We pay our respects to Elders past and present.

This statement is made in accordance with the *Modern Slavery Act 2018* (Cth) (the **Act**) jointly on behalf of Celsus Holding Pty Ltd (as trustee of the Celsus Holding Trust) (**Celsus Holding**) and its wholly owned subsidiary, Celsus Pty Ltd (as trustee of the Celsus Trust) (**Celsus**), which are collectively referred to as the **Group** for the purpose of this statement.

The Act defines modern slavery to include slavery, human trafficking, child labour and forced labour. The Group does not tolerate any form of modern slavery. This is the Group's third modern slavery statement and demonstrates a continued commitment towards achieving the highest standards of modern ethics. This statement further refines the Group's approach to managing risks associated with modern slavery and provides an honest account of recent progress. The Group's focus during the FY2022 reporting period was to explore the modern slavery impacts of the digital transformation which occurred in response to the changed working environment brought on by Covid-19.

The Group's structure, operations and supply chains remain materially unchanged from previous modern slavery statements. To satisfy mandatory reporting criteria, information which has not changed has been restated in this statement.

2. OVERVIEW OF CELSUS GROUP

The business undertaken by the Group is in respect of the **Project**, being the design, financing, construction commissioning, operation and maintenance of the Royal Adelaide Hospital. The Hospital opened in 2017 and is managed by Celsus as the Group operating entity under a Public Private Partnership (PPP) framework with the South Australian Government. Celsus will manage and maintain the world-leading Hospital under a 30-year contract until 2046. We operate wholly within Australia.

The Group is made up of companies and trusts, being the Project Holding Entities and the entities wholly owned by either or both of the Project Holding Entities.

The Project Holdings Entities are:

- Celsus Holding Pty Ltd, and
- Celsus Holding Trust.

The entities wholly owned by either or both of the Project Holding Entities are:

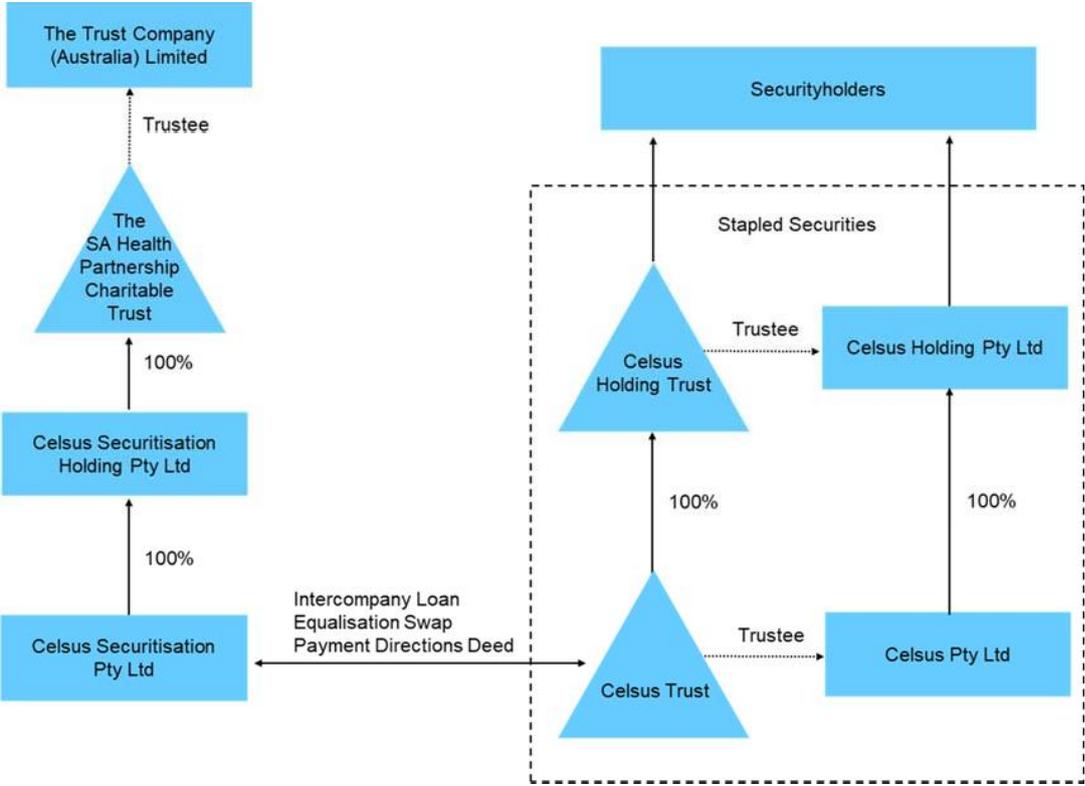
- Celsus Pty Ltd, and
- Celsus Trust.

Other entities which are not part of the Group and which do not meet the threshold for reporting, but which are Project entities are:

- the Borrower, being Celsus Securitisation Pty Ltd, and
- the Borrower HoldCo, being Celsus Securitisation Holding Pty Ltd.

Celsus Securitisation Pty Ltd is the Borrower under the Project Documents and does not have any employees nor does it carry on any business. Celsus Securitisation Pty Ltd is wholly owned by Celsus Securitisation Holding Pty Ltd, who in turn does not have any employees nor does it carry on business.

Below is a diagram of the Group members and their relationship to one another.



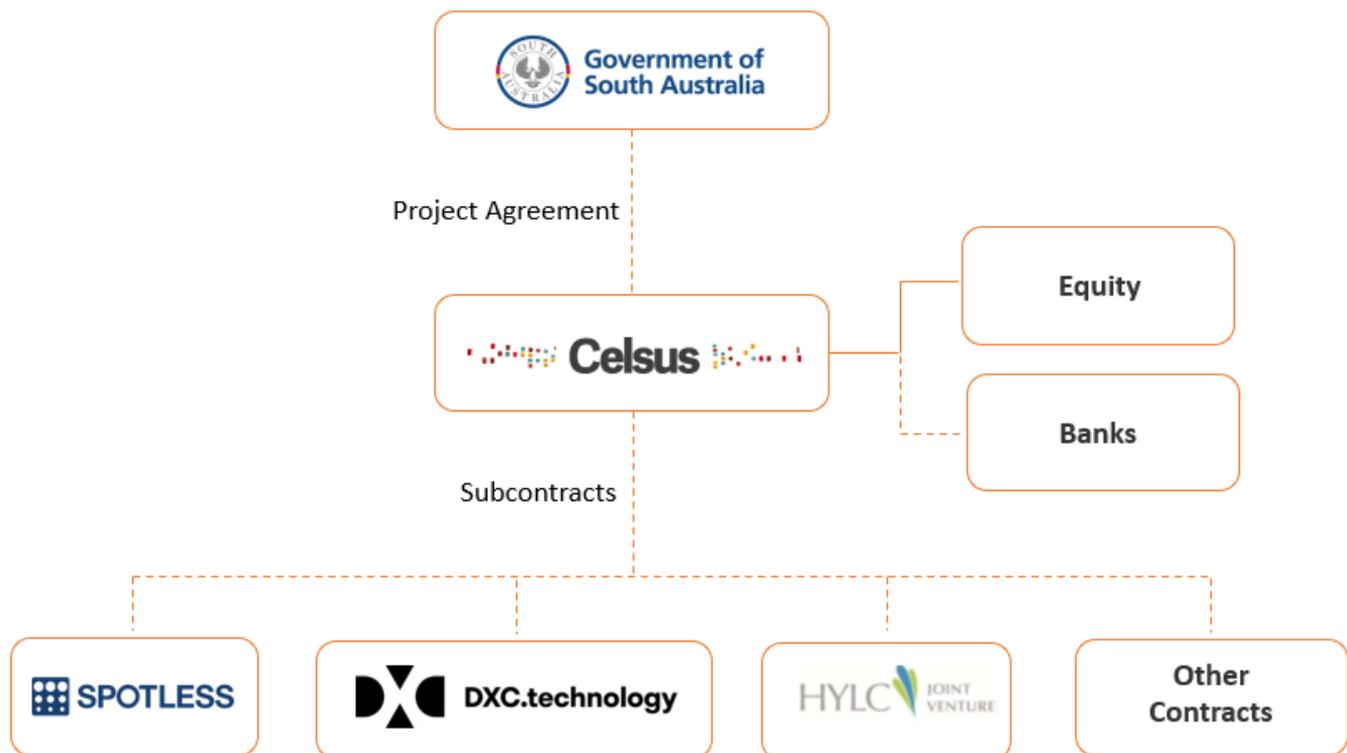
3. BUSINESS ACTIVITIES

The Project

The agreed business activities of the Group are defined by reference to the **Project Agreement** entered into by Celsus and the South Australian Government and the downstream agreements Celsus has entered into with its subcontractors, together referred to as the **Project Documents**.

Celsus has subcontracted the delivery of the Services to a Facilities Management (FM) Subcontractor and an ICT Services Subcontractor. The diagram below shows this structure. The agreements entered into with these Subcontractors include expectations of best industry practice and the prevention of forced labour and human trafficking, in addition to compliance with all laws. The main supply of goods and services to the Group is by the Subcontractors pursuant to these Project Documents.

From time to time Celsus engages a variety of consultants. In these circumstances, the engagement includes an ongoing obligation that they comply with all applicable laws, including modern slavery legislation.



Over the past reporting period Celsus has requested and received confirmation from its Subcontractors and consultants that their entity complies with the *Modern Slavery Act 2018* (Cth) and that they will cooperate with the Celsus Group to take steps to prevent modern slavery in our business and supply chains. Celsus’ approach to managing modern slavery and human trafficking is based on a risk assessment of Celsus’ key Subcontractors and suppliers. During the reporting period, the majority of supplier spend was associated with the Subcontracts with Spotless and DXC Technology.

Celsus employees

Celsus employs a small number of employees (10 as at the date of this statement) who manage daily operations and performance of Celsus’ Subcontractors. All Celsus employees undergo an induction which requires confirmation that they have read and understood various policies. All employees are made aware of any policy changes and provide an annual confirmation that they have read and understand the new or revised policies. Policies which protect the rights of Celsus personnel and assist in the prevention of modern slavery within Celsus’ operations include the Anti-Bribery and Corruption Policy, Anti-Discrimination and Equal Employment Opportunity Policy, Environmental, Social and Governance Policy, Modern Slavery Policy, Whistleblower Policy, Grievance Policy and the Code of Conduct. Celsus employees participate in internal presentations throughout the year which offer updates on relevant modern slavery and human rights issues, changes to procedures and progress on Celsus’ annual modern slavery statement. In addition, Celsus’ Directors and employees participated in high intensity indigenous cultural competency training.

4. RISKS AND ACTIONS

Risks

Celsus identifies, manages, and mitigates risk via a key risk matrix. During the reporting period, risks relating to modern slavery practices were assessed, updated, and actively monitored. Given the nature of Celsus’ business, recruitment and administrative day-to-day operations is a low-risk area. Celsus hires a small number of suitably

qualified personnel for key roles through highly regarded recruitment agencies. Their expertise and the induction processes in place reduce the risk of modern slavery incidences. These risks are further mitigated by ongoing training.

The material risks of modern slavery within Celsus' operations relate to services provided by its Subcontractors, notably the delivery of the FM Services by Spotless and ICT Services by DXC Technology. Both Spotless (which is part of the Downer group) and DXC Technology are large entities who report under the Act. Consistent with previous years, risks predominantly relate to the procurement of materials and supply of labour to enable the delivery of the FM Services and ICT Services. Celsus is aware of known issues within the healthcare sector in relation to risks of modern slavery, such as the sourcing of rubber gloves (personal protective equipment) from Malaysian suppliers. Although this is not relevant to Celsus' business, Celsus has engaged with its Subcontractors to monitor their behaviour and request information regarding their supply chains.

Given Celsus' operations are based at the Royal Adelaide Hospital, Celsus and its Subcontractors have endured lengthy period of COVID-19-related restrictions. As part of the restrictions, there have been sustained periods where remote working has been encouraged to minimise the number of staff at the Hospital, and it has become apparent that many of Celsus' consultants will continue providing services flexibly. The increased reliance on working flexibly has the potential to increase modern slavery risks, particularly in relation to consultants who may utilise offshore outsourcing. The potential of lack of transparency in relation to remote working arrangements, even locally, means that Celsus has less clarity around who is ultimately providing the services and the conditions they are working under, particularly in relation to suppliers to those consultants. With several of our consultants confirming that reducing and eventually ceasing association with third-party providers operating in high-risk locations is not practicable, this has been identified as a risk in our supply chain. These risks are mainly associated with our ICT support and outsourced professional services, and suppliers in these areas will continue to be closely monitored going forward.

Celsus' Subcontractors have continued to face supply issues given the ongoing impact of COVID-19. Sourcing goods from reliable suppliers has resulted in long wait times on materials, especially ICT hardware, and has resulted in increased sourcing of supplies from alternative companies. Alternative sources of labour have also been more widely utilised given the difficulties of Subcontractors to retain or hire staff during COVID-19. Reliance on less familiar suppliers or contractors has the potential to carry a far higher modern slavery risk with rigorous vetting more likely to be sacrificed in order to meet urgent staffing needs, deadlines or procurement requirements.

Actions

Celsus is motivated to improve the quality of its modern slavery reporting each year to ensure confidence in our supply chain is upheld. Celsus continues to audit its Subcontractors and consultants in relation to modern slavery awareness, policies, training and procedures, codes of conduct, tender and engagement procedures and the identification and remediation of any modern slavery incidences. Professional service consultants and ICT support providers have been more stringently evaluated than in previous years to provide more reassurance that risks, which have been identified as more likely to occur in these industries, are being mitigated appropriately.

To enhance future reporting, Celsus carefully considered research published during the reporting period which offered analysis as to how Australian companies have performed in their modern slavery reporting over the last three years and highlighted areas for improvement.

With an increased focus on Environmental, Social and Governance (ESG), Celsus remains committed to identifying and preventing modern slavery risks in its supply chain. However, given the size and nature of the business (public private partnership), Celsus continues to rely heavily upon contractual provisions to prevent modern slavery risks.

Provisions appear in all the Project Documents and consulting agreements to ensure all suppliers share our commitment to modern slavery prevention. Celsus and its Subcontractors must observe reasonable standards of ethical behaviour, and comply with all laws, health policies and quality standards relevant to the Project for which this Group was created.

Key actions taken in the reporting period to assess and address risks relating to modern slavery include:

- Annual review of Celsus' Subcontractors and suppliers and updates to the key suppliers list;
- More rigorous assessment of subcontractors and consultants with third party providers offshore;
- Updates to register of key Subcontractors and consultants to track satisfaction of expectations relating to provision of information regarding modern slavery;
- Implementation of the new suppliers' policy to ensure new suppliers are aware of their obligations and are committed to the prevention of modern slavery;
- Review and necessary amendments to the Celsus Modern Slavery Policy and other relevant Celsus Policies;
- Awareness training and presentations for Celsus employees on modern slavery risks;
- High intensity indigenous cultural competency training;
- Ongoing engagement with Celsus' Subcontractors and consultants, including communication of Celsus' expectations of compliance with the Act and mandatory modern slavery reporting;
- Enhanced alignment of internal processes with modern slavery objectives to broaden information sources and streamline collation as well as boosting employee awareness of potential modern slavery issues; and
- Board, executive management, and external reporting on Celsus' Environmental, Social and Governance program.

Assessment

Celsus has found no evidence of modern slavery practices in its supply chain during the reporting period. However, Celsus recognises that the elimination of modern slavery is an ongoing pursuit that requires regular evaluation of prevention plans and processes. Any instances of modern slavery or human trafficking or matters raising any concern will be investigated.

Celsus' approach to modern slavery risk management is reviewed by the Audit and Risk Committee and the Board.

In addition, Celsus' approach to modern slavery is now also independently reviewed by GRESB (the Global Real Estate Sustainability Benchmark) as part of our annual ESG performance validation. GRESB is an independent organisation which validates ESG performance data and provides peer benchmarks for investors and managers.

The effectiveness of our actions are assessed through the following activities:

- Regular reviews of the Celsus key risk matrix;
- Risk management workshops with Celsus management and the Group Boards;
- Shared Risk Governance Group meetings with all Royal Adelaide Hospital stakeholders including our key Subcontractors;
- Assessment of Subcontractors' modern slavery statements to ensure compliance with the mandatory criteria of the Act;
- Risk reporting in operational reports;
- External audit results analysis;
- Participate in the InfraRed ESG survey;
- Review of annual GRESB Survey results, including peer comparison performance evaluation;
- Review of Modern Slavery Statements submitted by Celsus' Subcontractors and consultants, in addition to

- other organisations operating in our industry; and
- Examination of relevant resources and media which provide valuable feedback and analysis.

Celsus will continue to assess the actions necessary to manage modern slavery risks and ensure the policies and processes are adequate to manage and mitigate those risks effectively.

5. RECOMMENDATIONS AND FUTURE COMMITMENTS

In assessing performance during this reporting period and in preparing this statement, Celsus has established the following actions to support Celsus' ongoing commitment to ethical conduct and human rights:

- Continue to refine the register of key Subcontractors and consultants to track satisfaction of expectations relating to provision of information regarding modern slavery.
- Continue focus on ESG compliance including consideration and implementation of any recommendations resulting from Celsus' participation in the annual GRESB survey.
- Expand the due diligence questionnaire and incident remediation practices in line with reporting criteria.
- Continue to refine Celsus' internal processes which support our objective of preventing modern slavery and broaden information sources in relation to implementation of that strategy.
- Boost Board and employee awareness of potential modern slavery issues as well as the risks specific to our industry
- Continue ongoing engagement with key Subcontractors to assess how the key Subcontractors comply with the Act and provide feedback on key areas of the operations.
- Continue to assemble and utilise data collected from Subcontractors and internal procedures to better evaluate the effectiveness of our risk mitigation actions

6. Consultation and Approval

This Statement was prepared by the Celsus management team.

This Statement has been approved by the Boards of Celsus Holding Pty Ltd and Celsus Pty Ltd on 15 December 2022. This Statement is signed by Mark Balnaves, a Director of Celsus Pty Ltd and Celsus Holding Pty Ltd.



Mark Balnaves, Director