



Modern Slavery Statement

Reporting Year 2024

MTR Corporation (Sydney) SMCSW Pty Limited acknowledges the Traditional Owners of the land on which we live and work. We pay our respects to their Elders, past, present and emerging, and recognise their continuing connection to country.

“Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom.”

Modern slavery can take many forms including:

- slavery;
- servitude;
- human trafficking;
- forced labour;
- debt bondage;
- forced marriage; and
- the worst forms of child labour (each a form of **Modern Slavery**).

Modern slavery is a term used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers, although these practices are also harmful and may be present in some situations of modern slavery.¹


¹ Australian Government, Attorney General’s Department: <https://modernslaveryregister.gov.au/about/>

Modern Slavery Statement

This statement has been published in accordance with the *Modern Slavery Act 2018* (Cth) (the **Act**) by MTR Corporation (Sydney) SMCSW Pty Limited (ACN 615 158 122) (**MTR SMCSW**). MTR SMCSW is a “reporting entity” required to provide a modern slavery statement under the Act.

This statement describes the risks of, and actions taken to assess and address the risks of, modern slavery within the operations and supply chains of MTR SMCSW during the 2024 reporting year. It also addresses measures MTR SMCSW implements to monitor the effectiveness of its actions and ongoing improvements.

This modern slavery statement was approved by the Board of MTR Corporation (Sydney) SMCSW Pty Limited in their capacity as the principal governing body of MTR Corporation (Sydney) SMCSW Pty Limited on the 25th of June 2025.



_____ (Signed with approval of the Board)

Name: Raymond Lap Hang Yuen

Position: Director and Chief Executive Officer

Introduction by the CEO

MTR SMCSW recognises the risks of modern slavery and the importance of the Act in introducing measures to tackle the existence of modern slavery in the operations and supply chains of significant businesses in Australia.

MTR SMCSW is committed to taking action in accordance with, and in the spirit of, the Act to identify and eliminate instances of modern slavery in its operations and supply chains.

In doing so, MTR SMCSW is aligned with the commitments of its parent company MTR Corporation. MTR SMCSW is proud of the steps that it has taken, and continues to take, to identify and remove unacceptable modern slavery practices from its operations and supply chains.

Our business

The MTR group is a world-class operator of sustainable rail transport services. The group's ultimate parent, MTR Corporation Limited, is headquartered in the Hong Kong Special Administrative Region and listed on the Hong Kong Stock Exchange. MTR Corporation Limited's operations consist of the construction and operation of a mass transit passenger railway network in Hong Kong, with a number of subsidiaries with similar core businesses of constructing and operating rail systems in Mainland China and overseas markets.

MTR group is recognised as a global leader in safe, reliable and sustainable railway transit. With more than 50,000 dedicated staff around the globe, MTR carries over 10 million passengers worldwide every weekday.

MTR SMCSW (a subsidiary within the broader MTR group) is part of a consortium appointed by the NSW Government to deliver the trains, systems, operations and maintenance of Sydney Metro City and Southwest Project (**SMCSW Project**).

Together with Metro Trains Sydney Pty Ltd, MTR SMCSW is one of the two core contractors engaged by NRT CSW Pty Ltd for the delivery of these works. MTR SMCSW is responsible for the delivery of 23 trains, as well as key signalling, central control, communications, and other systems, for the SMCSW Project.

Our structure, operations and supply chains

Structure

MTR SMCSW's ultimate parent company is MTR Corporation Limited, which is based in Hong Kong (MTR SMCSW is fully owned by MTR Corporation (UK) Limited which is fully owned by MTR Corporation).

Operations

MTR SMCSW currently employs over 120 employees, as well as a range of contracted consultants. The operations of MTR SMCSW are primarily based in Sydney, Australia, with a small number of employees and contractors providing services interstate and in Hong Kong. There are also a number of Hong Kong headquarters-based employees who support the SMCSW Project on both a regular

and as-needs basis and a few secondees from Hong Kong headquarters who work on the SMCSW Project in Australia.

The MTR SMCSW workforce comprises engineer and non-engineer employees, including subject matter experts. The substantial majority are specialist rail engineers and other specialists in the construction space. The workforce also includes a commercial team as well as support in the health, safety, environment and quality (HSEQ) and legal, human resources and IT areas.

The workforce is substantially professional in composition, although the right to freedom of association is conveyed to employees in their induction training and through policies and procedures that govern their employment with MTR.

Recruitment agencies are used relatively infrequently, on an as-needs basis. These agencies are reputable, mostly based in Australia and are specialised in recruiting professional workers.

There are a small number of individuals who work with MTR SMCSW on a full-time basis and are contracted independently as consultants. These individuals are employed in professional roles.

MTR SMCSW is committed to ensuring its employees and contractors are paid in accordance with all laws and applicable awards, and to acting ethically in its dealings with them.

Supply chains

MTR SMCSW's works on the SMCSW Project include the delivery of highly specialised and sophisticated rail equipment, including trains and other complex systems. The supply chains underpinning these works are complex, and include substantial inputs from around the world, including substantial inputs from entities based in Europe, India and China.

The most substantial suppliers to MTR SMCSW are its four key subcontractors set out below:

- Alstom Transport Australia Pty Limited – supplying the trains and signalling systems;
 - Hitachi Rail GTS Australia Pty Ltd – supplying the central control and communications systems (note this was previously provided by Thales Australia Limited, but the contract was novated to Hitachi Rail GTS Australia Pty Ltd (formerly Ground Transportation Systems Australia Pty Ltd) as part of a sale of certain Thales businesses to Hitachi Rail);
 - UGL Engineering Pty Ltd – supplying radio systems; and
 - Gilgen Door Systems AG – supplying platform screen door systems.
- (together the **Significant Contractors**)

MTR SMCSW has a substantial number of other suppliers, primarily local Australian entities supplying other works, systems and services (including consultancy services) in support of delivery of MTR SMCSW's works on the SMCSW Project. This focus on Australian suppliers aligns with commitments made by MTR SMCSW in its contractual arrangements for the SMCSW Project supporting engagement of local industry.

Risks of modern slavery in operations and supply chains

Operations

The majority of the operations of MTR SMCSW are based locally in Australia. Employees of MTR SMCSW are typically professionals engaged via written common law contracts, in which MTR SMCSW has sought to ensure that all legal entitlements are provided for.

MTR SMCSW conducts comprehensive checks on prospective employees throughout the recruitment process where it is considered necessary. The recruitment process consists of use of an online platform, reference checks, relevant visa checks, checking right-to-work status via VEVO (visa entitlement verification online), obtaining all relevant documents prior to the appointment of any employee including relevant passport details, visa documentation and educational transcripts. Furthermore, appropriate induction training is provided to all employees and every employee is provided with the Fair Work Information Sheet upon commencement, advising them, among other things, of our policies and their rights.

As a result, the risk of modern slavery within the operations of MTR SMCSW is considered low.

Supply chains

High-risk categories of services identified are typically engaged in low-skill manual tasks and non-technical or skilled labour hire providers such as service desk providers - often without union representation or enterprise agreements and/or from disadvantaged backgrounds. This is an example of potential for unsafe work practices or exploitation.

High-risk categories for goods, materials and spare parts are goods manufactured or sourced from overseas suppliers and categories where imported or manufactured raw materials or components are used. This is particularly true for suppliers without strong company policies and procedures or who are sourced from high-risk countries as defined by the Global Slavery Index.²

The key supply chain risks of modern slavery identified by MTR SMCSW are in the complex supply chains underpinning the supply of complex specialised rail equipment, which involve multiple supply chain layers underneath the entities directly supplying MTR SMCSW in connection with the SMCSW Project, and which involve suppliers from different parts of the world which are ultimately combined into the end product.

MTR SMCSW's current practice is to gain visibility into our supply chain that we directly engage through our supply chain pre-qualification program as set out in the MTR (Australia) Purchasing & Procurement Procedure, which is reviewed from time to time. This procedure covers both local and overseas sourced supply chain entities. MTR SMCSW notes no relevant procurement was undertaken in reporting year 2024.

For the 2024 reporting year, MTR SMCSW undertook a specific modern slavery focussed audit program of its supply chain, as discussed in the section 'Our approach - Actions taken by MTR SMCSW to assess and address risks' below, which has provided additional insight into risks of modern slavery in our supply chains.

Through these processes, MTR SMCSW has not identified any risks of modern slavery that we cause, contribute to or have been linked to in the reporting year 2024.

² <https://www.walkfree.org/global-slavery-index/>

Our approach - Actions taken by MTR SMCSW to assess and address risks

The MTR management system is developed and integrated to address such things as modern slavery as they also impact on HSEQ (including sustainability) issues. As such we approach modern slavery with a risk-based approach and in a systematic manner. This begins at the organisational governance level.

In the 2024 reporting year, following review of our policies and procedures, we updated and amended our Ethical Sourcing and Modern Slavery policy to include further detail on the risks of modern slavery and our organisational approach to addressing them – including expectations on recruitment, supply chain due diligence, on-going monitoring of conduct (taking a risk-based approach) and explicitly adopting a continuous improvement approach to evolve our practices in addressing modern slavery risks.

The revised policy places an increased emphasis on responsibility for managing these risks as a responsibility shared across all personnel and management, with our Legal Counsel to take an active lead in determining appropriate action in respect of any identified risks. Our Legal Counsel is also identified as our key contact to whom any concerns regarding modern slavery can be raised, with attention also drawn to our Whistleblower Policy to ensure our personnel understand protections apply where applicable.

The revised policy also provides clear linkages to relevant policies such as our Recruitment and Selection Policy.

As in previous years, we have conducted modern slavery compliance assurance on key suppliers as a part of our broader HSEQ program. In addition to these, in the 2024 reporting year, the legal and procurement teams undertook an additional risk-based assessment of key suppliers delivering significant works in that year (including a supplier of train lifting equipment), and prepared targeted questionnaires for those suppliers (where risks identified) seeking further detail on the relevant aspects of suppliers' operations and supply chains (and approaches to managing risks of modern slavery).

Following a review of responses to these processes, as well as information available on those suppliers using an online supplier management platform, no issues or concerns in our supply chains were identified.

These activities enhance MTR SMCSW's visibility of risks in its supply chain, and ensures that these contractors are aware of MTR SMCSW's expectation that they provide visibility of and manage the risk of modern slavery in their business.

We recognise, that given the nature of our sector and supply chain, the risks of modern slavery would most likely be occurring deeper within the supply chain. One of the key focusses of the audits referred to above was identification of key sub-suppliers. We will continue to work with our direct supply chain to gain insights into their supply chains to address this issue, and are considering further audit approaches to seek information on sub-suppliers on a risk-based basis.

To elevate awareness of the risks of modern slavery in our operations and supply chains and ensure our people are trained appropriately, we provide online training for MTR personnel, including awareness training for the workforce generally and more detailed training for management and

those involved in procurement. That training is pre-recorded and is available to new personnel on an ongoing basis.

In our Modern Slavery Statement for the reporting year 2023, we detailed our commitment for progressing work in addressing modern slavery risks in our operations and supply chains, which included:

- To continue to review our policies and practices to ensure they continue to be supportive of our actions to prevent and mitigate instances of modern slavery, including monitoring changes, and potential changes to the Act and identifying other opportunities for improvement.
- A risk-based approach having regard to geography, sector, products and services to be delivered in the 2024 reporting year.
- Consideration of implementing further modern slavery assessment tools into our assurance processes – either tools available in the market, or bespoke processes created for MTR – in order to streamline modern slavery assurance, risk identification and targeted investigation and reporting.

We report the following progress against the aforementioned commitments:

- As noted above, we have updated and amended our Ethical Sourcing and Modern Slavery policy, enhancing the description of risks and our expectations on those in our organisation to address those risks; including express linkages to other relevant policies and setting out clear communication channels for raising concerns about risks of modern slavery (with express reference to whistleblower protections available).
- As part of MTR SMCSW continuous due diligence, a risk-based approach has continued to be applied (see assessment referred to above).
- As described above, MTR SMCSW has continued to refine its approach to due diligence – particularly with respect to its supply chain – with the development of targeted questionnaires for its supply chain. MTR SMCSW is still considering potential implementation of off-the-shelf alternate tools to streamline the process.

Our approach – Actions taken by MTR SMCSW to assess the effectiveness of our actions

One of the key activities carried out by MTR SMCSW to effectively track our progress in the key areas outlined in this statement, is to monitor the number of supply chain entities identified as high-risk, which is carried out through our assurance process.

MTR SMCSW began this action in 2021 and are pleased to report that there have been no significant issues or non-compliances identified against modern slavery in the 2024 reporting period.

Consultation with entities owned and controlled

MTR SMCSW does not own or control any other entities.

Looking forward

Our future plans in moving forward with our work in addressing modern slavery risks in our operations and supply chain include, but are not limited to:

- To continue to review our policies and practices (with a particular focus on supply-chain due-diligence) to ensure they continue to be supportive of our actions to prevent and mitigate instances of modern slavery. We are continuing to monitor changes, and potential changes to the Act, and will align our policies and practices to any such changes, in addition to any other opportunities for improvement we identify.
- Continuing our assurance and assessment of supply chain risks adopting a risk based approach having regard to geography, sector, products and services to be delivered in the 2025 reporting year.
- Conducting a risk assessment of identified sub-suppliers having regard to geography, sector, products and services delivered and by checking them against information in an online supplier management platform.

MTR also notes the statutory review of the Act commenced by the Australian government in 2022 and the resulting Review Report released in June 2023, which contained 30 recommendations to strengthen the regime. In November 2024, the government responded to the review and confirmed its intention to consult on a range of recommended reforms, including introduction of civil penalties for non-compliance, more prescriptive reporting requirements, and the introduction of a mandatory due diligence obligation for reporting entities. We will ensure we remain abreast of government and legislative responses to remain compliant with the Act now and in the future and welcome the important contribution of these developments to enhancing transparency and accountability in addressing and reporting on modern slavery.