

# **FY 2024 MODERN SLAVERY STATEMENT**



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# Acknowledgment

Celsus acknowledges that this land we meet, work, live and play on is the traditional lands of the Kurna people, and we respect their spiritual relationship with this country.

We pay our respects to their leaders, past and present and acknowledge that their language, cultural and traditional beliefs held for over 60,000 years are still as important and relevant to the living Kurna and all Aboriginal people today.



# Introduction

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 fourth 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 FY 2024 reporting period was to continue to monitor identified modern slavery risks and develop strategies to improve due diligence with our Subcontractors. Celsus has continued to explore the modern slavery impacts of the digital transformation which occurred in response to flexible working environments.

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.

# Overview of the 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**). 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.

## Entity Structure

The Group operates wholly within Australia and 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.

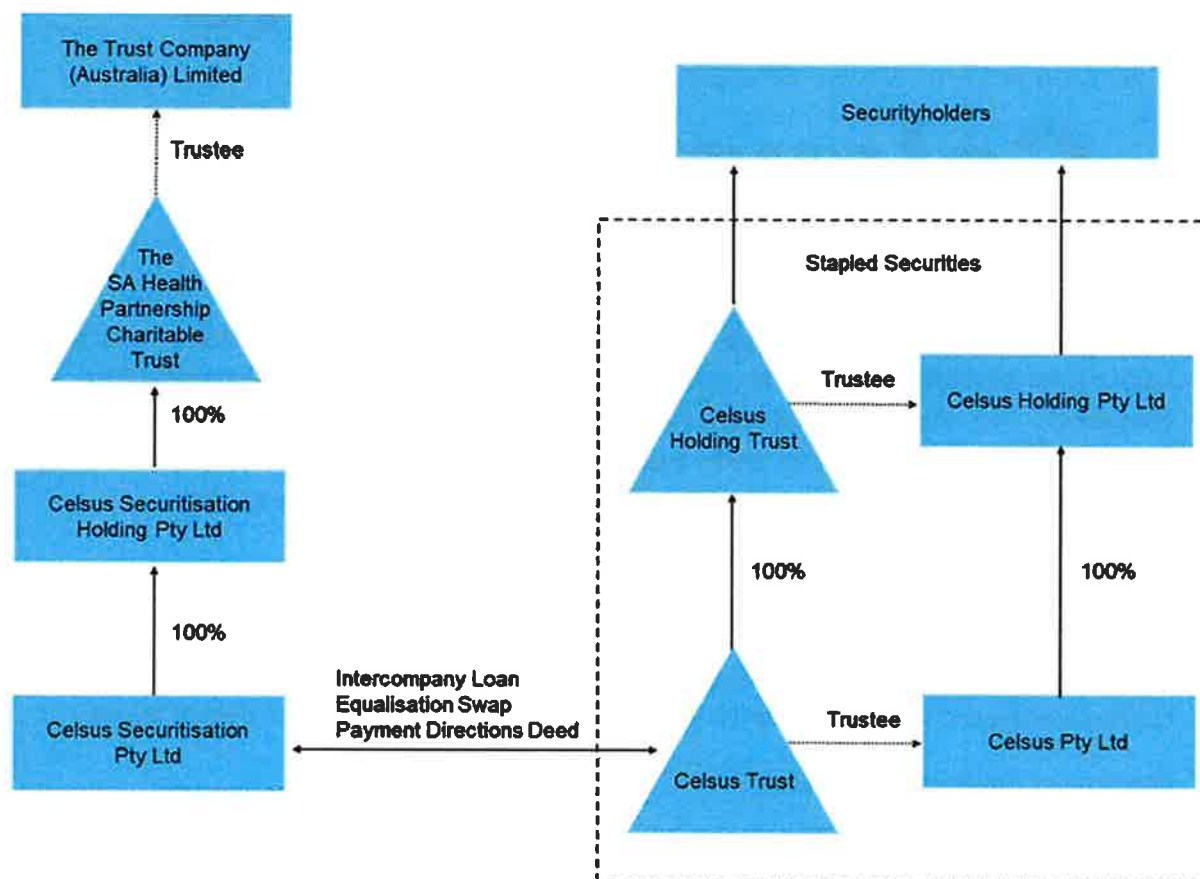
Other entities which are not part of the Group and which do not meet the threshold for reporting, but which are Project entities are:

- 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.

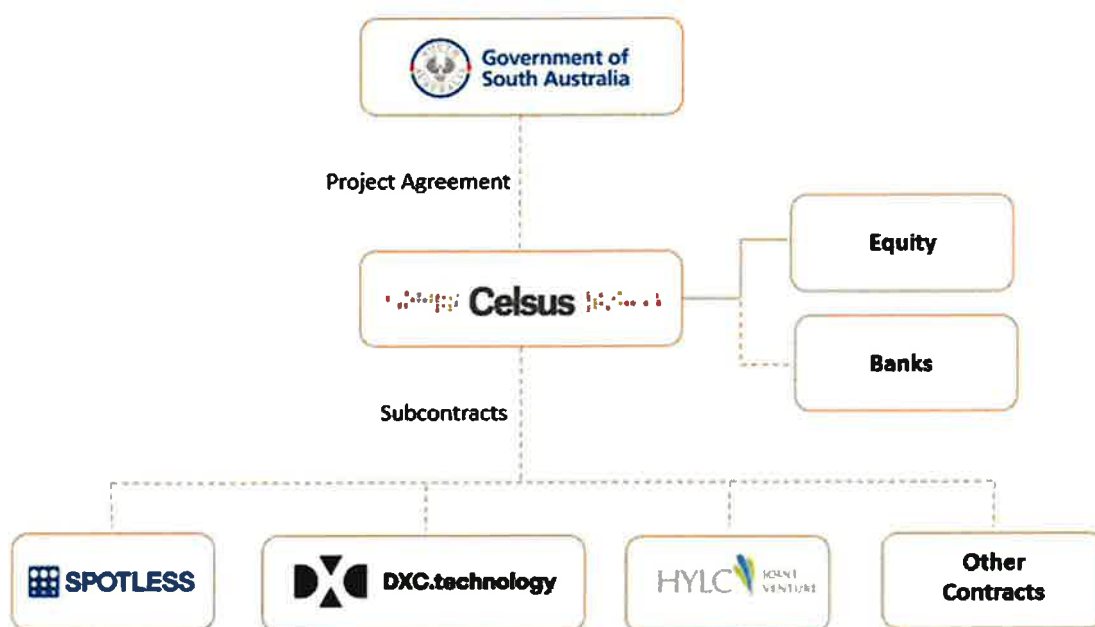


The below diagram provides an overview of the Group members and their relationship to one another.



# Operations and Supply Chain

## 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**. The diagram below lists Celsus' Subcontractors and sets out the Project structure.

Celsus has subcontracted the delivery of the Services to a Facilities Management (FM) Subcontractor and an ICT Services Subcontractor.

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.

## Celsus Employees

Within the Group companies, only Celsus has employees. Celsus currently has 8 employees who manage daily operations and performance of Celsus' Subcontractors. Celsus encourages inclusivity and is committed to employing a workforce that is reflective of our diverse community with a range of nationalities and backgrounds.

Through the relationship that has been developed by virtue of the Project Agreement, Celsus also supports an Indigenous Employment Strategy to provide a culturally safe workplace.

Celsus complies with all our work, health and safety obligations (including reporting). All Celsus employees undergo an induction which requires confirmation that they have read and understood Celsus' 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 also 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.

Celsus also ensures all Subcontractors have employment policies and practices that support and encourage diversity and inclusion in their workforce.

## Reporting Modern Slavery Concerns

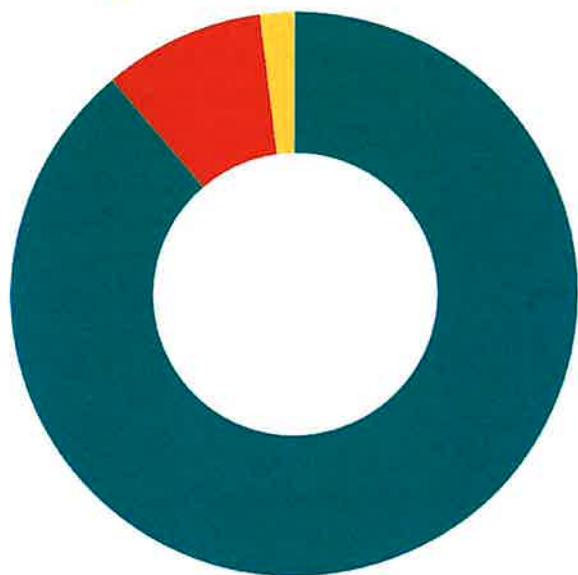
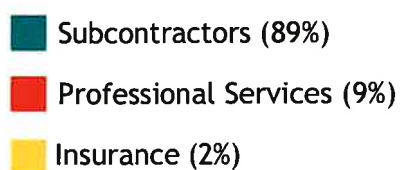
Celsus employees can report modern slavery or misconduct concerns through multiple avenues including via phone or email to the following people:

- Celsus Board Chairperson;
- Celsus Audit and Risk Committee Chairperson;
- Celsus CEO;
- Celsus General Counsel and Company Secretary.

Reports may also be made anonymously via post to one of Celsus' Protected Disclosure Officers.



## Supply Chain



During the reporting period, the majority of supplier spend was associated with the Subcontracts with Spotless and DXC Technology. The percentage spend for each supplier category is broken down in the below image which demonstrates the proportionality of control which Celsus has over its direct supply chain spend.

Given the long-term nature of the Project, Celsus has cultivated positive long-term relationships with its Subcontractors. Celsus is focussed on maintaining relationships which are underpinned by an expectation that the business does not tolerate modern slavery in any form.



# Consultation

## Celsus Group

During the reporting period, Celsus actively engaged with the other company within the Celsus Group, being Celsus Holding, through the Company Board meetings to identify modern slavery risks and the actions undertaken to address them. There is commonality between the Celsus Group Boards which have the same Directors together with an independent Chairperson appointed to both. These same Directors (other than the Independent Chairperson) are also Directors of the Project entities, being Celsus Securitisation Pty Ltd and Celsus Securitisation Holding Pty Ltd, together with an independent Director. This enables transparent discussion of all modern slavery risks that affect the Celsus Group and the Project entities.

The *Act* and associated reporting requirements are discussed at Board meetings of Celsus and Celsus Holding, and at the Board Audit and Risk Committee meetings, which provide the executive and employees of the Group with a comprehensive understanding of modern slavery and the reporting requirements under the *Act*. Following the submission of the annual Modern Slavery Report, Celsus ensures that all feedback on the statement is incorporated and taken into consideration for the next reporting period.

## Celsus' Subcontractors and consultants

Celsus is committed to ensuring that the conduct of our Subcontractors and consultants working across our value chain is ethical and supports fundamental human rights. As part of the consultation process, Celsus has requested and received confirmation from its Subcontractors and consultants that their entity complies with the *Act* and that they will cooperate with the Group to take steps to identify, address and prevent modern slavery practices 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 consultants. Through the consultation process there were no incidents of slavery reported by the Group of any of our Subcontractors or consultants. This process has also provided Celsus with assurance that our Subcontractors are committed to the eradication of modern slavery in accordance with the *Act*.

# Risks and Actions

## Risks

Celsus identifies, manages, and mitigates risk and records this in 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. Spotless is part of the Downer group, and both Downer and DXC Technology are large entities who report under the Act. Consistent with previous years, their reports note risks predominantly relate to the procurement of materials and supply of labour to enable the delivery of the FM Services and ICT Services. Through our engagement process, Celsus has been informed Spotless has introduced a mandatory prequalification process to all suppliers which includes an enhanced modern slavery questionnaire. DXC Technology also undertakes a similar process by undertaking annual supply chain surveys.

Celsus and its Subcontractors are operating in a post Covid-19 environment which has resulted in a continued acceptance of remote working and it is common practice for consultants to provide services flexibly. The increased utilisation of working flexibly has the potential to increase modern slavery risks, particularly in relation to consultants who may utilise offshore outsourcing. The potential of a 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. Celsus will continue to closely monitor going forward.



## 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 stringently evaluated to provide 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.

Further to this, Celsus is focused to ensure the actions undertaken to improve reporting compliance also translate into operations. Celsus' approach in this space is underpinned by our commitment to Environmental Social Governance (**ESG**), where there is a significant overlap in the objective, particularly around sustainability issues such as preventing forced labour. Celsus has committed to improving our ESG and in recent years has developed an ESG strategy.





## Actions (continued)

Through the ESG strategy, Celsus commits to being a socially responsible employer by fostering an environment of diversity and inclusion across our business, with a focus on empowering women and minorities, operating ethically and supporting our local communities. Celsus will continue to align with the United Nations Sustainable Development Goals by endorsing and enacting the following practices:

- 1 preservation of human rights and avoidance of any complicity in human rights abuses;
- 2 equity, diversity and inclusion amongst employees;
- 3 non-discriminatory employment practices;
- 4 policies promoting employee training and development;
- 5 ensuring there is no exploitation of child labour or indentured servitude; and
- 6 systems for managing health and safety.

Through improving accountability in each of the ESG domains, Celsus maintains a further element of oversight of our supply chains and increases our activity and ability to identify and prevent modern slavery. However, whilst Celsus remains committed to identifying and preventing modern slavery risks in its supply chain, given the size and nature of the business as a PPP, 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. To enable Celsus to maintain visibility of any instances of modern slavery within its supply chain, Celsus' consultancy agreement requires that consultants notify Celsus as soon as possible of any suspected or confirmed instances of modern slavery and the actions undertaken to remedy the issue.

## Actions (continued)

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;
- 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;
- Application of the new suppliers' policy to ensure new suppliers are aware of their obligations and are committed to the prevention of modern slavery;
- Review the Celsus Modern Slavery Policy and other relevant Celsus Policies;
- Awareness training and presentations for Celsus employees on modern slavery risks;
- 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
- Reporting on Celsus' Environmental, Social and Governance program to the Board and Celsus' relevant stakeholders.

## 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 Board.

In addition, Celsus' approach to modern slavery is now also independently reviewed by the Global Real Estate Sustainability Benchmark (**GRESB**) 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. For FY 2024 Celsus GRESB score in governance was rated at 25 points out of a possible 28, which is a positive result.

The effectiveness of our actions is 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;
- 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.

# Recommendations and Future Commitments

In assessing performance during this reporting period and in preparing this statement, Celsus has established key actions to support Celsus' ongoing commitment to ethical conduct and human rights. A review of our actions and progress against these has been undertaken:

Focus Area	Objective	Targets	Outcome
Risk assessment and mitigation	Refine the register of key Subcontractors and consultants to track satisfaction of expectations relating to provision of information regarding modern slavery.	Concise list of subcontractors that is up to date and accurate.	Complete for FY 2024. Ongoing activity.
Risk assessment and mitigation	Focus on ESG compliance including consideration and implementation of any recommendations resulting from Celsus' participation in the annual GRESB survey.	Annual completion of GRESB survey.	Complete for FY 2024. Ongoing activity.
Risk assessment and mitigation	Expand the due diligence questionnaire and incident remediation practices in line with reporting criteria.	Implement the recommendation.	Complete for FY 2024.



Focus Area	Objective	Targets	Outcome
Risk assessment and mitigation	Continue to assemble and utilise data collected from Subcontractors and internal procedures to better evaluate the effectiveness of our risk mitigation actions.	Annual review of Subcontractor submissions and consideration of adoption of strategies.	Complete for FY 2024. Ongoing activity.
Risk assessment and mitigation	Ensure all future and renewed agreements and contracts entered into with suppliers contain clauses relevant to the prevention of modern slavery and additionally require notification to Celsus of any instances of modern slavery	Process adopted and implemented for all agreements.	Complete for FY 2024. Ongoing activity.
Consultation	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.	Encourage engagement with Subcontractors to support, identify and mitigate modern slavery risks	Complete for FY 2024. Ongoing activity.
Training	Continue to refine Celsus' internal processes to support our objective of preventing modern slavery and broaden information sources in relation to implementation of that strategy	Annual review of all relevant Celsus policies and provide an education session for all Celsus staff	Complete for FY 2024. Ongoing activity.
Training	Boost Board and employee awareness of potential modern slavery issues as well as the risks specific to our industry.	Make modern slavery training accessible to all Celsus employees and board members	Complete for FY 2024. Ongoing activity.

# Modern Slavery Statement Approval and Execution

## Statement Preparation

This Statement was prepared by the Celsus management team.

## Statement Approval

This Statement has been approved by the Boards of Celsus Holding Pty Ltd and Celsus Pty Ltd on 14 October 2024.

This Statement is signed by Mark Balnaves, a Director of Celsus Pty Ltd and Celsus Holding Pty Ltd.



Mark Balnaves, Director  
4 December 2024

# Contact Us

## Celsus

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