

Modern Slavery Statement

FY 2019/2020

Issued: 25 March 2021

1. 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. The Group is committed to achieving the highest standards of modern ethics and acknowledges that modern slavery can be eliminated by implementing responsible workplace practices. The Group is taking steps to prevent, identify and address instances of these grave human rights abuses and has implemented policies to eradicate modern slavery, and expects the same high standards from its subcontractors and consultants.

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:

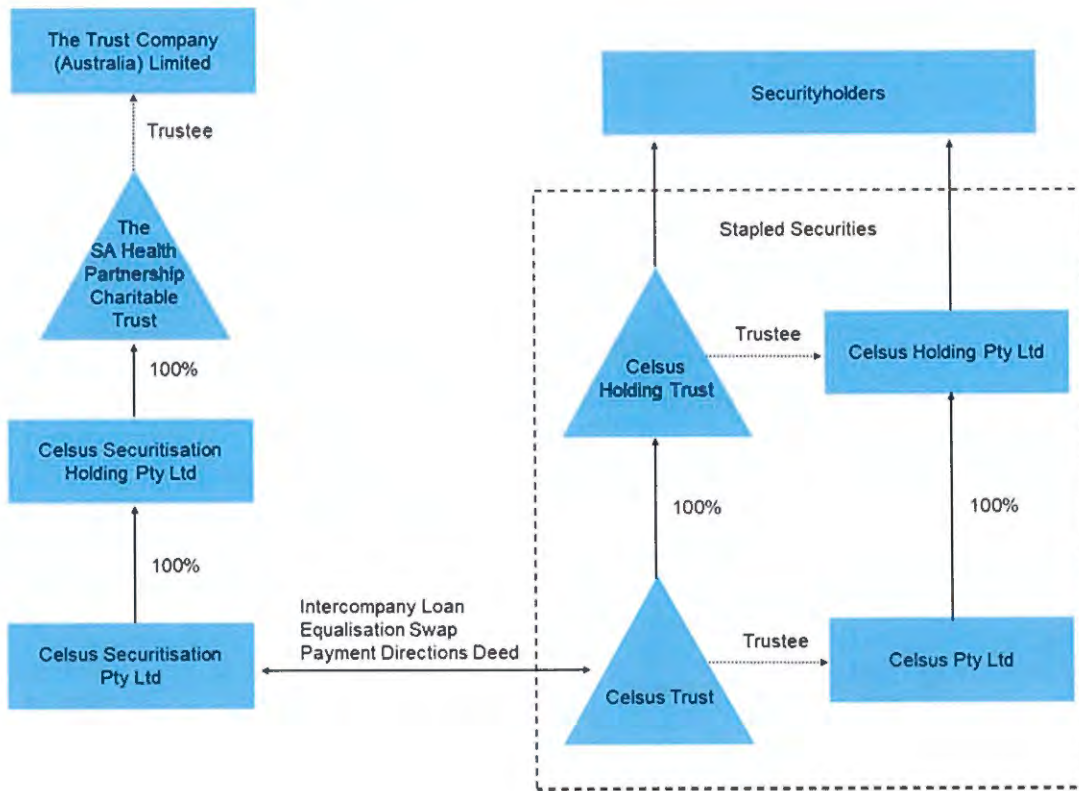
- Celsus Pty Ltd, and
- Celsus Trust.

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.

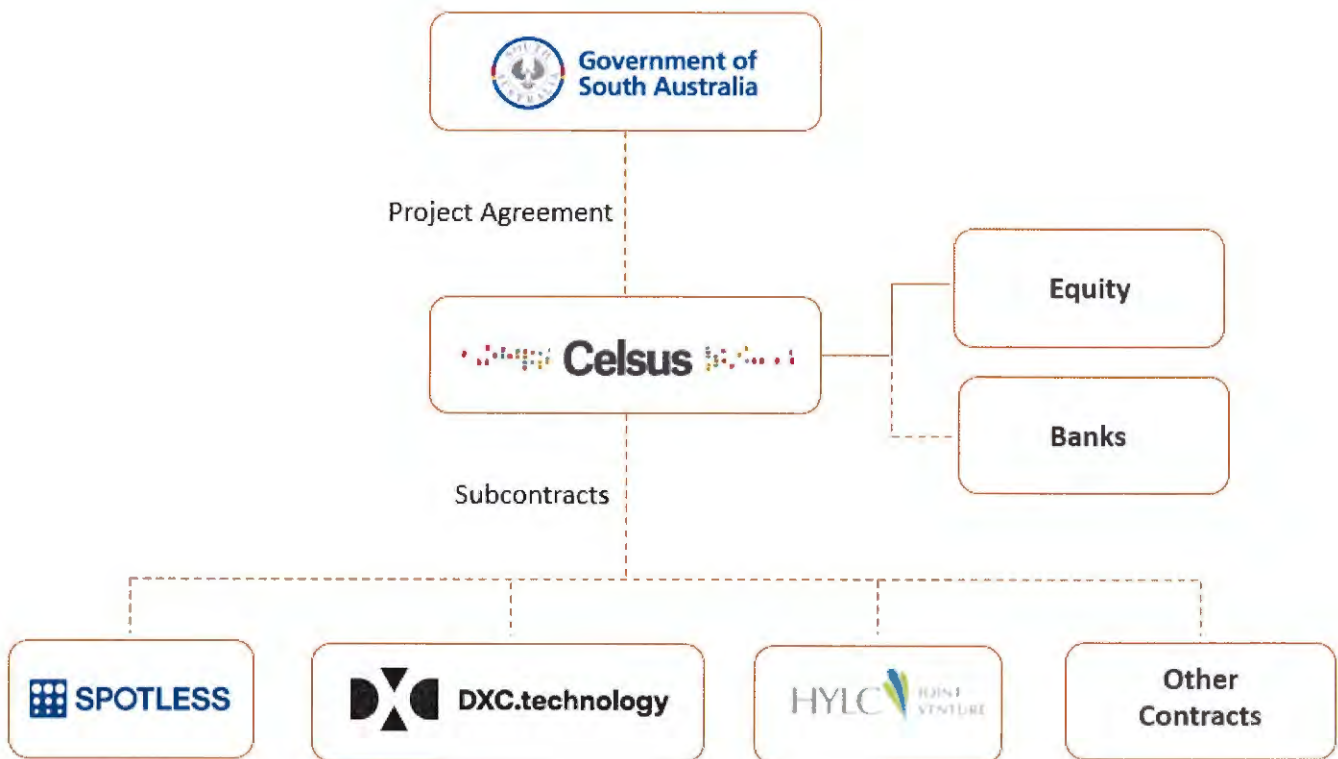


3. BUSINESS ACTIVITIES

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 employees

Celsus employs a small number of employees who manage daily operations and performance of Celsus’ Subcontractors. All Celsus employees undergo an induction and provide annual confirmation that they have read and understand various policies, including the Modern Slavery Policy, the Anti-Bribery and Corruption Policy and the Code of Conduct. Other policies which protect the rights of Celsus personnel and assist in the prevention of modern slavery within Celsus’ operations include the Celsus Whistleblower Policy, Celsus Grievance Policy and Anti-Discrimination and Equal Employment Opportunity Policy.

4. RISKS AND ACTIONS

Risks

Celsus identifies, manages, and mitigates risk via a key risk matrix. During the reporting period, risks relating to potential modern slavery practices were added to the matrix and actively monitored. Key potential risks identified relate to transparency of Celsus' Subcontractors' and consultants' supply chains and Celsus' recruitment processes.

Celsus acknowledges that the method for detecting and eliminating modern slavery in the supply chain is heavily reliant on its Subcontractors' and consultants' own reporting. This creates a potential risk that Celsus fails to properly understand and support their approach to combatting modern slavery and so are unaware of exploitation occurring within our operations. To prevent this risk, Celsus must ensure the integrity of its supply chain which it has done by setting high expectations of Subcontractors and consultants in relation to awareness, information sharing and the reporting of modern slavery.

Though recognised, the risk of modern slavery arising through Celsus' recruitment and administrative day-to-day operations is considered low. Celsus hires a small number of suitably qualified personnel for key roles through highly regarded recruitment agencies. Their expertise and the recruitment and induction processes in place reduce the risk of modern slavery incidences. Celsus also utilises governance by the Audit and Risk Committee to help prevent human rights abuse occurring within the management team and the Board.

Actions

To mitigate key potential risks, Celsus identifies those Subcontractors and consultants providing significant services and requires cooperation and information necessary for Celsus to conduct proper due diligence. A formal request for information was issued to all identified Subcontractors and consultants and requested details regarding modern slavery policies, awareness, training and procedures, codes of conduct or other standards, tender and engagement procedures and the identification and remediation of any modern slavery incidences.

Celsus also relies upon contractual provisions to prevent modern slavery risks which appear in all the Project Documents and consulting agreements to ensure all suppliers share our commitment to modern slavery prevention. Celsus and all 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 treat risks relating to modern slavery include:

- Development and endorsement by the Boards of the Celsus Modern Slavery Policy;
- The review and amendment of other relevant Celsus Policies;
- Increased awareness of modern slavery risks for Celsus management and the Boards;
- The review and amendment of relevant contractual provisions to specifically address compliance with the modern slavery legislation;
- Key supplier identification and review; and
- Implementation of mandatory modern slavery reporting for Celsus subcontractors and consultants.

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.

Celsus' approach to modern slavery risk management is reviewed by the Audit and Risk Committee and the Board. We assess the effectiveness of our actions by the following activities:

- Routine reviews of the Celsus key risk matrix at various management levels;
- Risk management workshops with Celsus management and the Group Boards;
- Consultation and comparison with Subcontractors and consultants;
- Risk reporting in operational reports; and
- External audit results analysis.

During the reporting period Celsus has improved its identification of modern slavery risks and implemented new or continued performing ongoing actions to manage and mitigate those risks effectively. Through our actions we hope to increase transparency and accountability of modern slavery risks and continue working with our Subcontractors and consultants to collectively eliminate modern slavery in our supply chain. Celsus is committed to working to better understand and measure the effectiveness of our actions to ensure our approach to modern slavery prevention is successful.

5. RECOMMENDATIONS AND FUTURE COMMITMENTS

In assessing our performance during this reporting period and in preparing this statement, Celsus has established several recommendations which we hope to accomplish as part of our ongoing commitment to ethical conduct and respecting human rights.

- Establish an active register of key Subcontractors and consultants to track satisfaction of expectations relating to provision of information regarding modern slavery.
- Develop a new suppliers' policy to ensure new suppliers are aware of their obligations and are committed to the prevention of modern slavery.
- Develop more robust due diligence and incident remediation practices in line with reporting criteria.
- Consider what further, more specific information is necessary to collect from key suppliers in relation to modern slavery risks.
- Assemble and utilise data to better evaluate the effectiveness of our risk mitigation actions.
- Create more awareness about modern slavery in cooperation with our Subcontractors and consultants.

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 16 March 2021. This Statement is signed by Bill Haughey, a Director of Celsus Pty Ltd and Celsus Holding Pty Ltd.



Bill Haughey, Director