

Modern Slavery Statement 2022

(1 July 2021 – 30 June 2022)



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Modern Slavery Statement

Message from ALTRAC's Chair

Respecting human rights is core to our approach and embedded in our behaviours at ALTRAC Light Rail Partnership (**ALTRAC**). We acknowledge the United Nations Guiding Principles on Business and Human Rights. Through the reporting period ALTRAC has continued to improve our understanding of and action on modern slavery risks throughout our operations and supply chains. Myself and my fellow Partners consider the focus on modern slavery risk for ALTRAC as appropriate and well directed for the operational position the organisation maintains.

About us

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 2015. 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 is financed with a 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.

ALTRAC's Commitment

Modern slavery is an illegal exploitation of people for personal or commercial gain. 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.

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 third 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 2022.

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:

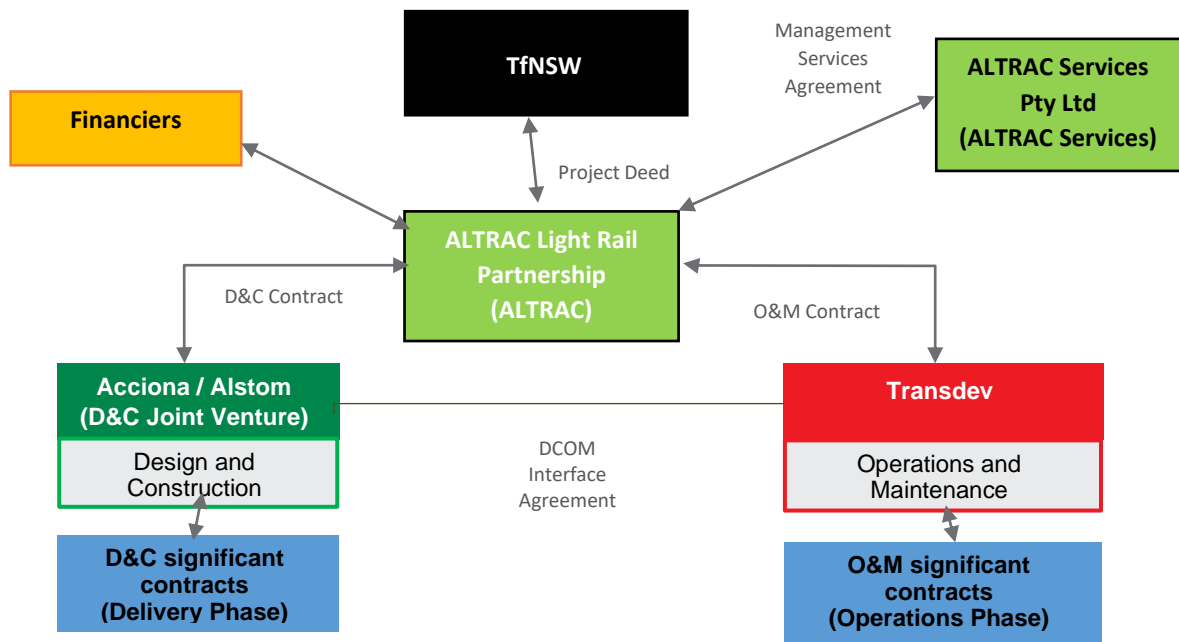
- Alstom for systems and rolling stock maintenance (**Alstom Maintenance**);
- Transdev Maintenance Services Pty Ltd (**TDMS**) for civil asset maintenance; and
- ICS Service Solutions (**ICS**) for stop and LRV cleaning.

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).

Given ALTRAC’s status as a special purpose vehicle for the operations and maintenance of the SLR, 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 13 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’s employees and consultants are all skilled and professional personnel. ALTRAC provides all its employees and consultants with access to a complimentary Employee Assistance Programme which provides, amongst other things, independent confidential support and counselling.

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



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.

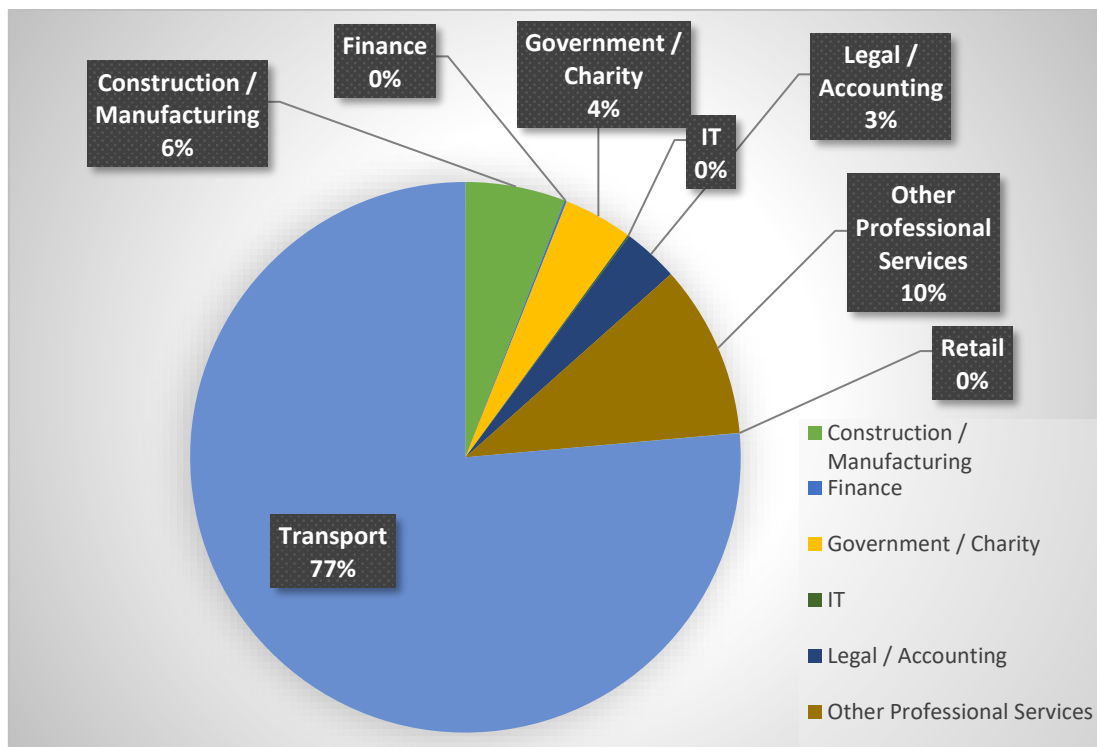
Supply chain

ALTRAC operates exclusively in Sydney, NSW and all of ALTRAC's procurement takes place from its offices in Sydney.

ALTRAC's supply chain consists predominantly of the subcontracting of its operations and maintenance activities to its O&M Contractor. Except for a small number of minor defects remaining to be rectified in relation to the construction of the CSELR, ALTRAC's construction activities have significantly diminished. The remainder of ALTRAC's supply chain relates to goods and services required to support ALTRAC manage its responsibility for the operation and maintenance of the SLR. This includes professional services such as legal, accounting financial and engineering services, IT, human resources, retail, for example, purchasing of office supplies and PPE, and catering.

This year, ALTRAC undertook a supplier screening process. The screening of our supply chain took into consideration the general sector and industry of our suppliers, the products and services being procured, the location of our suppliers and the level of complexity in their entity / supply chain structure.

The pie chart below shows the percentage of our total spend for Financial Year 2022 by sector and industry. It shows that the highest percentage of our spend, at 77%, is concentrated in the transport sector, in line with ALTRAC's responsibility for the operation and maintenance of the SLR. The sectors that show 0% spend is indicative of the fact that the amounts spent in these sectors for the Financial Year 2022 as a percentage of ALTRAC's overall spend is comparatively very small.



Mandatory Criterion 3 – Risks in operations and supply chains

Given the nature of ALTRAC's structure and that it employs only a small number of skilled and professional employees, ALTRAC considers that its risk exposure to modern slavery mainly relates to its suppliers.

These risks include forced labour, debt bondage and child labour mainly in the overseas supply chain within industries such as cleaning, office supplies, textile, and IT services.

As part of ALTRAC's supplier screening process referred to above, we analysed our suppliers within the reporting period by reference to sector and industry, products and services being procured, geographic location and supply chain model risks, for example, the size and complexity of the supply chain (**Criteria**). We then assessed the overall risk of each supplier against the Criteria and assigned a risk level of low, medium or high.

The screening process identified that the highest risk areas of our supply chain are:

- the purchase of office supplies and PPE (these suppliers import low-cost materials including textile from a variety of sources);
- the supply of IT services (have the potential to use overseas support staff); and
- the supply chains of our O&M Contractor and D&C Contractor (includes various sub-contractors creating a complex supply chain).

Mandatory Criterion 4 – Addressing risks in operations and supply chains

ALTRAC has a number of policies and procedures in place that address our approach to the identification of modern slavery and steps to be taken to mitigate the risks of modern slavery in our operations and supply chain.

Policies

ALTRAC has in place policies and procedures which provide a framework for addressing modern slavery. These policies were updated and reviewed in the 2019-2020 reporting period.

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

These policies apply to all workplace participants at ALTRAC, including all directors, partners representatives, employees, contractors, consultants and any individuals or groups (including suppliers) undertaking activity for, or on behalf of, ALTRAC.

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.

<p>Anti-bribery and Corruption Policy</p>	<p>Sets out ALTRAC’s position on bribery and other corrupt behaviour, promotes the use of legitimate business practices and seeks to minimise risks of bribery and corruption. The policy applies to all ALTRAC employees and other parties acting as representatives or agents of ALTRAC, including directors, officers, consultants, and contractors.</p>
<p>Whistleblowing Policy</p>	<p>Provides a framework for people to raise concerns about illegal or improper conduct occurring in ALTRAC’s business, including behaviour that does not accord with ALTRAC’s Core Values, Code of Conduct, Supplier Code. The policy is underpinned by a commitment to conduct our business with honesty and integrity, to foster a culture of openness and accountability, to minimise the risk of illegal or improper conduct and to report and address this conduct if it occurs. ALTRAC’s Employee Assistance Programme is managed by an independent third party, Work Happy, and extends to provide a confidential, safe and independent means to report concerns regarding illegal or improper conduct 24 hours per day, seven days per week.</p>

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.

Contractual Requirements

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.

In the last reporting period, ALTRAC included in its template agreements specific clauses relating to modern slavery. These clauses:

- set out ALTRAC’s expectations of its suppliers in relation to assessing, minimising, and addressing modern slavery risks in its operations and supply chain;

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).

- place a positive obligation on its suppliers to take reasonable steps to:
 - work with its supply chains to implement measures to assess, minimise and address modern slavery risks and encourage greater sourcing transparency; and
 - implement measures to identify, assess, minimise and address risks of modern slavery practices in the operations and / or supply chains used in the performance of providing goods or services to ALTRAC; and
- require ALTRAC's suppliers to notify ALTRAC if they become aware of modern slavery practices in the operations and / or supply chains used in the performance of providing goods or services to ALTRAC.

Investigation

If ALTRAC becomes aware of possible instances of modern slavery in its operations (for example, in its supply chain), ALTRAC acts 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 seeks includes:

- confirmation that the relevant entity includes provisions in its agreements with its suppliers' obligations which require the supplier to comply with all applicable laws, in particular, in relation to modern slavery legislation, workplace health and safety and workplace practices;
- 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.

Supplier Questionnaire

ALTRAC has begun developing a Modern Slavery Supplier Questionnaire which it intends to roll out in the next reporting period to suppliers in its supply chain who it has assessed as medium and high risk.

The purpose of the questionnaire is to ascertain the policies and practical measures these suppliers have in place within their operations in order to mitigate modern slavery risks. The questionnaire is intended to assist ALTRAC to satisfy itself that its supply chain is compliant with the principles of preventing modern slavery.

If the questionnaire identifies a lack of policies or practical measures which demonstrate a lack of commitment by the supplier to address modern slavery risks in its operation and supply chain, ALTRAC will take action it considers appropriate in the particular circumstances in line with ALTRAC's modern slavery policies.

Training

In the last reporting period, ALTRAC mandated that all staff complete online modern slavery training and attend a roundtable discussion in relation to identifying risks of modern slavery in its operations and supply chain. Key personnel within ALTRAC completed additional training in relation to the Modern Slavery Act and reporting.

ALTRAC maintains a register of the training completed by all people on modern slavery. ALTRAC will continue to issue this training to new members of the ALTRAC team and require those with responsibility for procurement and engagement of suppliers, contractors, and consultants to complete additional training.

Stakeholders

ALTRAC's key stakeholders are the Financiers, the equity investors, its client (TfNSW) and its contractors. 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 acts immediately and follows the process outlined above to address the concerns raised by the stakeholders.

Mandatory Criterion 5 – Effectiveness of actions taken

We assess the effectiveness of our actions in respect of modern slavery risks through the following measures:

- **Training and awareness** – requiring all people within ALTRAC to complete training on modern slavery and recording completion of that training. Following the training, ALTRAC held internal round-table discussion with staff and confirmed an increased awareness of modern slavery risks impacting the business); and
- **Supply chain screening process** – undertaking a screening exercise of ALTRAC's supply chain to analyse suppliers in our supply chain and identify who are high risk. This process enables ALTRAC to effectively identify its high-risk areas and target its resources accordingly;
- **Supplier Questionnaire** – development of a Supplier Questionnaire which will enable ALTRAC to understand the measures that suppliers, who ALTRAC considers are medium to high risk, have in place in relation to modern slavery risks. The nature of the

responses received from the suppliers will inform ALTRAC's next steps and course of actions in line with our policies and procedures; and

- **Governance review** - review of our policies and procedures in relation to modern slavery. This ensures that ALTRAC's policies and procedures remain relevant and contemporary. All suppliers that have been approached have agreed to enter into consultancy agreement with ALTRAC including contractual provisions to address modern slavery risks.

Looking ahead

In the Financial Year ending 2023, we will continue to develop our response to addressing modern slavery risks occurring in our operations and supply chain. It is intended that this will involve:

- continuing to assess and monitor the risks in our operations and supply chain using the systems and tools outlined above;
- considering developing and implementing a procurement policy or checklist which seeks to ensure our procurement (whether in relation to new suppliers or renewal of existing suppliers) is consistent with the policies identified above;
- continuing to provide training of relevant people within ALTRAC on modern slavery awareness, mitigation, and prevention;
- undertaking a review of our policies and agreements identified above on an annual basis;
- undertaking a regular review (i.e., six-monthly) of our spend to maintain updated and accurate information about our supply chain and carry out risk assessments and focused due diligence accordingly;
- using our Supplier Questionnaire for suppliers in our supply chain who ALTRAC has assessed as medium or high risk and for new suppliers or renewal or re-engagement of suppliers who ALTRAC considers are medium or high risk;
- continue to engage with our O&M Contractor to understand its approach to assessing and addressing modern slavery risks in its operations and supply chains; and
- establishing a register to capture any reports of incidents or suspected incidents of modern slavery within ALTRAC or our supply chain and the actions taken in relation to such reports, for example, investigation and / or remediation of the reported incident/s or suspected incident/s.

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

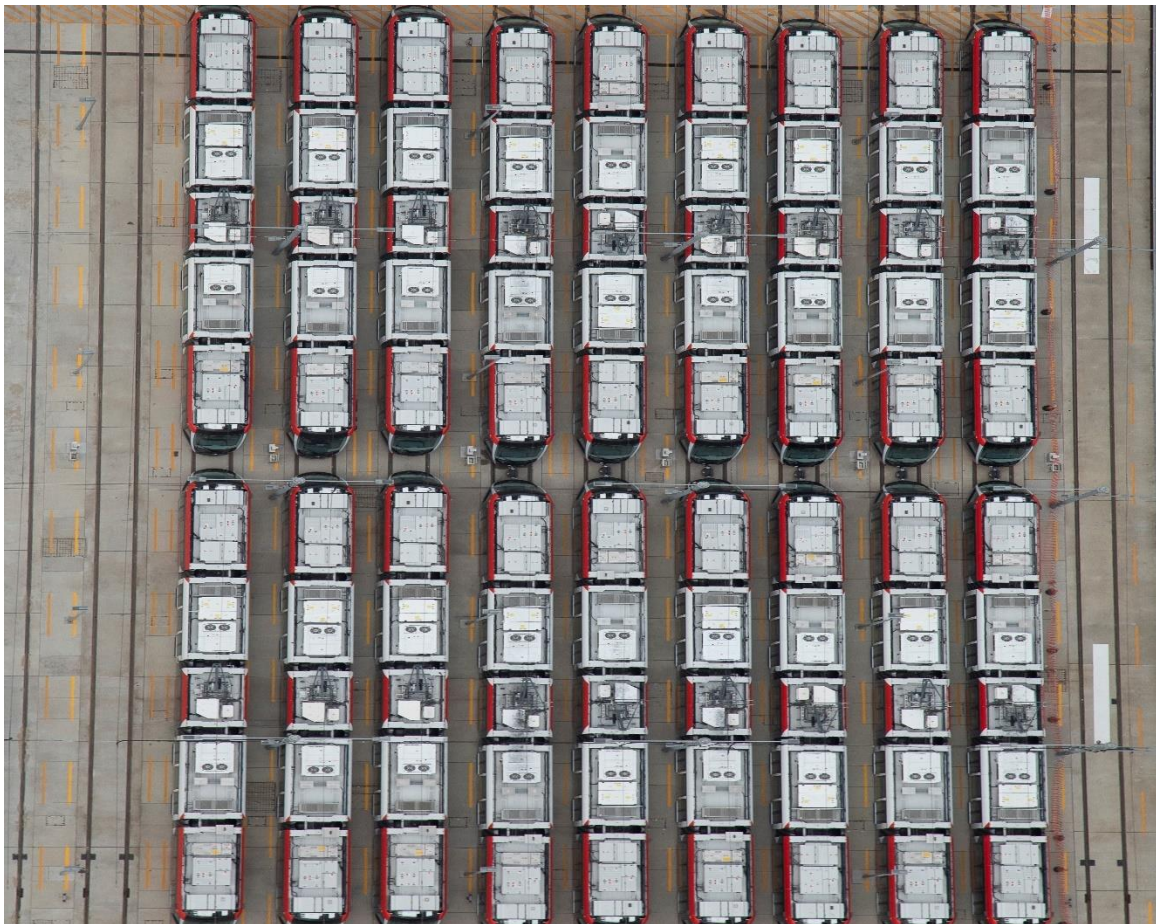
This Statement is made in accordance with the requirements of the Modern Slavery Act and constitutes ALTRAC's Modern Slavery Statement in respect of the period from 1 July 2021 to 30 June 2022.

This Statement was approved by the ALTRAC Partnership Committee, the principal governing body of ALTRAC as defined in the Modern Slavery Act, on 8 December 2022.

This Statement is signed by Penny Graham, a responsible member of ALTRAC, in her capacity as the Chair of the ALTRAC Partnership Committee.

A handwritten signature in blue ink, consisting of several overlapping 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 identifies the page number/s of this Statement that address each of the mandatory criteria in section 16 of the Modern Slavery Act that apply to ALTRAC.

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	5
Section 16(1)(b) Describe the reporting entity’s structure, operations and supply chains	Mandatory Criteria 1 and 2 – Reporting entity, structure, operations and supply chains	5
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	8
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	8
Section 16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	Mandatory Criterion 5 – Effectiveness of actions taken	12
Section 16(1)(f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	Mandatory Criterion 6: Consultation	Do not own or control any other entities
Section 16(1)(g) Any other information that the report entity, or the entity giving the statement, considers relevant	Not required	NA