

VicTrack Modern Slavery Act Statement

2023

Modern Slavery Act Statement 2023

This is the fourth statement by VicTrack and made pursuant to the *Modern Slavery Act 2018* (Cth) and sets out the actions we have taken to address Modern Slavery and human trafficking risks in our business, operations and supply chain in the reporting year 1 July 2022 to 30 June 2023.

Our approach

VicTrack recognises that Modern Slavery practices, such as human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting, physical abuse, restricting freedom of movement, confiscation of passports, wage theft and child labour² (Modern Slavery), are serious violations of human rights. We also understand that Modern Slavery can be hidden in plain sight and manifest itself in a number of forms and is a multifaceted, complex issue.

We have not tolerated and do not tolerate any form of Modern Slavery in any part of our business or supply chain.

2. Child labour includes all forms of slavery, including its worst forms: use of a child for illicit activities and work which is likely to harm the health, safety, or morals of children.

Disclosure

During our review for financial year 2022–23, we sought information from 349 suppliers, utilising a targeted Modern Slavery questionnaire to expand our risk analysis to the entire first tier (Tier One) of VicTrack's supply chain (see figure 1 below). We received responses from 126 suppliers' (36.1 per cent); of these, all suppliers indicated that they were willing to work with VicTrack to reduce the risk of Modern Slavery in their supply chains.

Of the suppliers who responded, VicTrack initially identified five high-risk instances of Modern Slavery in VicTrack's supply chains, and remediation activities commenced with the suppliers involved; of these, two were subsequently downgraded, and two further provided a significant amount of information relating to their respective operations, one relating to their supplier's factories in China and the other relating to their own anti-Modern Slavery compliance obligations in the EU, and we will continue to work with them to ensure continuing management of those risks. At the time of writing, one last supplier had not yet responded to remediation information requests and continues to be classified as a high-risk supplier.

The remaining suppliers who did not respond will continue to be monitored carefully and prioritised for follow-up during 2023–24.

Risk score	% of respondent	Total No. of respondents
Low (1–4)	26.6	93
Moderate (5–7)	8.6	30
High (8–10)	0.9	3
Not responded	63.9	223

Table 1: Summary of VicTrack Supplier Modern Slavery Risk, Source: Ethixbase360

Doing our part to help end Modern Slavery

We respect the dignity of persons and recognise each person's rights to freedom, justice and fair work conditions. VicTrack believes that all workers deserve to be treated with dignity and respect. We are committed to operating responsibly and establishing and adhering to the highest ethical standards. In particular, VicTrack is committed to ensuring that any form of Modern Slavery does not take place in its business or supply chain.

Preventing and addressing any possible involvement in Modern Slavery are central to our commitment to run a safe, responsible and profitable business. We set clear expectations and expect that our employees and Suppliers⁴ are and remain alert to possible involvement in Modern Slavery, and that they should actively work to prevent and address it. We also expect our Suppliers to provide a fair and ethical workplace by upholding high standards of human rights and addressing risks of Modern Slavery.

VicTrack takes and will take any report of breach of law, regulation or policy very seriously.

3. Tier One suppliers refer to those who provide goods and/or services directly to VicTrack or its subsidiary entities.

4. VicTrack's business partners, service providers, suppliers and entities directly linked to VicTrack's business operations, products and services.

Our business

Established in 1997, VicTrack is a state-owned organisation with an independent Board of Directors that oversees VicTrack's performance. VicTrack owns the transport land, assets and infrastructure of the State of Victoria (the State or Victoria/n), and its subsidiary companies, as set out in the section titled "Our Corporate Structure" on page 4, hold all classes of rolling stock. The role of VicTrack is to protect and grow the value of Victoria's transport portfolio and support a thriving transport system that makes travel and living better for all Victorians.

VicTrack's transport assets – such as rail buildings, signalling, track, telecommunications network and the Melbourne Underground Loop – are primarily leased via the [Department of Transport and Planning \(DTP\)](#) and franchised to the state's rail and tram operators ([Metro Trains Melbourne](#), [Yarra Trams](#), [ARTC](#) and [V/Line](#)). Assets which are not used for transport are commercialised with proceeds being reinvested to meet the Victoria's transport agenda.

VicTrack works with other agencies to enhance Victoria's rail transport assets to safely connect people, places and opportunities. The VicTrack vision is, as defined in the [Transport Integration Act 2010 \(Vic\)](#): "To meet the aspirations of Victorians for an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state".

VicTrack's core functions include:

- telecommunication services and network infrastructure that supports public transport
- management of land set aside for transport purposes, including the development and sale of land no longer required for transport
- project management and civil engineering services for rail infrastructure upgrades
- transport facilities and asset management, including the open access Dynon Rail Freight Terminal and heritage, buildings and environmental preservation.

Our corporate structure

The VicTrack group consists of Victorian Rail Track (trading as VicTrack) ABN 55 047 316 805 and its subsidiary companies (Subsidiary Companies) being Rolling Stock Holdings (Victoria) Pty Limited, ABN 74 104 780 056 (Rolling Stock Holdings); Rolling Stock (Victoria-VL) Pty Limited, ABN 23 093 317 992) Rolling Stock (VL-1) Pty Limited, ABN 35 093 563 412; Rolling Stock (VL-2) Pty Limited, ABN 31 093 563 458; and Rolling Stock (VL-3) Pty Limited, ABN 35 093 563 476.

Our organisational structure

VicTrack has three specialist delivery groups supported by the Office of the Chief Executive and the Business Services group:

Telecommunications

VicTrack owns and manages an extensive telecommunications network that delivers high capacity, secure and cost-effective data and technology services to government and transport partners.

We are a licensed telecommunications provider with statewide network infrastructure providing the transport sector with a full suite of telecommunications services. Our networks form the backbone of public transport customer information, myki ticketing, driver communications and other network critical systems, like signalling. Additionally, our 24-hour network monitoring, and planned and emergency maintenance repair services ensure the highest standards of reliability and safety for both the system and its users.

Property

VicTrack generates revenue through property sales, leasing, development and freight operations to reinvest into the transport network. We maintain our land and buildings and use them to support local communities.

As landowners, we must ensure our transport land best serves the sector and Victorian communities. With vast land parcels spanning the state and air rights throughout the public transport corridor, we work across all land use matters impacting transport land. These include land sales and acquisitions, property development, commercial leasing, land use and access, infrastructure and facilities management, heritage and environmental preservation.

Project Delivery

VicTrack supports and delivers rail transport projects and provides expertise on improvements and upgrades to rail land, infrastructure and telecommunications networks.

Whether we're actively upgrading infrastructure or working to support Victoria's major transport projects, VicTrack provides expertise across all disciplines that impact rail land, infrastructure and telecommunications networks. Our services include project management and project delivery in both civil engineering and telecommunications projects, as well as safety and technical services.

Our values

VicTrack has four key values which guide our operations, our behaviours and our decisions:

- **Professional:** We make decisions with integrity and respect. By behaving professionally and ethically we win the trust of our colleagues, stakeholders and customers.
- **Collaborate:** We collaborate to get things done efficiently and effectively. We have greater opportunity through leveraging our collective knowledge, building stronger bonds and respecting each other.
- **Achieve:** We perform our roles with integrity and skill. We hold ourselves accountable for delivering what is needed and own both our successes and mistakes.
- **Innovate:** We embrace all new ideas that bring about change that adds value. We become more efficient, effective and competitive.

VicTrack's operations are underpinned by the Victorian Public Sector Commission Code of Conduct which has six key principles as enshrined in the *Public Administration Act 2004*:

Responsiveness: Public officials should demonstrate responsiveness by: (i) providing frank, impartial and timely advice to the Government; and (ii) providing high quality services to the Victorian community; and (iii) identifying and promoting best practice.

Integrity: Public officials should demonstrate integrity by: (i) being honest, open and transparent in their dealings; and (ii) using powers responsibly; and (iii) reporting improper conduct, (iv) avoiding any real or apparent conflicts of interest; and (v) striving to earn and sustain public trust of a high level.

Impartiality: Public officials should demonstrate impartiality by: (i) making decisions and providing advice on merit and without bias, caprice, favouritism or self-interest; and (ii) acting fairly by objectively considering all relevant facts and fair criteria; and (iii) implementing Government policies and programs equitably.

Accountability: Public officials should demonstrate accountability by: (i) working to clear objectives in a transparent manner; and (ii) accepting responsibility for their decisions and actions; and (iii) seeking to achieve best use of resources; and (iv) submitting themselves to appropriate scrutiny.

Respect: Public officials should demonstrate respect for colleagues, other public officials and members of the Victorian community by: (i) treating them fairly and objectively; and (ii) ensuring freedom from discrimination, harassment and bullying; and (iii) using their views to improve outcomes on an ongoing basis.

Leadership: Public officials should demonstrate leadership by actively implementing, promoting and supporting these values.

Human Rights: Public officials should respect and promote the human rights set out in the *Charter of Human Rights and Responsibilities* by: (i) making decisions and providing advice consistent with human rights; and (ii) actively implementing, promoting and supporting human rights.

Both VicTrack's values and the VPSC Code of Conduct are supported by a large number of policies and procedures including VicTrack's Public Interest Disclosure Policy and Procedure, VicTrack's Fraud and Corruption Control Procedure, VicTrack's Conflicts of Interest Policy and VicTrack's Procurement and Sourcing Procedure.

Employees are encouraged to report any breaches or issues to their managers or in accordance with the Public Interest Disclosure Policy and Procedure. VicTrack has also implemented an anonymous reporting hotline, Core Integrity, in order that employees and third parties may report unacceptable conduct, including in relation to suppliers. The hotline can be accessed through: grs.ly/VicTrackSpeakUp.

Governance and compliance framework

VicTrack operates its business responsibly, ethically and with integrity.

As a state-owned enterprise, VicTrack abides by, among others:

- the [Public Administration Act 2004 \(Vic\)](#) which takes a comprehensive approach to supporting good public administration in Victoria by:
 - providing a broad definition of the public sector that includes 'public service bodies' (departments and administrative offices), 'special bodies' that have a special relationship with Government (e.g., Victoria Police, the Auditor-General, Ombudsman), and 'public entities' (e.g., public hospitals, TAFE institutes, catchment management authorities)
 - establishing a framework to ensure the effective governance of the whole of the Victorian public sector, to help government manage both the financial and non-financial risks associated with public entities carrying out functions on its behalf
 - enshrining the core and enduring public sector values of responsiveness, integrity, impartiality, accountability, respect, support for human rights, and leadership, which represent the defining characteristics of the behaviour required of all public sector employees.
- the [Financial Management Act 1994 \(Vic\)](#)
- the [Principles of Probity](#) (integrity, fairness and honesty)
- the [Codes of Conduct](#) issued by the Victorian Public Sector Commission (VPSC)
- our own internal business controls, policies and procedures, which include: Conflicts of Interest, Fraud and Corruption Control; Public Interest Disclosure; Competitive Neutrality; Gifts, favours, entertainment and other payments; Confidential information; Discrimination and sexual harassment; Health, Safety and Environment; Accounting, financial reporting and internal controls.

Procurement, due diligence and supply chain assurance

In addition to the governance and compliance framework described above, VicTrack has robust procurement policies and procedures in place. VicTrack's Procurement and Sourcing Procedure is aligned with the Victorian Government Purchasing Board requirements surrounding procurement of goods, services and works and is underpinned by VPSC requirements which includes the [Ministerial Directions and Instructions for Public Construction Procurement](#) and requires adherence to the Victorian Government's [Supplier Code of Conduct](#).

We have in place a procurement and supply chain management solution to help identify, manage and mitigate risk within our supply chains through contractor prequalification, document management, worker management, auditing, employee-level qualification and training, insurance verification, and business intelligence. With this tool, we are able to effectively communicate and monitor supplier compliance with relevant laws and regulations as well as our corporate policies and standards.

VicTrack expanded its knowledge base of Modern Slavery risk during 2022–23, implementing a targeted Modern Slavery risk assessment tool and commencing review of all suppliers at Tier One. Given responses to the Modern Slavery questionnaire remains voluntary at this stage, the response rate by suppliers in the rollout of this tool has been particularly successful.

Our supply chain

VicTrack has commenced extensive mapping of its overall supply chain during 2022–23 and has expanded significantly in its knowledge of supplier activity past Tier One for the first time.

The below map indicates advice provided by suppliers for 2022–23 of Tier One location.



Figure 1: VicTrack Third Party Suppliers by Country of Origin (Tier One)

As anticipated, the majority of VicTrack suppliers are based in Australia, with a small number based in the United States, Singapore and Germany.

The second map provides the same supplier base, who have this year provided all their business operation centres globally. This map identifies 27 countries within our supply chain to date, including provision of goods and services to our suppliers, and their own subsidiaries.

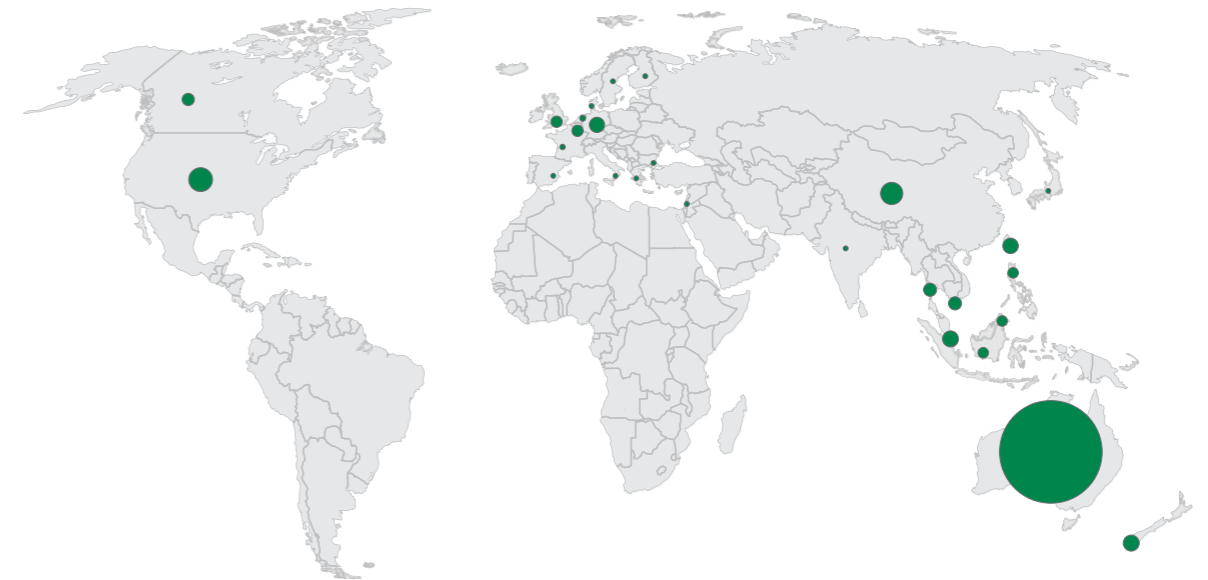


Figure 2: VicTrack Tier One Suppliers Known Business Operations by Country, Source: Ethixbase360

Modern Slavery risks in our operations and supply chains (including our subsidiaries)

VicTrack continues to take a risk-based approach to Modern Slavery. The majority of VicTrack's procurement is of services, primarily from within Victoria in line with the [Local Jobs First](#) requirements. Following interpretation of data provided for this year's statement, VicTrack considers the risk of Modern Slavery has increased from low to moderate as our knowledge of risk has expanded beyond Tier One suppliers, and into the international operations of our suppliers. While we appreciate that risks are low at Tier One, in terms of Victorian-based labour due to the robust employment protection legislation in place in Victoria and Australia, this increases significantly once resources move past this initial level and into Tier Two⁵.

The expansion of our methodology in identifying potential threats of Modern Slavery in our Tier One suppliers has uncovered that our existing process requires further consideration and amendments to address the following internal concerns:

- Not all VicTrack internal stakeholders are explicitly trained in identifying and reporting potential and actual Modern Slavery concerns; both targeted and general training has been developed and has been rolled out before the date of this statement. Attendance of those courses and whether there is a corresponding improvement in internal knowledge and application of that knowledge will be explored in more detail in our 2022–23 statement.
- VicTrack suppliers (based on responses to the new questionnaire) continue to require education in understanding, identifying and reporting potential and actual Modern Slavery concerns in their own operations and supply chains.

VicTrack's Procurement team has taken steps to source and implement a more integrated and robust system to provide both internal and external education to operational and supply chain stakeholders, and this will continue to be a primary focus of their work for the next year.

In the meantime, VicTrack continues to engage in meaningful and respectful conversations with suppliers who have volunteered information that identifies them or their supply chains as being at higher risk of having Modern Slavery occur in their operations or in their supply chain(s). VicTrack's experience so far demonstrates a willingness by most suppliers to provide information when that is sought and that there is a mutual goal in seeking an uplift in maturity for both VicTrack and its suppliers in addressing Modern Slavery risks.

Ongoing assessment of supplier responses will assist VicTrack to improve its procurement processes by identifying suppliers that are more willing to engage in the improvement process and demonstrate a corresponding and genuine desire to improve our respective organisations' compliance with anti-Modern Slavery obligations.

Telecommunications Group

As a fully licensed telecommunications provider, VicTrack sources componentry and IT services from within Australia and overseas, principally from Australia, Europe, China, Hong Kong, Japan and USA. Of the 130 suppliers identified to provide goods and services to this business unit, three were identified as potentially high risk, and 17 identified as a moderate risk as part of our new risk assessment process. The three potentially high-risk suppliers were requested to provide supplemental information by our Legal Counsel, with one being downgraded from high to moderate; the others were confirmed as a high risk but taking remediation actions, with some of those actions ongoing.

Property Group

VicTrack owns a significant amount of land across Victoria and engages in a range of property management functions including property development, managing infrastructure and facilities management. Of the 126 suppliers identified to provide goods and services to this business unit, one was identified as potentially high risk, and 10 identified as a moderate risk as part of our new risk assessment process. The identified high-risk supplier has been requested to provide additional information, which, to date, has not been provided.

Project Delivery Group

VicTrack's Project Delivery Group works on a range of infrastructure projects across the Victorian transport portfolio. Its key services include project management and project delivery in both civil engineering and telecommunications projects. Of the 70 suppliers identified to provide goods and services to this business unit, two were identified as potentially high risk, and nine identified as a moderate risk as part of our new risk assessment process. The two potentially high-risk suppliers were requested to provide supplemental information by our Legal Counsel, with one being downgraded from high to low risk due a clerical error in their initial response; the other was confirmed as a high risk; this supplier also provides goods and services to the Telecommunications Group.

Office of the Chief Executive and Business Services

VicTrack's Office of the Chief Executive and Business Services consists of the People and Culture, Communications and Engagement, Legal, Procurement, Finance and Health, Safety and Risk teams. Of the 61 suppliers to these business units, no high-risk suppliers were identified and two were identified as a moderate risk as part of our new risk assessment process.

Subsidiary companies

Rolling Stock Holdings owns the majority of the State of Victoria's rolling stock (trains and trams). The Department of Transport and Planning (DTP) sources the rolling stock and transfers ownership of the assets to VicTrack. The Modern Slavery risk here is that parts are made outside of Australia, in countries which are identified as being high risk for Modern Slavery.

Rolling Stock Holdings took on an additional 12 new units of rolling stock during 2022–23. VicTrack has verified with DTP that the supplier of these units has appropriately mitigated their Modern Slavery risk in sourcing of components and labour in the procurement process with specific obligations on the supplier being included in the most recent purchase contract. These include taking the following steps to mitigate the risks of Modern Slavery occurring:

- The Tier One Supplier's contracts with Second Tier Suppliers and contractors contain specific terms specifying requirements in relation to Modern Slavery prevention.
- The Tier One Supplier conducts a multi-step on-boarding process before engaging new external suppliers, including questions specific to their Corporate Social Responsibility activities.
- An onboarding and monitoring questionnaire specifically focuses on Modern Slavery and is required to be completed by new suppliers as well as existing suppliers and contractors, on a regular basis.
- Employees of the Tier One Supplier must complete, among other things, training in their code of ethics which incorporates Modern Slavery and human trafficking training. Mandatory refresher training is required of existing employees every two years or earlier if required, due to changes in compliance related measures, including legislative changes.
- The Tier One Supplier uses a phone line and web-based portal by which any employee, third party, contractor or supplier can confidentially report any suspected or actual breach of any law, regulation, internal organisational rules and policies and code of ethics.

The supplier of rolling stock to DTP provided advice of follow-up review and audits completed during 2022–23 regarding one of their China-based global suppliers, which had been previously identified as high risk, and had cooperated in remediation activity with the supplier following their denial of allegations of Modern Slavery practices. The supplier commissioned an extensive follow-up audit in February 2022 at the supplier's site, through a third party. Following the documentation and information provided through this audit, the supplier believes no human right breaches were observed at the plant that was supplying to the DTP supplier.

⁵ Tier Two suppliers refers to those that provide goods and/or services to the Tier One providers (which in turn provide goods and/or services directly to VicTrack).

Actions taken (including by subsidiaries) to assess and address those risks, including due diligence and remediation processes

In 2021–22, we had expanded the methodology to identify potential Modern Slavery risk within our supply chain and reviewed all existing VicTrack suppliers with advised medium and high commercial risk within our compliance platform and cross-referenced specific Modern Slavery markers identified through the Global Slavery Index, including countries of origin for goods, services and operations, and at-risk trades and commodities.

In 2022–23, this was further expanded with the introduction of new online tools, and we have successfully implemented a tool to track our entire Tier One supply chain. The new tool, utilising a simplified Modern Slavery Questionnaire developed in conjunction with legal firm Norton Rose Fulbright, requests information from each of VicTrack’s suppliers in key areas of Modern Slavery risk including:

- Goods and services
- Health and Safety
- Human rights
- Anti-bribery and corruption
- Written contracts
- Indigenous peoples
- Migrants

The purpose of the new software is to build an improved dataset to initiate remediation in a significantly shorter timeframe. For 2022–23, questionnaires were sent, responded to and remediation commenced within a two-week period, a significant improvement from the 10 weeks required in 2021–22 to complete the same initial analysis.

With this expanded access to data, we identified that, from 349 active suppliers used during 2022–23, thirty three suppliers (9.5 per cent) were identified as having a moderate to high potential risk of Modern Slavery and scheduled for review; three specific high-risk suppliers were targeted for immediate remediation follow-up before the closing date of the survey, due to the risks identified.

Modern Slavery risk identified (score identified)	No. of suppliers advising risk existed	Remediation action
Supply of goods/raw materials/produce from the Xinjiang Uyghur Autonomous Region (XUAR), or outside XUAR by Uyghur workers from a government operated labour transfer program (10)	1	Referred to VicTrack Legal for remediation follow-up with supplier; subsequently found to be a data error and reduced to Moderate Risk.
Workers or contractors onsite required to pay a recruitment fee to anyone to secure work on supplier’s site (10)	1	Referred to VicTrack Legal for remediation follow-up with supplier; subsequently found to be a data error and reduced to Low Risk.
Combination of high-risk jurisdictions, activities and workforce indicators by supplier raised MS risk to high (8)	3	Referred to VicTrack Legal for remediation follow-up with supplier; One has been discussed in the case study, another has noted it is aware of those risks and takes reasonable steps to mitigate and guard against those risks, and one other has not responded at time of writing.

Table 2: High Risk suppliers with Identified Modern Slavery Risk

⁵ Tier Two suppliers refer to those that provide goods and/or services to the Tier One providers (which in turn provide goods and/or services directly to VicTrack).

Referring to Table 2 opposite, all suppliers with high risk identified following submission of their questionnaire were flagged in the first instance with the Legal and Procurement teams. Indicators were discussed, including possibility of scoring being due to misunderstanding of the questionnaire, and the Legal team then proceeded with remediation activity, where the supplier was contacted regarding the questionnaire responses and provided with the opportunity to expand and clarify any part of their response.

VicTrack’s recognises that our suppliers have a diverse range of understanding, education and maturity in their implementation of anti-Modern Slavery measures and even amongst those who have a mature understanding of the general concepts, it takes time and proactive effort to embed anti-Modern Slavery practices into pre-existing business practices.

In each instance where suppliers have been approached for further information, VicTrack takes care to be collaborative and respectful of the supplier’s business practices and Modern Slavery maturity. By taking a deliberately calibrated approach, VicTrack has observed a general willingness on the part of suppliers to be open and transparent about the potential weaknesses and risks identified through their voluntary survey responses, and VicTrack intends to continue having robust but respectful conversations with its suppliers to enable all parties to improve both the policy settings for Modern Slavery best practice as well as implementing those practices within each of our respective organisations.

Case study: Where low spend does not equal low risk

In expanding the reach of our Modern Slavery questionnaire this year, we identified a high-risk supplier from what had previously been considered a low-risk part of our network. One of VicTrack’s telecommunications suppliers with a very low overall spend, was identified to be a high-risk supplier and required remediation attention following submission of their questionnaire to our Procurement team.

The supplier had not been flagged in previous assessments due to low overall spend, registered high risk scores in three areas of our questionnaire:

- **Jurisdiction:** Being a provider of components, they had goods manufactured in several countries, including China.
- **Activities:** As a component provider, they also flagged in the survey analysis for products advised as containing several materials in the high-risk category, including copper, gold, rubber (natural), nickel and zinc.
- **Workforce:** The supplier also advised that they employed young workers within Australia; this required follow-up to confirm that these workers were being employed under appropriate conditions.

All three of the above issues were referred to VicTrack’s Legal team for review and remediation work with the supplier commenced within a few days of receipt of the survey. The supplier confirmed that all their young workforce were employed in non-technical roles and under appropriate industrial conditions for underage workers in Australia. This concern was subsequently noted and removed from consideration.

The supplier also confirmed that they procured components through third party companies in China; they provided testimony to us that they had visited these factories prior to the COVID-19 pandemic, and had not seen any activity on site to suggest staff may be at specific risk of Modern Slavery. During their tour, they had viewed the general conditions of common areas including lunchrooms, toilets, as well as movement of staff in and out of the facility. The supplier looked out for and noted if there were excessive security controls and made observation of the general happiness of workers throughout the tour. They also looked out for potential safety risks such as inappropriate clothing and lack of PPE.

We requested additional information, including whether a follow-up visit would be made, and the supplier advised they would be touring facilities in 2024 including a new site of one of their own long-term providers. This has been noted for follow-up on mid-2024, ahead of our next questionnaire release.

How the organisation assesses the effectiveness of the actions taken

VicTrack is currently updating the Anti-Modern Slavery Policy implemented in 2020–21 that meets our moral and ethical obligations to end Modern Slavery and is designed to help identify, prevent, mitigate and address the risks, and where appropriate, remedy any identified instance of Modern Slavery.

As part of its broader Ethical Behaviour and Practice Program, VicTrack is committed to developing, implementing, and improving our business practices, controls, policies and procedures. We have revisited our public interest disclosure, reporting and investigation policy and framework (whistleblowing). VicTrack has made available, to employees, suppliers and the general public, a means to report breaches of any law, regulation or VicTrack policy through its website.

VicTrack has not identified any confirmed instances of Modern Slavery in its supply chain as a result of its investigations to this date and we have not received any notifications or complaints of Modern Slavery through our reporting mechanisms. However, we understand that this is not determinative of the lack of Modern Slavery in our supply chains and will make regular risk assessments of all our suppliers to ensure that they continue to uphold their own Modern Slavery obligations.

In light of changes to our methodology this year, we have made some improvement in assessing the maturity of our Tier One suppliers in addressing Modern Slavery in their operations and supply chain. We acknowledge that more work is required to continue educating and remediating risks in our Tier One suppliers, while progressing to our Tier Two suppliers. It also remains imperative that our internal buyers are aware of Modern Slavery risks in day-to-day purchases, as VicTrack utilises a centre-led procurement model, and as such all purchasing is decentralised.

VicTrack's goals for the 2023–24 reporting period are to:

- fine tune the analysis activity relating to all our Tier One suppliers
- continue to ensure all front-line purchasing staff are provided with appropriate training in Modern Slavery practices and the appropriate mechanisms to identify and report these internally
- build on our expansion of supplier transparency into our Tier Two suppliers and increase transparency of our global supply chain.

Process of consultation with Subsidiary Companies in preparation of the Modern Slavery Statement

The composition of the Board of each of the Subsidiary Companies is the same composition as the VicTrack Board and so they have been consistently updated on the Modern Slavery strategy.

This statement has been approved by the Board of each of the Subsidiary Companies.

Future commitments

Over the next year, VicTrack will continue to fine tune and expand risk assessment and investigation of our Tier One suppliers, with the primary objective to ensure that all suppliers, regardless of spend, have awareness of and are able to comfortably identify and report any potential or actual Modern Slavery concerns for remediation.

We will then commence active assessment and review of our 'Tier Two' suppliers' procedures for addressing Modern Slavery risks in their supply chains and reinforcing the education program for our employees and suppliers and ensure our compliance systems are sufficiently up to speed to be able to report these within the next two years.

Targeted Modern Slavery training will be implemented during 2023–24 for both internal and external stakeholders to increase knowledge sharing, both internally across business units, and with our Tier One suppliers, to increase awareness and open communications in this space, that we can effectively identify and remediate any concerns moving forward. All these measures will also be updated into our existing Anti-Modern Slavery Policy.

Modern Slavery Act 2018 (Cth) – Statement Annexure

Principal Governing Body Approval

This Modern Slavery statement was approved by the principal governing body of Victorian Rail Track Corporation (VicTrack) and its subsidiaries as defined by the *Modern Slavery Act 2018 (Cth)*⁶ ("the Act");

Approved by the VicTrack Board of Directors on [19 October 2023].

Approved by the Rolling Stock Holdings (Victoria) Pty Limited Board of Directors on 19 October 2023.

Approved by the Rolling Stock (Victoria – VL) Pty Limited Board of Directors on 19 October 2023.

Approved by the Rolling Stock (VL-1) Pty Ltd Board of Directors on 19 October 2023.

Approved by the Rolling Stock (VL-2) Pty Ltd Board of Directors on 19 October 2023.

Approved by the Rolling Stock (VL-3) Pty Ltd Board of Directors on 19 October 2023.

Signature of Responsible Member

This Modern Slavery statement is signed by a responsible member of Victorian Rail Track Corporation (VicTrack) as defined by the Act⁷:



Geraldine Gray

Chair | VicTrack

Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	1
b) Describe the reporting entity's structure, operations and supply chains.	4: Our business 4: Our organisational structure 7: Our supply chain
c) Describe the risks of Modern Slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	8: Modern Slavery risks in our operations and supply chains (including our subsidiaries)
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	10: Actions taken (including by subsidiaries) to assess and address those risks, including due diligence and remediation processes
e) Describe how the reporting entity assesses the effectiveness of these actions.	12: How the organisation assesses the effectiveness of the actions taken
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	12: Process of consultation with subsidiary entities in preparation of the Modern Slavery Statement
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	12: Future commitments

*If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

⁶ Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph – a prescribed body within the entity, or a prescribed member or members of the entity.

⁷ Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign Modern Slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee – that trustee; or (c) if the entity is a corporation sole – the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the Corporations Act 2001 – the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph – a prescribed member of the entity.

