



## Modern Slavery Statement – Financial Year 2021

This statement is prepared in accordance with the requirements of *The Modern Slavery Act 2018* (Cth) (“the Act”) for the reporting period 1 January 2021 to 31 December 2021.

Childrens Health Partnership Holdings Pty Ltd (ABN 52 127 920 496) as trustee for the CHP Holdings Unit Trust (ABN 64 144 220 710) and its controlled entity, Childrens Health Partnership Pty Ltd (ABN 59 119 703 445) as trustee for the CHP Unit Trust (ABN 39 144 988 542) (collectively “the Group”) are reporting entities during the reporting period.

### **Mandatory Criteria One & Two: Identify the reporting entity and describe its structure, operations and supply chains**

The CHP Unit Trust is 100% held by CHP Holdings Unit Trust, with the ultimate unitholder being International Public Partnerships Limited (INPP), which is a Guernsey based fund investing in public and social infrastructure.

On 27 November 2007, Childrens Health Partnership Pty Ltd as trustee for CHP Unit Trust, and the Victorian Government (State) entered into the Project Deed for the design and construction, financing, provision of facilities management services, and complementary commercial development for the site of the Royal Children’s Hospital located in Melbourne.

The concession is approximately 29 years of which the design and construction phase was approximately 7 years and the operation phase approximately 22 years. The rights of the State and CHP Unit Trust are set out in the Project Deed. At the end of the concession period the Hospital will be handed back to the State for no consideration and in a suitable condition.

Whilst the Group itself does not have any employees, the Group procures goods and services from various suppliers to meet the delivery of services specified in the Project Deed. The Group’s most significant expenditure relate to facilities management (FM) services (for pest control, grounds maintenance, caretaking, security, carpark and waste management services), construction costs, and other professionals services such as legal, tax, audit and technical consultancy.

There has been no significant change in the Group’s structure, operations or supply chains during the reporting period, as the material contracts under the Project Deed remain consistent over the concession period.

### **Mandatory Criteria Three: Describe the risks of modern slavery practices in the operations, supply chains of the reporting entity and any entities the reporting entity owns or controls**

The Group recognises that the major risks of modern slavery within the Group’s supply chain are sector specific, as its key suppliers are within the construction and FM sectors. The FM and construction services procured by the Group are provided by Spotless Facility Services Pty Ltd (‘Spotless’) and Lendlease Building Pty Ltd (‘Lendlease’) respectively. Lendlease’s engagement was limited to defect rectification works for the Group. Both Spotless and Lendlease are proven long term partners of Public Private Partnership (PPP) projects within healthcare and other sectors, and



are also reporting entities under the Act. Payments to these suppliers continue to make up a significant portion of the Group's expenditure.

During the reporting period, as part of its continuous improvement plan, the Group developed a Modern Slavery Questionnaire (MSQ) and had sent this to its higher risk suppliers for confirmation of their modern slavery risks. The following is a summary of our review of the completed MSQs, as well as information disclosed in their published modern slavery statements:

- The key modern slavery risks for Lendlease stem from (i) direct labour engaged across operations including contractors and sub-contractors; and (ii) indirect labour used in supply chains to produce materials and products or contracted for projects. Labour inputs were impacted by the COVID-19 pandemic, as travel restrictions limited the availability of temporary migrant labour across Lendlease's operating regions.
- During the reporting period, Lendlease continued to improve supply chain transparency through a combination of modern slavery due diligence questionnaires and targeted supply chain (labour rights) audits. The Supply Chain Audit Program targeted modern slavery risks across 10 key suppliers in the areas of cleaning, security and labour hire. It comprised of both individual and group interviews which focused on recruitment procedures, training, employee entitlements and wages. There were no material non-conformities or high risks relating to labour conditions and modern slavery that were identified through the audits.
- Other significant initiatives progressed by Lendlease to mitigate modern slavery risks include:
  - development of a Modern Slavery Risk Heatmapping Pilot Tool to risk score key product / supply categories. A product origin survey exercise has been conducted with 33 strategic suppliers;
  - activation of the new global Supplier Portal for strategic/key suppliers with an elevated risk profile. A range of third-party intelligence sources are utilised for regulatory monitoring, risk alert services and assessing supplier financial exposure;
  - refresh of the Global Minimum Requirements (GMRs) which sets the minimum Environment, Health & Safety standards, so that it incorporates specific requirements relating to modern slavery and the Supplier Code of Conduct; and
  - implementation of the regional Modern Slavery Risk Mitigation Action Plans;
- Spotless (part of the Downer EDI Ltd group) recognises that modern slavery risks may exist in its Tier 1 supply chain and beyond, particularly in high-risk categories such as workwear, electronics and raw materials sourced from higher risk countries. The COVID-19 pandemic impacted Downer, as restrictions created issues in relation to workforce mobility and procurement of materials. Downer responded to these challenges by sourcing products from existing low-risk suppliers who remained resilient and developing a Pandemic Playbook which focuses on the health and safety of employees.
- The vast majority (96%) of Downer's suppliers spend relates to goods and services, suppliers and subcontractors who are based in Australia and New Zealand.



- The Downer Group implemented some important initiatives to address modern slavery risks during the reporting period which included:
  - completion of a self-assessment questionnaire for larger and higher risk suppliers as part of the prequalification process for onboarding new suppliers;
  - mandatory online training to all employees to address modern slavery risks and specialist modern slavery training for key employees who conduct procurement in high risk or critical areas; and
  - integration of a modern slavery dashboard on the intranet, which provides a risk rating to each supplier based on their spend and country category.

**Mandatory Criteria Four: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes**

The Group has risk-assessed its modern slavery risks based on the sectors which its suppliers operate in. The Group has continued its due diligence process in the reporting period for suppliers within the construction and FM sectors, which are considered higher risk. Actions taken during the reporting period include:

1. The Group has written to each supplier within the specific sectors noted above, and requested the completion of a MSQ developed by the Group, addressing the following areas:
  - requirement of the supplier to comply with The Modern Slavery Act 2018 (Cth);
  - actions taken by the supplier to manage their supply chains;
  - areas of highest risks relating to modern slavery, human rights and labour standards;
  - organisation's policies and procedures to prevent modern slavery practices;
  - remedies and grievance mechanisms in place within the organisation.

If there are areas for concern, the respondents are followed up directly for further detail and action.

2. The MSQ is now established as part of the Group's 'Know Your Supplier' policy for onboarding new suppliers. Where a higher risk or key supplier is identified, completion of the MSQ is required prior to their engagement.
3. The Group has implemented a Whistleblower Policy to encourage the reporting of any modern slavery risks, human trafficking or unethical practices within the business.

**Mandatory Criteria Five: Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks**

The Group's suppliers from the construction and FM sectors are large, reputable, multinational organisations who have published modern slavery statements during the reporting period. We have reviewed their modern slavery statements and responses to our MSQ (refer Mandatory Criteria Three) to ensure that they continue to address their modern slavery risks.



The Group will continue to monitor the implementation of the look forward initiatives proposed by its key suppliers and report on the following actions in the next reporting period:

- review progress of the Modern Slavery Risk Heatmapping Pilot by Lendlease and outcomes of its product origin survey;
- review of Lendlease's annual regional Modern Slavery Risk Mitigation Action Plans;
- request a copy of Downer's self-assessment questionnaire to its larger and higher risk suppliers; and
- summary report from Downer's modern slavery dashboard.

**Mandatory Criteria Six: Describe the process of consultation with any entities that the reporting entity owns or controls.**

The Group does not own or control any entities.

**Mandatory Criteria Seven: Any other relevant information**

None.

**Approval**

This statement was approved by the Board of CHP on 23 June 2022.

A handwritten signature in black ink that reads "Martyn Jackson". The signature is written in a cursive style and is positioned above a horizontal line.

Martyn Jackson