



Modern Slavery Statement

(For the period 1 July 2021 to 30 June 2022)

ConnectEast Pty Ltd

PART 1: THE REPORTING ENTITY – CONNECTEAST PTY LTD

ConnectEast Pty Limited ACN 101 213 263 (**ConnectEast**, including references to 'we', 'our' and 'us') is a proprietary limited company registered in Victoria, Australia. This is ConnectEast's third Modern Slavery Statement (**Statement**) covering the Australian financial year from 1 July 2021 to 30 June 2022 (the **Reporting Period**) and published in accordance with section 13 of the *Modern Slavery Act 2018* (Cth) (the **Act**).

ConnectEast is the responsible road authority and operator of EastLink until 2043 pursuant to the *EastLink Project Act 2004* (Vic) and a concession from the State of Victoria. EastLink is a 39km north-south tolled freeway in Melbourne's east.

At ConnectEast, we understand that modern slavery is a global issue that may present itself in our operations and/or supply chains. ConnectEast is committed to taking continued action to assess, address and mitigate modern slavery risks and understands that doing so is integral to ConnectEast's overall commitment to sustainability.

ConnectEast maintains guiding sustainability principles that intersect with safeguarding against modern slavery risks. One of the main strategic purposes of ConnectEast is to *Operate Sustainably*. By embedding sustainable procurement throughout our supply chain, we protect and enhance our assets and the environments in which we operate, recognising the interests of our stakeholders.

These principles are guided by our Environmental, Social and Governance (**ESG**) policy and Sustainability Management Plan, which outline our sustainability commitments, roles, and responsibilities to uphold these commitments, and are reiterated in our annual EastLink Sustainability Report, which is publicly available on our website.

ConnectEast continues to acknowledge the United Nations Sustainable Development Goals and participate in the Global Real Estate Sustainability Benchmark (**GRESB**) each year. Within the Reporting Period, ConnectEast achieved the following GRESB results:

- (a) An overall GRESB rating of 95%;
 - (b) GRESB's maximum 5-star rating (ConnectEast has achieved this for the last 7 consecutive years (2016-2022)); and
 - (c) Ranked 1st in Asia-Pacific in the Motorways (Maintenance and Operation) category,
- a result which demonstrates ConnectEast's continual commitment to ESG matters.

This Statement describes ConnectEast's structures, protocols, and steps taken during the Reporting Period to assess and address the modern slavery risk to ConnectEast's operations and/or supply chains, as well as an overview of future actions we plan to take.

In the process of preparing this Statement, ConnectEast's Senior Management Team and Board of Directors have reviewed and provided feedback on its content. This Statement was approved by ConnectEast's Board on 22 November 2022.

Signed:



Russell Caplan
Chairman
ConnectEast Pty Ltd



Charles Griplas
Director
ConnectEast Pty Ltd

PART 2: CONNECTEAST'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure

ConnectEast is a private company registered in Victoria, Australia.

ConnectEast was established as a special purpose vehicle dedicated to the design, construction, operation and maintenance of EastLink. Construction of EastLink started in March 2005 and EastLink opened to traffic in June 2008. ConnectEast is entitled to charge and collect tolling revenue from users of EastLink.

ConnectEast's sole asset is EastLink and ConnectEast does not own nor control any other entities.

ConnectEast is a "reporting entity" for the purposes of the Act.

Operations

ConnectEast's sole asset, EastLink, is situated in Melbourne's east. Accordingly, ConnectEast's core operations are located principally in this region with, ConnectEast's head office, the EastLink Operations Centre (**ELOC**), situated at 2 Hillcrest Avenue, Ringwood, Victoria in Australia.

ConnectEast has approximately 162 employees, all of whom are principally based at ELOC, except where mandatory restrictions imposed by federal or state laws or best-practice health regulations from time to time require ConnectEast's employees to work from home.

ConnectEast's whole-of-life responsibilities with respect to EastLink require our business to span various areas of asset management. These responsibilities have evolved over time depending on the phase of EastLink's life cycle. Initially, these responsibilities were focused on design, pre-construction land management, and ultimately construction of the freeway. Currently, the core business of ConnectEast is the operation and maintenance of EastLink, which includes the following areas to the extent they relate to the operational and maintenance aspects of EastLink:

- operation, maintenance and repair of EastLink and associated land;
- environment and land management;
- emergency and incident management;
- public use conditions including signage and cameras;
- tolling and customer service; and
- financial and corporate support functions.

The core business departments within EastLink to support the operations span the following:

- (d) Road Operations and Maintenance;
- (e) Information Technology (IT);
- (f) Customer Services;
- (g) Finance, Billing and Credit;
- (h) Legal and Regulatory;
- (i) HR, Risk and Safety; and
- (j) Corporate Affairs and Marketing.

ConnectEast engages Ventia Australia Pty Ltd (formerly Broadspectrum (Australia) Pty Ltd) (**Ventia**) to undertake certain operation and maintenance activities on ConnectEast's behalf, pursuant to an Operation and Maintenance Agreement. Ventia is a separate "reporting entity" under the Act.

Supply Chains

ConnectEast engages a broad range of suppliers for the provision of products and services to support the operation and maintenance of EastLink and our business operations. ConnectEast's operations are solely based in Australia,

and the majority of our direct suppliers are also based in Australia. Nevertheless, some of our direct suppliers have operations, or engage subcontractors, in countries that operate under different labour and human rights laws.

Our main procurement categories (with examples identified across our operations) include:

- (a) Professional Services (e.g., engineering and consulting services, revenue collection and debt recovery services, and professional advisors);
- (b) Information and Communications Technology (e.g., software and hardware to operate EastLink, tolling and customer relationship management, IT support and telecommunication services);
- (c) Maintenance, Repair and Operating (e.g., sourcing and procurement of raw materials and finished goods, plant, equipment, products and utilities such as power, fuel, water, drainage, waste collection and recycling to maintain EastLink);
- (d) Business and administrative operations (e.g., products provided to customers such as account statements and notifications, tolling tags and tag holders); and
- (e) Other services relevant to the maintenance and operation of EastLink.



PART 3: ASSESSING RISKS OF MODERN SLAVERY PRACTICES

Risks in our operations

ConnectEast's employees work exclusively within Australia and primarily work in professional services. Our employment process is strictly regulated by Australian laws, including the *Fair Work Act 2009* (Cth) and applicable awards. We consider there to be a low risk of modern slavery within our operations.

Risks in our supply chains

Whilst ConnectEast has a zero-tolerance policy of modern slavery, we understand that there may be risks of modern slavery practices particularly downstream in our supply chain where we may have very limited visibility or leverage.

During the Reporting Period, each department at ConnectEast conducted a risk-based scoping exercise and assessment of our existing suppliers, considering the risk of modern slavery in the operations of the suppliers based on the following factors: type of services provided, the business area, sector risk and geography.

The risk scoping exercise revealed that, with a small number of our suppliers, there were moderate modern slavery risks where supply was procured from or outsourced to:

- (a) nations where human rights (and labour rights) are less respected or legislatively entrenched;
- (b) sectors with a historically higher exposure to modern slavery risks such as, as relevant to ConnectEast, cleaning and security services, or the manufacture of information and communications technology (ICT) equipment; or
- (c) geographies that have been assessed by the Global Slavery Index (GSI) as having a higher prevalence of modern slavery practices,

(together, **Risk Factors**).

Given the fixed nature of EastLink, and the operate-and-maintain phase of the asset's life cycle, most of our procurement needs necessitate our contracted suppliers and their workforce composition to be located within Australia, which has been assessed by the GSI as having a lower prevalence of modern slavery practices. Accordingly, our risk assessments have generally categorised these suppliers as low risk.

ConnectEast also maintains suppliers that are based in Austria, New Zealand, Spain, the USA, and the Philippines, while a number of our Australia-based suppliers also source their products and/or services from countries where the risk of modern slavery may be higher, based on the Risk Factors above.



PART 4: ACTIONS TAKEN TO ADDRESS RISKS OF MODERN SLAVERY PRACTICES

Within the Reporting Period, ConnectEast employed a mixture of established practices and newly implemented actions to address potential risks of modern slavery throughout its supply chain and business operations.

Due diligence and supplier engagement

ConnectEast ensures that our suppliers understand our expectations and proactively works with our suppliers to address any modern slavery risks.

As set out in Part 3 above, during the Reporting Period, each department conducted an internal risk assessment of its suppliers, setting out, for each supplier:

- (a) the assessment of risk;
- (b) rationale for the assessment; and
- (c) any actions required to mitigate such risk.

Where any modern slavery risks were identified, the relevant departments undertook further steps to better assess and mitigate such risks, including obtaining and reviewing these suppliers' modern slavery statements and/or codes of conduct. In cases where information with respect to the supplier's practices was not readily available (for example if the supplier was not a reporting entity under the Act), ConnectEast engaged with the supplier directly to understand the level of risk, having regard to any policies demonstrated by the supplier to safeguard against modern slavery, alongside any other relevant Risk Factors mentioned above. Actions taken by the supplier to mitigate those risks are documented in the assessment.

Training and awareness raising

In response to the introduction of the Act, modern slavery training was developed and introduced to all ConnectEast employees (**Modern Slavery Training**). The training focuses on equipping employees with the knowledge to identify key modern slavery risks in the business operations and supply chains, and is reviewed, updated and conducted by the ConnectEast legal department each financial year, including the Reporting Period.

It is mandatory for all ConnectEast employees to undergo Modern Slavery Training each financial year, and it has also been incorporated in the training induction for new employees.

This has facilitated awareness raising throughout ConnectEast so that each member of our workforce is aware of modern slavery risks and equipped to identify possible risks at the time of procurement.

Contractual clauses

In support of operating and maintaining EastLink as a fixed asset under ConnectEast's custodianship until 2043, our relationships with contracting parties often require a long tenure and consequently, the contractual arrangements with long-standing suppliers are crucial.

During the previous reporting period, ConnectEast introduced robust modern slavery clauses to its standard consultancy template, and implemented a new modern slavery schedule in our request for tender (**RFT**) standard template documents. During this Reporting Period, ConnectEast has further refined these clauses and incorporated them in contracts entered into with new suppliers. Where contracts with existing suppliers were up for renewal or extension, we also sought to include these clauses in the renewal or extension documents.

Internal policies and controls

ConnectEast has several policies in place that are relevant to modern slavery and human rights, in particular its Employee Code of Conduct and Ethics, ESG Policy and Whistleblower Policy. These policies provide a foundation for best practice within the business, and also set out ConnectEast's clear expectations and standards pertaining to human rights, sustainability and modern slavery issues.

During the Reporting Period, our Whistleblower Policy was updated to expressly accommodate disclosure relating to modern slavery.

PART 5: HOW CONNECTEAST ASSESSES THE EFFECTIVENESS OF ACTIONS TAKEN

To evaluate the effectiveness of our actions to address the risks of modern slavery practices, several measures were implemented for this Reporting Period:

- (a) tracking of employee completion of the mandatory Modern Slavery Training;
- (b) monitoring the number and outcomes of the desktop risk assessment of ConnectEast suppliers;
- (c) tracking any actions undertaken by us or the supplier to mitigate any identified medium to high risks from the desktop risk assessment; and
- (d) keeping records of further information or policies provided by suppliers and requested by us during the risk assessing or mitigation phase.

Further qualitative measures will continue to be assessed and introduced over the course of future reporting periods.

PART 6: PROCESS OF CONSULTATION WITH OWNED OR CONTROLLED ENTITIES

ConnectEast does not own nor control any other entities.

PART 7: ADDITIONAL RELEVANT INFORMATION

At ConnectEast, and as part of our commitment to sustainability, safety, accountability and caring about the environments we operate in, we understand that modern slavery is a global issue that may present itself in our operations and supply chains and that continual action and assessment is required.

The following are areas of action that we have identified to help us continually improve and strengthen how we assess and address modern slavery risks in our supply chain:

- (a) **Supplier engagement** – continue to maintain open and regular engagement with our suppliers to facilitate supply chain transparency, with a view of managing any risks collaboratively and in a manner that works to improve modern slavery risks and supply chain vulnerabilities;
- (b) **Due diligence** – continue to improve our internal risk assessments to reflect best practice and emerging risks, so that the examination and analysis of our supply chain is relevant and robust, and to consider enhanced ways to incorporate responsible sourcing questionnaires and protocols in our general selection processes of vendors and suppliers;
- (c) **Training and awareness raising** – continue to implement training for all staff and consider further opportunities for awareness raising, including considering the implementation of periodic knowledge assessment for key procurement personnel and to maintain updates to training material on a regular basis to enhance the capability of risk identification and to maintain modern slavery risk awareness among all staff, including tips on how to recognise and report modern slavery concerns;
- (d) **Remediation** – continue to integrate the assessment and mitigation of modern slavery risk in our contracts with suppliers, and continuing to update our standard contractual templates to also reflect these measures, while incorporating modern slavery risk mitigation in our internal policies where possible;
- (e) **Measuring effectiveness** – develop measures designed to help us better evaluate the effectiveness of our actions, having regard to the value of introducing both qualitative and quantitative metrics, so that we can improve our continual efforts to assess and address modern slavery risks in a manner that is sustainable and valuable.

