



# Modern Slavery Statement FY23



To meet our seven mandatory reporting criteria, our statement is structured across seven sections.

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### Acknowledgement of Country

Downer acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and the Traditional Custodians across Australia.

We would like to acknowledge and pay our respects to the Elders of the past, present and future in maintaining the culture, country and their spiritual connection to the land.

### Whakatauki

Tuituia ngātahi matou ki te mana o te Whānau, te Manaaki te Kairangatira me te Ngākau Pono. Tuituia hei korowai tikanga tuku iho mo tatou.

O rite ki ngā rakau nui tupu ai te wao nui o Tāne ko te Kauri i whakawhiwhi haumarū, ko te Rimu i whakawhiwhi taonga, ko te Tōtara i whakawhiwhi whanaungatanga, ko te Kahikatea i whakawhiwhi whakaaro matakite. Ngā pou e wha i aumangea ai te whakatauki “Mā te whanaungatanga ka angitū”. Hui e! Taiki e!

Stitching us together as one are family and relationships, care & respect, excellence and integrity as our cloak of values.

The same as the great trees growing in the great forest of Tāne is the Kauri which connects us to Safety, the Rimu which connects us to Delivery, the Tōtara which connects us to Relationships and the Kahikatea which connects us to Thought Leadership.

These are our four pillars upon which we build “Relationships creating success”. United and ready to move forward!

### Do you have a modern slavery concern?

Our Voice is an external, independent service which allows people to report behavior that is inappropriate, unethical, corrupt or illegal. This includes modern slavery concerns. All reports made to Our Voice may be made on an anonymous basis.

#### Phone

**1800 448 041**  
(free call from within Australia)

**0800 404 509**  
(free call from within Aotearoa New Zealand)

**800 6167 042**  
(free call from within Singapore)

#### Facsimile

**+61 3 9691 8182**

#### Online

**<http://www.ourvoice.deloittedigital.com>**  
(user name and password: downer)

#### Email

**[ourvoice@deloittedigital.com](mailto:ourvoice@deloittedigital.com)**

#### Letter

**Reply Paid 12628, A'Beckett Street,  
Melbourne VIC 8006**  
**PO Box 912028, Victoria Street,  
West Auckland 1142**

## Chief Executive Officer Introduction



In 2023, Downer launched a new organisational Purpose - 'We enable communities to thrive'.

Downer influences our communities in a profound way, delivering essential services and infrastructure that improve the lives of millions of people every day, and leave a lasting legacy for future generations.

We also understand that, to enable communities to thrive, we must ensure the fair and equal treatment of everyone in everything we do.

Downer does not tolerate any form of human rights abuse, including modern slavery, in our operations and supply chain. We implement a risk-based approach to managing modern slavery and are committed to constantly reviewing and improving our processes.

This is Downer's fourth modern slavery statement, which outlines our approach to addressing and minimising the risk of modern slavery in our operations and supply chain.

Downer acknowledges that there are risks in both our operations and throughout our extensive supply chain. We must remain vigilant against any actual or potential risk, and we are committed to continuing our focus on improving our systems and frameworks to protect human rights across our operations and supply chain.

In FY23, we engaged a third party to conduct a high-risk supplier identification review to identify opportunities to improve the way we assess the modern slavery risk attached to our suppliers. We also conducted a process to determine priority areas to progress Downer's modern slavery program, and will rollout initiatives that were identified as part of this process in FY24.

Modern slavery in any form is unacceptable. Downer will continue to collaborate with our internal and external stakeholders to address and mitigate our own modern slavery risks and continue to improve our processes.

A handwritten signature in black ink, appearing to read 'Peter Tompkins'. The signature is fluid and cursive, with a long, sweeping underline.

**Peter Tompkins**  
Downer Group Chief Executive Officer





## Criteria A: About this statement

This Modern Slavery Statement (Statement) is made by Downer EDI Limited as a joint statement under the Commonwealth Modern Slavery Act 2018 (Modern Slavery Act) for the period 1 July 2022 to 31 June 2023 (the reporting period or FY23).

Downer EDI Limited (ABN: 97 003 872 848) is an Australian public company listed on the Australian Securities Exchange (ASX: DOW) and is a foreign exempt issuer on the New Zealand Stock Exchange (NZX: DOW). The company is registered at Level 2, Trinita III, Trinita Business Campus, 39 Delhi Rd, North Ryde NSW 2113.

In accordance with the requirements of section 14(2)(d)(ii) of the Modern Slavery Act, this statement was approved by the Board of Downer EDI Limited (Board) on 18 October 2023 and is signed by the Chief Executive Officer of Downer EDI Limited (refer to page 3).

This statement applies to and describes the steps taken by Downer EDI Limited and its controlled entities to mitigate modern slavery in its operations and supply chains.

This statement is submitted as a joint statement on behalf of all reporting entities (Appendix A).





# Criteria B: Our structure, operations and supply chain

At Downer, our customers are at the heart of everything we do.

**Our Purpose** is to enable communities to thrive. Downer influences our communities in a profound way, delivering essential services and infrastructure that will leave a lasting legacy for our communities and future generations.

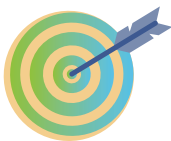
To achieve our Purpose, we must deliver on our **Promise**, which is that our customers' success is our success – because we believe that when our customers are successful, so is Downer.

**Our Purpose and Promise are underpinned by our four Pillars:**



## Sustainability

Safety is our first priority. Zero Harm to our people, communities and environment is embedded in our culture. We will leave a positive legacy for future generations.



## Delivery

We build trust by delivering on our promises with excellence while focusing on sustainability, value for money and efficiency.



## Relationships

We collaborate to build and sustain enduring relationships with our customers, our people and our communities, based on trust and integrity.



## Thought Leadership

We remain at the forefront of our industry by employing the best people and having the courage to challenge the status quo.

Downer designs, builds and sustains assets, infrastructure and facilities and we are the leading provider of integrated services in Australia and Aotearoa New Zealand. We build strong relationships of trust with our customers, truly understanding and predicting their needs and bringing them world-leading insights and solutions. We aim to employ the best people and bring thought leadership to each stage of the asset lifecycle as we support our customers to

**plan, create** and **sustain**



**32,000+**

employees



**26,000+**

suppliers



**\$7.9 billion+**

supply chain spend (\$AUD)

**Percentage of spend (\$AUD) by supplier category**



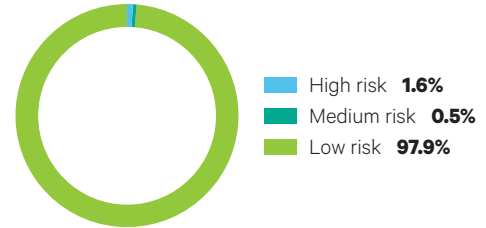
Subcontractors	51%
Project materials	12%
Fleet & fuels	6%
Professional services	4%
Information communication technology	4%
Consumables	4%
Equipment	4%
Labour hire & recruitment services	3%
Other	2%
Logistics	2%
Rail	2%
Heavy machinery equipment	2%
Facilities	1%
Food and beverage	1%
Premises renting	1%
Travel	1%

# Criteria C: Identification of modern slavery risks in our operations and supply chain

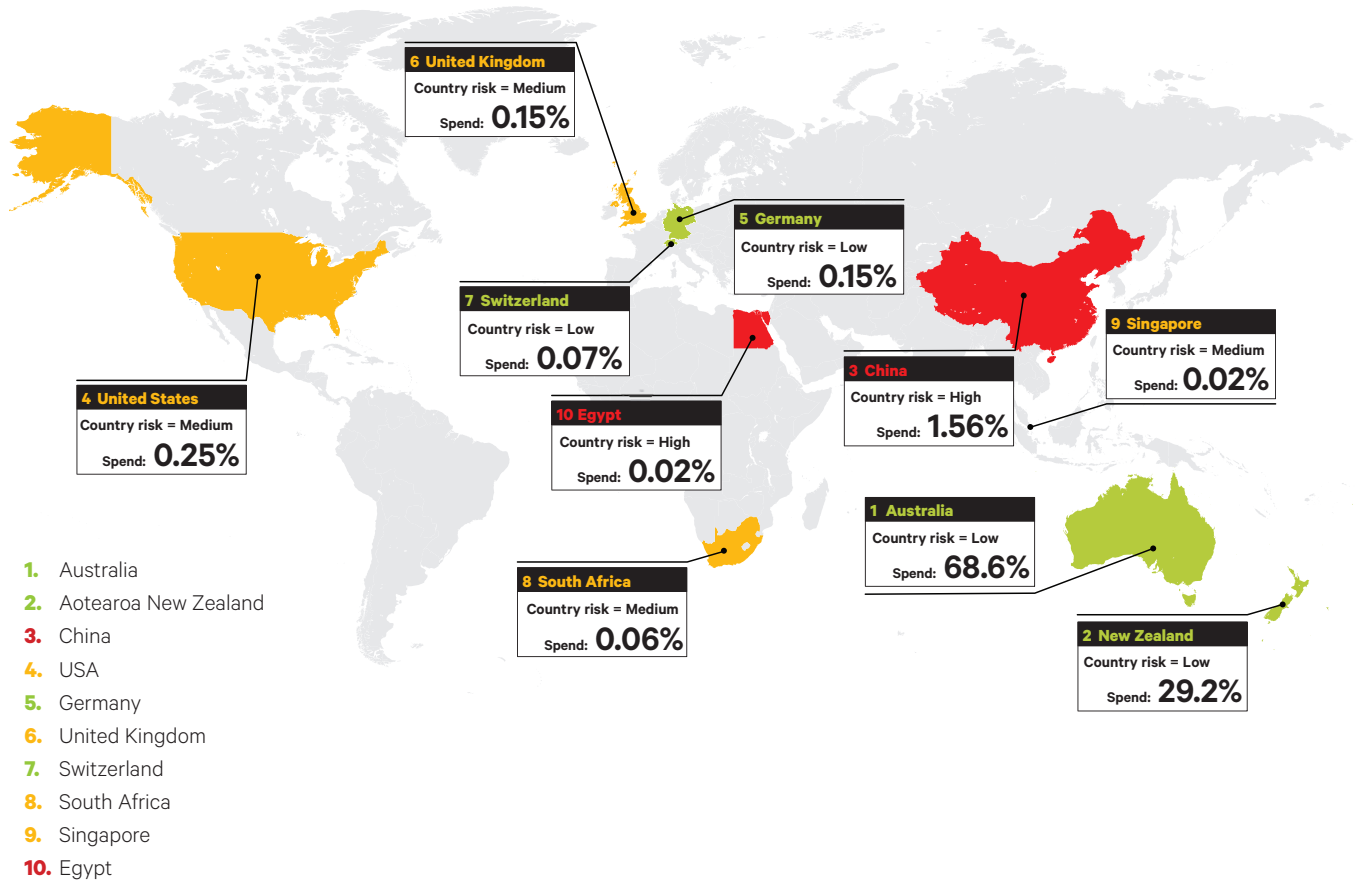
## Downer's Tier 1 supply chain spend



## Downer's Tier 1 supply chain country risk profile



## Location and number of suppliers - in order of spend



Downer utilises the Sedex platform to determine country risk.





Modern slavery is a hidden crime. An estimated 50 million people were living in modern slavery on any given day in 2021, according to the latest Global Estimates of Modern Slavery. These estimates were produced by the International Labour Organization (ILO), Walk Free, and the International Organization for Migration (IOM). This number has increased by 10 million people since 2016.

Modern slavery is a global problem, and cuts across ethnic, cultural and religious lines and includes forced labour, forced or servile marriage, debt bondage, forced commercial sexual exploitation, human trafficking, slavery-like practices, and the sale and exploitation of children.

For the purposes of this report, Downer defines our operations and supply chain in the following way:

**Supply chain:** The products and services (including labour) that contribute to Downer's own products and services. This includes subcontractors and products and services sourced in Australia and Aotearoa New Zealand or overseas and extends beyond Downer's Tier 1 suppliers or subcontractors.

**Operations:** Activity undertaken by Downer to pursue its business objectives and strategy, including the direct employment of workers engaged in the lifecycle of services delivered to our customers.

### Downer's supply chain: Tier 1 suppliers, Tier 2 suppliers and beyond

Downer defines a Tier 1 supplier as a supplier or subcontractor that Downer has a direct contractual relationship with.

A Tier 2 supplier is a supplier or subcontractor that provides goods or services to a Tier 1 supplier that then delivers those goods or services to Downer.

Complex supply chains may include a Tier 2/3/4 supplier and beyond. Downer has mapped its Tier 1 supply chain, which is predominantly based in Australia and Aotearoa New Zealand. A focus area for FY24 is to deepen our understanding of the high risk categories beyond Tier 1 suppliers and broaden our focus on selected Tier 2 suppliers including those involved in the manufacturing and sourcing of raw materials in high risk countries.

These activities form part of Downer's continuous improvement and maturity as we further develop our knowledge of modern slavery risk in our large and complex supply chain.

### Supply chain risk

At its core, modern slavery is a manifestation of extreme inequality. The number of people living in modern slavery has grown since 2018 against a backdrop of increasing and more complex conflicts, widespread environmental degradation, climate-induced migration, a global rollback of women's rights, and the economic and social impacts of the COVID-19 pandemic<sup>1</sup>.

Climate change and modern slavery are interconnected. This change is exacerbated by disruptions to ecosystems, agriculture and climate-related events that push people into poverty thereby increasing the risk of exploitation.



Sectors at high risk of forced labour, such as mining<sup>2</sup>, logging, and textile/garment manufacturing, contribute to climate degradation. While Downer does not directly participate in these sectors, it does procure goods that are generated from these sectors.

### Renewable energy

Renewable energy is the central technology required for the critical task of decarbonising global energy systems. With governments and investors around the world scaling up efforts to tackle climate change, the roll-out of renewable energy is on track for a rapid acceleration<sup>3</sup>.

Downer has a leading presence in many sectors that are critical to the energy transition which will support the net zero commitments of our government and private customers. This includes the solar industry.

Australia's renewable energy sector is anticipated to grow from around 40GW of large-scale wind/solar/hydro projects and rooftop solar capacity in 2022 to more than 200GW by 2050<sup>4</sup>.

We are aware of the long and complex supply chain associated with solar technology. China is a world leader in the manufacture of the full lifecycle of solar panels. There have been allegations linking Uyghur forced labour used to produce the metallurgical grade silicon and polysilicon (materials used in the production of solar panels) originating from the Xinjiang region in China. The rapid growth rate to support a global renewable future in this sector may also impact on modern slavery risk.

Downer has embarked upon implementing a mandatory prequalification process for engaging with suppliers, including solar suppliers, and maintains an internal supplier watchlist.

### Rollingstock

Downer, in partnership with CRRC Changchun, is delivering the High Capacity Metro Train (HCMT) electric multiple unit (EMU) train for use by Metro Trains Melbourne on the Melbourne rail network.

In 2020, KTK (now Teqa), a supplier of train components to CRRC, was named in an Australian Strategic Policy Institute report, 'Uyghurs for sale'.

It was alleged that a number of Uyghur workers were transferred from the Xinjiang province and relocated to other provinces in China.

The allegations were denied by KTK. Following its own internal review, Downer has found no evidence to establish the allegations.

### Supplier audits

Since 2021, Downer has undertaken three audits relating to its solar suppliers based in China. These audits were performed by an independent auditor. The scope of service delivery included inspection of the manufacturing facilities, the conduct of worker interviews and inspection of dormitory arrangements for workers.

Whilst a number of risk indicators of modern slavery were identified and remediated during the audit process, Downer found no evidence of modern slavery.

1. <https://www.walkfree.org/global-slavery-index/>
2. Downer ceased providing mining contracting services in FY22
3. <https://www.cleanenergycouncil.org.au/resources/resources-hub/addressing-modern-slavery-in-the-clean-energy-sector>
4. <https://www.cleanenergycouncil.org.au/resources/resources-hub/addressing-modern-slavery-in-the-clean-energy-sector>

## Solar supplier due diligence procedure

### 1. Request

Request received from the business to assess a new solar supplier.

### 2. Check

Check if the supplier is listed on Downer's internal modern slavery watchlist — if not add to the watchlist.

### 3. Audit

All solar suppliers undergo a certified third party social audit at site including sample interviews with staff, facilities inspections etc.

### 4. Post audit

The audit report and potential Corrective Action report is shared with the supplier. The supplier must respond with remediation plan if required.

### 5. Consult

Downer's modern slavery working group discuss next steps including response to remediation findings.

### 6. Confirm

Supplier must confirm the completion of remediation actions to Downer's satisfaction. Downer will engage/not engage with the supplier.



### Case study – Glove manufacturing – An example of Tier 2 supplier and beyond

The increased demand of PPE equipment during COVID-19 highlighted the modern slavery risks linked to the glove manufacturing industry. Downer used approximately 57,000 pairs of gloves in FY23. These are sourced from several different suppliers.

In efforts to enhance our visibility of workers' conditions for this higher-risk product, we have engaged with a major glove manufacturer which produces approximately 40 per cent of the gloves we purchase, in relation to a supply chain mapping exercise of the supplier's own supply chain. This exercise provided us with an insight into our procurement of a higher-risk product. From that exercise, we learned that approximately 88 per cent of the gloves purchased by Downer from this supplier were manufactured as part of their in-house operations. Our supply partner has in place, audit programs for these sites which include independent SMETA audits as well as unannounced audits. The SMETA audit scope includes labour agents and service providers as well as onsite plant audits. Work has also been undertaken by our supply partner to increase labour standards and to prevent modern slavery risks. Some of which include recruitment fee reimbursements, ensuring workers are represented by workers unions or covered by collective bargain agreements (currently 74 per cent of workers) and access to an independent grievance mechanism.

The in-house manufacturing increases the transparency of the labour working conditions.

We believe collaboration with our suppliers is key to achieving this.



### Case study – Solar supplier

Downer's due diligence in engaging solar panel suppliers may include procuring an independent social audit such as a SMETA audit or similar.

It is an important step of our due diligence process.

We recently arranged an onsite audit at a solar supplier's factory in China, which included interviews with randomly selected staff members.

The above actions have been taken with a view to generating an improvement in worker safety and conditions.





### High risk supplier identification review

Downer has a large and complex supply chain. We understand that there are risks in both our operations and throughout our extensive supply chain. In FY23, Downer engaged a third party to conduct a high risk supplier identification review. The purpose of the review was to find opportunities to progress and make improvements to the methodologies currently used by Downer to assess the modern slavery risk attached to its suppliers.

This review focused on our Tier 1 supplier base with the aim to identify specific high-risk suppliers and sectors for Downer to undergo a heightened Tier 2 supply chain mapping exercise.

As part of the review, four risk matrices were considered together with spend data to thematically assess and identify modern slavery risk, being:

- Sector and industry risk
- Product and services risk
- Geographic risk
- Supply chain model risk (size and complexity of supply chain).

Potential risk areas identified for Downer to consider include:

**Risks in the renewable energy sector.** Addressing risks in the solar supply chain is already a focus for Downer. We will continue reviewing our due diligence in this sector and look for ways to further enhance the management of potential risks.

**Cleaning and security.** We understand that the risk of modern slavery in sectors such as cleaning and security services is heightened as these services may be provided by low skilled labour and/or migrant workers. Downer predominantly engages workers via a direct engagement model to mitigate the risk.

**Project and raw materials.** As a contractor involved in diverse projects, project materials (which include raw materials) is a large spend category. Risk can be exacerbated by long and complex supply chains. A future focus area will be crude oil based bitumen, which is an important ingredient component of asphalt, predominantly used for road construction.

This review of our supply chain will inform how we progress with our due diligence. These categories of priority will be reviewed again and may change with time as our business evolves.



## Operational risk

Downer employs more than 32,000 people across Australia and Aotearoa New Zealand, which is a reduction of approximately three per cent on FY22. This is predominantly due to Downer's exit from hospitality contracts and the sale of the Australian Transport Projects business.

Approximately 60 people are employed across other international markets. Downer employees engaged in casual employment are predominantly employed in our Facilities business due to the nature of work performed for our customers.

### Employees by contract type and gender

Contract type	FY23 Female	FY23 Other	FY23 Male	FY23 Total	FY22 Female	FY22 Male	FY22 Total
<b>Permanent</b>	5,062	0	14,489	19,551	5,112	14,553	19,665
Full-time	3,826	0	13,904	17,730	3,787	13,984	17,771
Part-time	1,236	0	585	1,821	1,325	569	1,894
<b>Temporary</b>	4,656	4	8,204	12,864	5,352	8,422	13,774
Full-time	1,202	0	2,625	3,827	1,163	2,301	3,464
Part-time	880	1	695	1,576	841	615	1,456
Casual	2,574	3	4,884	7,461	3,348	5,506	8,854
<b>Total</b>	<b>9,718</b>	<b>4</b>	<b>22,693</b>	<b>32,415</b>	<b>10,464</b>	<b>22,975</b>	<b>33,439</b>

### Employee headcount

Region	FY23	% Change compared to FY22
<b>Aotearoa New Zealand</b>	10,160	8%
<b>Australia</b>	22,195	-8%
<b>Other</b>	60	9%
<b>Total</b>	<b>32,415</b>	

Downer employs people in the cleaning, maintenance and security sectors as part of our business operating under the Spotless brand. Spotless is a leading integrated service provider in Australia and Aotearoa New Zealand across government, education, healthcare, aged care and entertainment venues. Downer understands the risk of exploitation of workers related to unfair working conditions, low wages and restricted freedoms in these sectors.

Downer acknowledges the risk of exploitation of workers related to unfair working conditions, low wages and restricted freedoms in these sectors.

As part of its compliance program for labour standards and legislation, Downer:

- Has a specialist Industrial Relations team that leads a dedicated IR Compliance working group
- Meets with key stakeholders to review and plan compliance initiatives and audits
- Reviews The Downer Standard practices to reflect developments in case law and legislative change
- Reviews relevant enterprise agreements and modern award payroll builds against the annual Fair Work Commission Minimum Wage Decision

Has facilitated a two-day Employee Relations at Downer training program for operational leaders and People & Culture team members

Schedules training and briefings for the purposes of educating senior and operational managers (and others) about workplace laws and their impact on Downer's business and employees.

Relevant work conditions include, but are not limited to, hiring practices, compensation, working time, rest periods, leave entitlements, disciplinary and dismissal practices, parental protections, and the workplace environment. It is recognised that labour rights are human rights across our value chain.

Downer is also linked to the employment and working conditions through its business relationships including outsourcing partners, joint venture partners, contractors and suppliers.

Downer respects our people's right to freedom of association and collective bargaining. Of our workforce, 45 per cent are covered by Collective Bargaining Agreements (CBA) across the Australian and Aotearoa New Zealand markets. Those workers not covered by a CBA, primarily white collar workers, are covered by Modern Awards and common law contracts underpinned by legislated minimum employment rights in both Australia and Aotearoa New Zealand.

## Grievance reporting

Modern slavery is unacceptable in any form. Modern slavery concerns can be reported via Downer's independent and free 'Our Voice' service. This service is underpinned by Downer's Business Integrity Policy, which outlines how any

person can report inappropriate, illegal, corrupt or unethical behaviour - which would include modern slavery. See page 2 for further details.

Downer received no modern slavery related reporting from the 'Our Voice' service during FY23.

## Criteria D: Assessment of our modern slavery risks and process to address





Downer's Purpose, Promise and Pillars reflect our commitment to do the right thing for our customers, our people and our shareholders. This extends to protecting the human rights of all people, whether this be within the Downer's operations or our supply chain.

In line with the United Nations' Guiding Principles on Business and Human Rights, our Purpose, Promise and Pillars guide our efforts to combat modern slavery as we consider whether we may directly cause, contribute to, or be linked to modern slavery risk.



The following priority areas were identified as opportunities for consideration to progress Downer's modern slavery program:

### Internal communication and engagement

Continue to communicate to promote awareness and engagement across business units and functions  
Continue to develop and enhance modern slavery training.

### Risk identification and appraisal improvement

Enhance due diligence in high-risk categories of procurement  
Strengthen and enhance pre-qualification and the supplier onboarding process.

### External engagement and accessibility

Ensure relevant policies and provisions are accessible to all internal stakeholders.

## Sustainable procurement

It is important to Downer that our suppliers and subcontractors share our values and reflect our expectations when doing business with and for us. These expectations are set out in Downer's Standards of Business Conduct.

Downer supports the United Nations' 17 Sustainable Development Goals (SDGs) and, more specifically, SDG 8, which is to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Downer's standardised Procurement Framework is supported by a range of tools and platforms. The framework is designed to ensure we are engaging with the right suppliers and subcontractors to achieve our business, ethical, environmental, safety and social objectives.

Downer provides training for employees who perform procurement functions. This training, which is currently being refreshed, focuses on key aspects of procurement including modern slavery risk. Downer's Procurement Framework underpins this training.

In FY23, we commenced the development of a social and sustainable procurement strategy. The objective of this strategy was to maximise social engagement and reduce environmental impacts through long-term sustainable partnerships with suppliers and subcontractors focused on measuring and acting on their impacts.

The strategy comes with a five-year plan of opportunities for action. Those actions are focused around four UN SDGs:

- SDG 5 Gender equality
- SDG 8 Decent work and economic growth
- SDG 11 Sustainable cities and communities
- SDG 13 Climate action.

### Governance

The Downer Standard (TDS) is Downer's proprietary Integrated Management System that defines the way we work and deliver for our customers.

The Downer Standard is closely aligned to Downer's Purpose, Promise and Pillars, and covers our core business processes including Customer Planning and Engagement, Opportunity and Bid Management, Delivery Management, Asset Management, Business Services, Corporate Affairs, Company Secretariat, Finance, Human Resources, Information Technology, Legal and Insurance, Plant and Light Vehicles, Procurement, Property, Quality, Risk, and Zero Harm.

The Downer Standard aids Downer to meet its legislative compliance requirements and to reduce the risk of modern slavery in our operations and supply chain.

The organisation has undertaken a thorough review of our governance and business practices in FY23. This has reaffirmed our commitment to good corporate governance that is designed to:

- Achieve our growth potential
- Attain operational excellence and long-term profitability
- Champion integrity, transparency, and honesty
- Drive improved contract margins
- Fulfil the expectations of our stakeholders
- Realise value for our investors and shareholders
- Prudently manage risk in the way we operate
- Support informed decision making.

Downer's corporate policies describe how we conduct our business and comply with our legal, regulatory and other obligations, and meet the expectations of our stakeholders.

Downer understands that, just as our business and customers are evolving, our governance structure must also evolve. We are committed to continuously improving our governance processes and policies.

### Working groups

Downer's General Manager of Group Procurement, Sustainable Sourcing Manager, Executive General Manager Business Services, Group Legal and Company Secretariat have convened a working group with the purpose to:

- Facilitate cooperation amongst stakeholders to ensure an integrated approach to modern slavery
- Collaborate on the identification of modern slavery risks
- Examine the effectiveness of any actions to reduce modern slavery risk
- Contribute to the development of framework, standards and policies to manage risk
- Share information, insights and best practice
- Facilitate decisions on individual suppliers and corrective actions and remediation.

## Policies and Frameworks

Downer utilises the following policies to assist with managing modern slavery risk across the organisation:

**Standards of Business Conduct:** Sets expectations of how our people, contractors and suppliers conduct business, incorporating human rights, employee conduct, sustainable procurement, and modern slavery.

**Inclusion and Belonging Policy:** Outlines Downer's policy for inclusion and belonging. Promotes equality of opportunity throughout all aspects of the employment lifecycle and ensures that everyone enjoys a work environment free from discrimination, harassment, vilification, and victimisation.

**Business Integrity Policy (inclusive of whistleblowing policy):** Guides the reporting of misconduct, or an improper state of affairs or circumstances, in relation to the company, such as inappropriate unethical, corrupt or illegal behaviour and the management of those reports. This policy is made available to all officers and employees of the company on the Downer Group website and the Downer intranet. The policy outlines options for whistleblowing, including the Our Voice service, which is an external, independent service allowing people to report reportable conduct on an anonymous basis.

**Procurement Framework:** Provides a structured approach that Downer uses to streamline the process of acquiring goods and services. It includes predefined procedures, rules and guidelines that help ensure transparency, consistency, and efficiency in the procurement process. It includes both sustainable and social procurement considerations.

**Modern Slavery Framework:** (which Downer is in the process of implementing): Will outline a systematic approach that Downer to use to identify, address and prevent modern slavery risk.

## Processes, procedures and standards

Supplier and subcontractor prequalification process, which is being developed to assist our suppliers and subcontractors meet our standards of business conduct

Standard precedent terms and conditions, are contained in template agreements

Financial and Corporate Governance Self Assessment (FCGSA) - a questionnaire completed by executives and senior managers bi-annually. It contains questions related modern slavery. Downer's Audit & Risk Committee receives a summary of any issues raised

International Supply Standard, which addresses legal factors to be considered when negotiating and drafting international supply agreements

Supplier questionnaire and survey process, which is being further developed and rolled out to assist Downer to understand the risks associated with specific suppliers.

## Training and education

Mandatory employee training related to Standards of Business Conduct, which references modern slavery risk

Procurement induction and training module process for those workers in the Downer business who perform procurement related activities.

## Tools

Intranet sourcing tool, which is available to employees via the Downer intranet. This allows employees to apply filters to sourcing decisions such as:

Prequalification status

Environmental, Social and Governance (ESG)

Insurance status

Performance rating

Certification

Indigenous ownership

Preferred supplier status

Cost

Modern slavery risk

Modern slavery risk dashboard, which classifies suppliers by country, category and spend to provide an overall risk rating and provide buyers with an enhanced understanding of modern slavery risks in relation to supplier choice. Data from the Sedex platform informs Downer's modern slavery risk dashboard.



# Criteria E: Assessing the effectiveness of our actions

Downer has taken deliberate steps to analyse the effectiveness of our actions taken to assess and address modern slavery in our operations and supply chain. These steps are supported by Downer's centralised governance structure that includes corporate functions such as Legal, Company Secretariat, Zero Harm and Procurement.

## Looking back: FY23 objectives

Focus area	Objective	Targets	Outcome
Risk assessment and mitigation	Standardise supplier prequalification process across the organisation.	Implement the recommendation to standardise to a single prequalification tool.	<b>Progressing.</b> Downer has selected a single prequalification tool and is in the early stages of implementation.
Risk assessment and mitigation	Manage compliance to The Downer Standard as it relates to modern slavery risk.	Internal audit review conducted by Downer's Risk and Assurance function.	<b>Complete.</b> Implementation of audit recommendations is underway.
Consultation	Communicate the risk of modern slavery to our Tier 1 supply chain.	Develop an approach to promote awareness and educate our Tier 1 supply chain on modern slavery risk.	<b>Paused.</b> Activity not commenced in this period due to reprioritisation of efforts.
Approach to deal with risk	Expand our audit capabilities when engaging with international suppliers.	Mature our approach and establish a program of international audits.	<b>As required.</b> Audits of solar suppliers were undertaken as required.
Training	Increase modern slavery awareness across the organisation.	Make modern slavery training accessible to all Downer employees.	<b>Progressing.</b> Downer is refreshing its modern slavery training module to targeted employees.
Capacity building	Enhance sustainable procurement capability.	Appoint Manager of Sustainable Sourcing.	<b>Complete.</b>



### Capacity building

Downer regularly attends various industry forums, webinars and events of both government and NGOs to enhance knowledge, skills and capabilities. We believe collaborating and learning and sharing with our peers is essential. We understand that collectively we can make a greater impact when working towards progress in addressing this global problem.

### Memberships and external consultation

**Supplier Ethical Data Exchange (Sedex):** Sedex is a not-for-profit organisation that promotes ethical and responsible business practices in global supply chains. Downer is a member of Sedex and uses their tools and data to inform our internal Modern Slavery Risk Matrix which includes consideration of risk factors associated with: forced labour, freedom of association, children and young workers, wages, working hours and discrimination.

Downer uses the Sedex platform to create focus on those suppliers that might display risk factors within our supply chain.

**Supply Chain Sustainability School:** Downer is a founding member of the Supply Chain Sustainability School. The school enables socially, environmentally, and economically sustainable supply chains for all organisations in Australia and Aotearoa New Zealand through open access to educational resources.

**Cleaning Accountability Framework (CAF):** Downer is a member of the Cleaning Accountability Framework. CAF is an anti-slavery initiative in the cleaning industry supply chain. CAF's work is based around the UN's Sustainable Development Goal 'Decent work and economic growth' and provides resources and advice to members on how to improve the management of modern slavery risks in the cleaning industry.



## Criteria F: Consultation process

Downer makes a joint statement on behalf of its entities, which are set out in Appendix A (Entities).

Downer, through its centralised functions, has engaged in a collaborative process with the Entities to identify, assess and address modern slavery risks in the supply chain and operations.

In certain high risk sectors such as solar, Downer has engaged with the Entities to identify Tier 1 suppliers that the Entities may consider engaging, so that due diligence can be carried out.

The engagement process is supported by Downer's centralised management structure which supports us to disseminate information collectively across our diverse business.

In conjunction with The Downer Standard, modern slavery queries are managed centrally which is communicated and understood by our business.

We have taken deliberate steps to provide education and increase the visibility of modern slavery risk across our business and are confident in the reporting process associated with this risk.

### External industry collaborations and multi-stakeholder engagements

Downer views collaboration and engagement with industry peers as essential in the attempt to tackle modern slavery risks in the industries we do business in. Modern slavery is often not an issue with one company's supply chain, but with a broader industrial ecosystem. While it can be challenging for one individual company to drive significant change, it is beneficial to look for opportunities to exert collective leverage<sup>5</sup>. Participating in various industry initiatives has also provided Downer representatives with opportunities to learn and share knowledge.

### Infrastructure Sustainability Council – Modern Slavery Coalition

Downer has been an active member of the ISC Modern Slavery Coalition for three years. The coalition meets regularly throughout the year, and in FY23, a number of key outcomes and initiatives were delivered by the coalition to address modern slavery, drive awareness, increase industry capabilities and create resources.

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<sup>5</sup> Addressing-Modern-Slavery-in-the-Clean-Energy-Sector.pdf (cleanenergycouncil.org.au)





## Criteria G: Looking forward

Legislation is essential to combat human rights abuses, protect vulnerable populations, and ensure that businesses are held accountable for their supply chain practices

### Australian legislation

This statement complies with the Australian Modern Slavery Act 2018 (Cth) (Act). The Act requires a review to be conducted three years after it commenced (on 1 January 2019). The 12-month review commenced on 31 March 2022 and, following extensive consultation, on 25 May 2023 Professor John McMillan AO tabled the report in parliament. The report makes 30 recommendations for change, including:

- Amendments to the Act, such as the threshold and scope of entity reporting

- Introduction of penalties for specific non-compliance

- Expanding guidance material

- The role of the Anti-Slavery Commissioner in relation to the Act.

Downer looks forward to, and will comply with, any amendment to the Act.

### Aotearoa New Zealand legislation

Downer is a large trans-Tasman employer with more than 20,000 people employed in Australia and more than 10,000 people employed in Aotearoa New Zealand has enacted laws prohibiting slavery, trafficking in persons and forced labour in Aotearoa New Zealand and is a party to a number of international treaties dealing with the topic including: ILO Convention concerning Forced or Compulsory Labour, 1930 (No. 29)

The Aotearoa New Zealand Government is currently developing a legislative response to modern slavery and worker exploitation. This will create new responsibilities across the operations and supply chains of all organisations in Aotearoa New Zealand. The proposed legislation reflects an international trend towards corporate accountability for modern slavery, with similar legislation and policy seen in the UK, Australia, California, and the US.

It is expected that the proposed legislation will likely mirror many aspects of the current Australian legislation. A draft bill is expected in the next electoral term, in early 2024.

Downer looks forward to responding to any future Aotearoa New Zealand legislation.



## Looking forward: 2024 objectives

For the financial year 2024, we will focus on the following actions.

Focus area	Objective	Target
Risk assessment and mitigation	Standardise supplier prequalification process across the business.	Commence implementation of a single prequalification tool.
Risk assessment and mitigation	Review Tier 2 suppliers in high risk categories.	Understand the high risk categories beyond Tier 1 suppliers and broaden our focus on selected Tier 2 suppliers.
Due diligence	Enhance due diligence in the solar panel supply chain.	Continue to monitor and assess risk in the solar sector.
Approach to deal with risk	Review high risk suppliers in manufacturing and raw materials sectors.	Map the supply chain of certain high risk Tier 2/3 suppliers in these sectors.
Training and capacity building	Refresh modern slavery training module content.	Update modern slavery training modules directed at procurement specialists.

## Appendix A

The controlled entities of the Group listed below were wholly owned during the current and prior year, unless otherwise stated:

### Australia

A E Smith & Son (NQ) Pty Ltd <sup>(o)</sup>  
 A E Smith & Son (SEQ) Pty Ltd <sup>(o)</sup>  
 A.E. Smith & Son Proprietary Limited <sup>(o)</sup>  
 AE Smith Building Technologies Pty Ltd <sup>(o)</sup>  
 A.E. Smith Service (SEQ) Pty Ltd <sup>(o)</sup>  
 A.E. Smith Service Holdings Pty Ltd <sup>(o)</sup>  
 A.E. Smith Service Pty Ltd <sup>(o)</sup>  
 ACN 009 173 040 Pty Ltd  
 Airparts Fabrication Pty Ltd <sup>(o)</sup>  
 Airparts Fabrication Unit Trust <sup>(o)</sup>  
 Airparts Holdings Pty Ltd <sup>(o)</sup>  
 Aladdin Group Services Pty Limited  
 Aladdin Laundry Pty Limited  
 Aladdin Linen Supply Pty Limited  
 Aladdins Holdings Pty. Limited  
 ASPIC Infrastructure Pty Ltd  
 Asset Services (Aust) Pty Ltd  
 Berkeley Challenge (Management) Pty Limited  
 Berkeley Challenge Pty Limited  
 Berkeley Railcar Services Pty Ltd  
 Berkeleys Franchise Services Pty Ltd  
 Bonnyrigg Management Pty. Limited  
 Cleandomain Proprietary Limited  
 Cleanevent Australia Pty. Ltd.  
 Cleanevent Holdings Pty. Limited  
 Cleanevent International Pty. Limited  
 Cleanevent Technology Pty Ltd  
 Concrete Pavement Recycling Pty Ltd <sup>(o)</sup>  
 DM Road Services Pty Ltd  
 DMH Electrical Services Pty Ltd  
 DMH Maintenance and Technology Services Pty Ltd  
 DMH Plant Services Pty Ltd  
 Downer Australia Pty Ltd  
 Downer EDI Associated Investments Pty Ltd  
 Downer EDI Engineering Company Pty Limited  
 Downer EDI Engineering CWH Pty Limited  
 Downer EDI Engineering Electrical Pty Ltd  
 Downer EDI Engineering Group Pty Limited  
 Downer EDI Engineering Holdings Pty Ltd  
 Downer EDI Engineering Power Pty Ltd  
 Downer EDI Engineering Pty Limited  
 Downer EDI Limited Tax Deferred Employee Share Plan  
 Downer EDI Mining Pty Ltd  
 Downer EDI Mining-Minerals Exploration Pty Ltd  
 Downer EDI Rail Pty Ltd  
 Downer EDI Services Pty Ltd  
 Downer EDI Works Pty Ltd  
 Downer Energy Systems Pty Limited  
 Downer Group Finance Pty Limited  
 Downer Holdings Pty Limited  
 Downer Investments Holdings Pty Ltd  
 Downer Mining Regional NSW Pty Ltd  
 Downer PipeTech Pty Limited  
 Downer PPP Investments Pty Ltd  
 Downer Professional Services Pty Ltd <sup>(o)</sup>  
 Downer QTMP Pty Ltd <sup>(o)</sup>

Downer Utilities Australia Pty Ltd  
 Downer Utilities Holdings Australia Pty Ltd  
 Downer Utilities New Zealand Pty Ltd  
 Downer Utilities SDR Pty Ltd  
 Downer Victoria PPP Maintenance Pty Ltd  
 EDI Rail PPP Maintenance Pty Ltd  
 EDICO Pty Ltd  
 Emerald ESP Pty Ltd <sup>(o)</sup>  
 Emoleum Partnership  
 Emoleum Road Services Pty Ltd  
 Emoleum Roads Group Pty Ltd  
 Envar Engineers and Contractors Pty Ltd <sup>(o)</sup>  
 Envar Holdings Pty Ltd <sup>(o)</sup>  
 Envar Installation Pty Ltd <sup>(o)</sup>  
 Envar Service Pty Ltd <sup>(o)</sup>  
 Envista Pty Limited  
 Errolon Pty Ltd  
 Evans Deakin Industries Pty Ltd  
 Fieldforce Services Pty Ltd  
 Fowlers Asphaltng Pty. Limited  
 Gippsland Asphalt Pty. Ltd.  
 Infrastructure Constructions Pty Ltd  
 International Linen Service Pty Ltd  
 LNK Group Pty Ltd  
 Lowan (Management) Pty. Ltd.  
 Maclab Services Pty Ltd  
 Mineral Technologies (Holdings) Pty Ltd  
 Mineral Technologies Pty Ltd  
 Monteon Pty Ltd  
 Nationwide Venue Management Pty Limited  
 New South Wales Spray Seal Pty Ltd  
 NG-Serv Pty Ltd  
 Nuvogroup (Australia) Pty Ltd  
 Pacific Industrial Services BidCo Pty Ltd  
 Pacific Industrial Services FinCo Pty Ltd  
 Primary Producers Improvers Pty. Ltd.  
 Rail Services Victoria Pty Ltd  
 Riley Shelley Services Pty Limited  
 Roche Services Pty Ltd  
 RPC Roads Pty Ltd  
 RPQ Asphalt Pty. Ltd.  
 RPQ Mackay Pty Ltd  
 RPQ North Coast Pty. Ltd.  
 RPQ Pty Ltd  
 RPQ Services Pty. Ltd.  
 RPQ Spray Seal Pty. Ltd.  
 Skilltech Consulting Services Pty. Ltd.  
 Skilltech Metering Solutions Pty Ltd.  
 Smarter Contracting Pty Ltd  
 Southern Asphalters Pty Ltd  
 Sports Venue Services Pty Ltd  
 Spotless Defence Services Pty Ltd  
 Spotless Facility Services Pty Ltd  
 Spotless Financing Pty Limited  
 Spotless Group Holdings Limited  
 Spotless Group Limited  
 Spotless Investment Holdings Pty Ltd  
 Spotless Management Services Pty Ltd

Spotless Property Cleaning Services Pty Ltd  
 Spotless Securities Plan Pty Ltd  
 Spotless Services Australia Limited  
 Spotless Services International Pty Ltd  
 Spotless Services Limited  
 Spotless Treasury Pty Limited  
 SSL Asset Services (Management) Pty Ltd  
 SSL Facilities Management Real Estate Services Pty Ltd  
 SSL Security Services Pty Ltd  
 Tarmac Linemarking Pty Ltd  
 Taylors Two Two Seven Pty Ltd  
 Trenchless Group Pty Ltd  
 Trico Asphalt Pty. Ltd.  
 UAM Pty Ltd  
 Utility Services Group Holdings Pty Ltd  
 Utility Services Group Limited  
 VEC Civil Engineering Pty Ltd  
 VEC Plant & Equipment Pty Ltd

### Aotearoa New Zealand and Pacific

AF Downer Memorial Scholarship Trust  
 DGL Investments Limited  
 Downer Construction (Fiji) Pte Limited  
 Downer Construction (New Zealand) Limited  
 Downer EDI Engineering Power Limited  
 Downer EDI Engineering PNG Limited  
 Downer EDI Works Vanuatu Limited  
 Downer New Zealand Limited  
 Downer New Zealand Projects 1 Limited  
 Downer New Zealand Projects 2 Limited  
 Downer Utilities New Zealand Limited  
 Green Vision Recycling Limited  
 Hawkins Limited  
 Hawkins Project 1 Limited  
 ITS Pipetech Pacific (Fiji) Pte Limited  
 Richter Drilling (PNG) Limited  
 Spotless Facility Services (NZ) Limited  
 Spotless Holdings (NZ) Limited  
 Techtel Training & Development Limited  
 The Roadng Company Limited  
 Waste Solutions Limited  
 Works Finance (NZ) Limited

### Africa

Downer EDI Mining - Ghana Limited  
 Downer Mining South Africa Proprietary Limited <sup>(o)</sup>  
 MD Mineral Technologies Africa (Pty) Ltd  
 MD Mining and Mineral Services (Pty) Ltd <sup>(o)</sup>

## Appendix A (continued)

The controlled entities of the Group listed below were wholly owned during the current and prior year, unless otherwise stated:

### Asia

Chang Chun Ao Hua Technical Consulting Co Ltd  
Cleanevent Middle East FZ LLC <sup>(i)</sup>  
Downer EDI Engineering (S) Pte Ltd  
Downer EDI Engineering Holdings (Thailand) Limited  
Downer EDI Engineering Thailand Ltd  
Downer EDI Group Insurance Pte Ltd  
Downer EDI Rail (Hong Kong) Limited  
Downer EDI Works (Hong Kong) Limited  
Downer Pte Ltd  
Downer Singapore Pte Ltd  
MD Mineral Technologies Private Limited  
PT Duffill Watts Indonesia  
PT Otraco Indonesia <sup>(ii)</sup>

### Americas

Mineral Technologies Comercio de Equipamentos para  
Processamento de Minerais LTD  
Mineral Technologies, Inc.  
Otraco Brasil Gerenciamento de Pneus Ltda <sup>(iii)</sup>

### United Kingdom and Channel Islands

KHSA Limited  
Sillars (B. & C.E.) Limited <sup>(iv)</sup>  
Sillars (TMWD) Limited <sup>(iv)</sup>  
Sillars Holdings Limited <sup>(iv)</sup>  
Sillars Road Construction Limited <sup>(iv)</sup>  
Works Infrastructure (Holdings) Limited <sup>(iv)</sup>  
Works Infrastructure Limited <sup>(iv)</sup>

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- (i) 70% ownership interest.  
(ii) Entity is currently undergoing liquidation/dissolution  
(iii) Entity dissolved/de-registered during the financial year ended 30 June 2023.  
(iv) Entity acquired during the financial year ended 30 June 2023.  
(v) These Spotless controlled entities do not form part of the tax-consolidated group of which Downer EDI Limited is the head entity.  
(vi) AGIS Group Pty Limited changed its name to Downer Professional Services Pty Ltd during the financial year ended 30 June 2023.  
(vii) Entity incorporated during the financial year ended 30 June 2023.







**Downer EDI Limited**

ABN 97 003 872 848

Sydney Head Office  
Trinity Business Campus  
39 Delhi Road  
North Ryde  
New South Wales 2113

T: 1800 DOWNER (1800 369 637)

T: +61 2 9468 9700

**[www.downergroup.com](http://www.downergroup.com)**

