



# Making a sustainable future possible together

Cleanaway acknowledges the Traditional Owners of the lands on which we operate and in the communities in which we exist.

We pay our respect to all Aboriginal and Torres Strait Islander peoples. We are proud to pay our respect to Elders past, present and future for they hold the traditions and the culture, and together we hold the hopes of a truly reconciled Australia.

## About this Statement

As an Australian business generating annual consolidated revenue in excess of AU\$100 million, Cleanaway is required to publish annual Modern Slavery Statements, in accordance with the requirements of the *Modern Slavery Act 2018* (Cth) ("*Modern Slavery Act*").

This joint modern slavery statement ("Statement") is made by Cleanaway Waste Management Limited on behalf of the "reporting entities" within its corporate group (collectively referred to as "Cleanaway"), details of which are set out in Section 1.1 below. This Statement sets out the actions Cleanaway has taken to identify, assess and mitigate any actual or potential modern slavery risks in Cleanaway's operations and supply chain in the 12 months ended 30 June 2022 ("FY22").

### 1.1 Reporting entities

This Statement is made by Cleanaway Waste Management Limited on behalf of the following reporting entities ("the reporting entities"):

- Cleanaway Co Pty Ltd
- Cleanaway Operations Pty Ltd
- Cleanaway Pty Ltd
- Cleanaway Solid Waste Pty Ltd
- Cleanaway Industrial Solutions Pty Ltd
- Landfill Operations Pty Ltd
- Cleanaway Daniels Services Pty Ltd

To avoid doubt, this Statement does not apply to our joint ventures given that Cleanaway does not have operational control over these entities.

### 1.2 Consultation

The reporting entities share a number of common directors who were consulted and engaged with in the development and approval of this statement.

In addition to consultation to prepare this statement, Cleanaway also takes an integrated group-wide response to modern slavery risk management. Our shared governance framework results in a uniform approach to assessing and addressing modern slavery risks across the reporting entities, which informs our broader modern slavery risk management approach, as well as our modern slavery reporting.

For example, our centralised Cleanaway Legal and Procurement functions assist in guiding each of the reporting entities' compliance with Cleanaway's approach to assessing and addressing modern slavery, including compliance with all relevant legislation, adoption of procurement-related standards and policies, and mandatory training.

### 1.3 Key concepts

This Statement:

- Addresses the criteria of the *Modern Slavery Act* as set out in the Appendix to this Statement. Unless otherwise stated, the information provided in each Section of this Statement applies to all reporting entities.
- Uses the *Modern Slavery Act's* definition of modern slavery, which includes the following criteria: situations of serious exploitation, where coercion, threats or deception are used to exploit victims, including, amongst others, human trafficking, debt bondage, slavery, forced labour, deceptive recruiting for labour or services, and the worst forms of child labour. Modern slavery risk refers to the prospect of a practise involving modern slavery occurring in a business' operations and/or supply chain.
- Uses the terms "we", "us", "our", "ourselves" and "Cleanaway" to refer to Cleanaway Waste Management Limited and its controlled entities, including the reporting entities. These terms are used for convenience. They are not intended to convey how Cleanaway is structured, managed or controlled from a legal perspective.

This Statement was approved on 20 August 2022 by the Board, and signed by the CEO, of Cleanaway Waste Management Limited on behalf of all reporting entities in accordance with section 14(2)(d)(ii) of the *Modern Slavery Act*.

We welcome your feedback at:  
ModernSlavery@cleanaway.com.au

# A message from the CEO

## I'm pleased to sign and present Cleanaway's FY22 Modern Slavery Statement, which reaffirms our commitment to assessing and addressing modern slavery risks in our supply chain and operations.

Cleanaway's mission is to make a sustainable future possible together, which extends to all stakeholders – our employees, our suppliers, our customers, and the communities in which we operate.

We recognise that as an ASX100 company we must take action to address modern slavery risks; not only because it is expected of us legally and ethically but because it is the right thing to do. Our work to manage modern slavery risks also supports our commitment to respect human rights, in line with the UN Guiding Principles on Business and Human Rights ("UNGPs"). These principles emphasise that as a business we must respect human rights, by avoiding infringing on the human rights of others and addressing adverse human rights impacts where we may be involved.

During FY22, we sought to enhance our understanding of the risk profile of our supply chain by categorising suppliers by risk based on industry, geography and spend.

We strengthened our compliance framework through introducing new policies and statements, such as our Human Rights Policy and Social Procurement Statement, to support and reiterate our commitment to respecting all human rights.

Finally, we continued to raise awareness of Cleanaway's approach to assessing and addressing modern slavery risks through:

- Strengthening our cross-functional Modern Slavery Working Group, which includes representation and leadership by Executive Team members.
- The continued roll-out of compulsory modern slavery online training for corporate employees as part of our compliance program.
- A new Responsible Business page has been added to our website providing information on how we conduct our business
- A centralised intranet hub providing our employees with easily accessible guidance and training materials to assist in their risk assessment process.

We recognise that our journey to assess and address modern slavery risks at Cleanaway is ongoing, and one that requires transparency and diligence. It is a journey that we are committed to, building on from the work undertaken this year and the years to come.

Stay safe,



**Mark Schubert**  
CEO and Managing Director  
Cleanaway Waste Management Limited  
20 August 2022

"Our work to manage modern slavery risks also supports our commitment to respect human rights."

— **Mark Schubert**  
CEO and Managing Director



## Key achievements in FY22



Strengthening of our cross-functional Modern Slavery Working Group, by extending the leadership to three executive team members.



Conducting desktop audits of over 100 higher risk suppliers.



Completing three in-person independent audits of high-risk international suppliers.



Securing written commitments and confirmations from key labour hire providers of their modern slavery compliance.



Implementing our new Social Procurement Statement and Human Rights Policy.



Strengthening our Supplier Code of Conduct by including specific Modern Slavery provisions.



Publishing internal and external modern slavery website hubs to educate stakeholders about Cleanaway's approach to modern slavery.

Section 2

# Our structure, operations and supply chain

## 2.1 Organisational structure

Cleanaway Waste Management Limited is an Australian company publicly listed on the Australian Securities Exchange (ASX: CWY). Cleanaway, including the reporting entities, is centrally managed from our corporate head office located at Level 4, 441 St Kilda Road, Melbourne. Activities undertaken by Cleanaway are outlined in Section 4 of this Statement.

Cleanaway comprises of the following reporting entities:



\*Cleanaway Waste Management Limited does not conduct any substantive operations. Cleanaway Operations Pty Ltd enters into national accounts. The roles of the other reporting entities and the business units they perform work for are visually represented above. The business units are described further below in Section 2.5. A full list of controlled entities is found in our [Financial Report](#).

\*\*Not a reporting entity

Whilst Cleanaway does not have operational control over any of the joint ventures to which it is a party, it does have binding contractual arrangements with each of the respective joint venture parties. These contractual arrangements include a general requirement that all parties comply with laws.

Further, we understand that the Circular Plastics Australia joint ventures are in the process of preparing a modern slavery policy to govern their operations and supply chain.



## 2.2 Joint ventures

Cleanaway is party to a number of joint ventures which operate as a separate entity. Cleanaway does not have operational control over these entities. Accordingly, this Statement does not cover the activities of any of these joint ventures.

The major joint ventures to which Cleanaway was a party during FY22 were as follows:

### The following is a "reporting entity" in its own right:

#### **TOMRA Cleanaway Pty Ltd**

This is a joint venture between Cleanaway and TOMRA Systems ASA, a Norwegian reverse vending manufacturer and supplier, which performs the role of the Network Operator under the New South Wales Return and Earn Container Deposit Scheme. TOMRA Cleanaway Pty Ltd's modern slavery statement can be found [here](#).

### The following are not "reporting entities" under the *Modern Slavery Act* but the modern slavery risks, controls and mitigating actions are similar to those faced by Cleanaway:

#### **Circular Plastics Australia (PET) Pty Ltd**

This is a joint venture between Cleanaway (who holds a minority interest), Asahi Beverages, Coca-Cola Europacific Partners and Pact Group where its facility in Wodonga, Victoria recycles used plastic containers onshore with ready end-market applications for the recycled PET material.

#### **Circular Plastics Australia (PE) Pty Ltd**

This is a joint venture between Cleanaway and Pact Group to build and operate a state-of-the-art facility in Laverton, Victoria to process more than 20,000 tonnes of HDPE and PP plastic milk bottles, containers and food tubs.

#### **Cleanaway ResourceCo RRF Pty Ltd**

This is a joint venture with ResourceCo which operates a resource facility in Wetherill Park in New South Wales. We hold a minority interest in this joint venture. This is discussed further in ResourceCo's Modern Slavery Statement found [here](#).



### 2.3 Our operations

Cleanaway is Australia's leading waste management, industrial and environmental services company, providing over 300 products and services from more than 280 locations across the country. Our dedicated team of approximately 7,590 highly trained workers is supported by Australia's largest fleet of more than 5,900 waste, recycling and liquids collections vehicles.



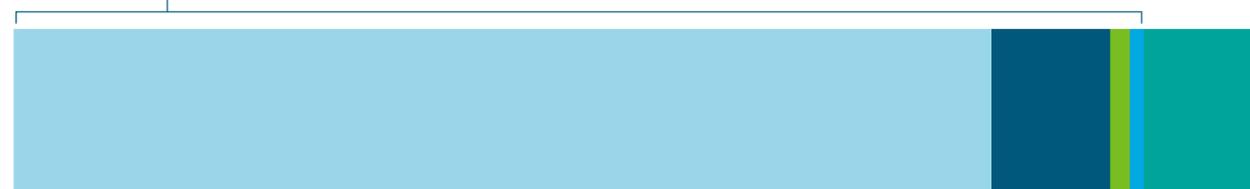
#### Our net revenue

**\$2,604 million** as at 30 June 2022

#### Our workforce in FY22

**7,591** total workforce

6,888 Employees total (excluding labour hire)



|                     |       |                   |     |
|---------------------|-------|-------------------|-----|
| Permanent Full Time | 5,957 | Fixed Term        | 84  |
| Casual              | 725   | Temporary Workers | 703 |
| Part Time           | 122   |                   |     |



Our operations are divided nationally into the following three operating segments:

#### Solid waste services



Cleanaway collects solid waste from more than 100 municipal councils and 100,000 commercial and industrial customers across Australia. The services consist of collections services and post collection services (disposal and resource recovery).

#### Operations risk:

- Direct labour (overseas recruitment)
- Indirect labour

#### Supply chain risk:

- Waste collection
- Logistics
- Facilities management
- Labour hire
- Security services

#### Liquids, hydro & health Services



The liquid waste and health services segment generates revenue from the collection, treatment, processing, refining, recycling and destruction of hazardous and non-hazardous liquids, hydrocarbons (i.e. used oil recycling), chemical waste, specialised package hazardous waste and e-waste. Cleanaway's Health Services business also includes services for the safe treatment and disposal of health-related waste which includes sharps management, medical waste, pharmaceutical waste, healthcare hazardous waste and quarantine waste.

#### Operations risk:

- Indirect labour
- Temporary workers

#### Supply chain risk:

- Waste collection
- Logistics
- Facilities management
- Labour hire

#### Industrial & waste services



Cleanaway's Industrial and Waste Services business provides a wide range of services including drain cleaning, non-destructive digging, vacuum loading, high-pressure cleaning, pipeline maintenance, hydro-excavation, site remediation, CCTV and other technical services. These specialised services are supplied to over 1,800 customers in the mining and resources, construction, heavy industry, manufacturing and civil infrastructure sectors.

#### Operations risk:

- Direct labour (casual labour workforce)
- Temporary workers

#### Supply chain risk:

- Waste collection
- Temporary labour

## 2.4 Our supply chain

Our reputation depends not only on our own actions but also on those of our suppliers. We are committed to working collaboratively with our suppliers to assess and address modern slavery risk.

The figures below represent the spend with our direct ("Tier 1") suppliers.

In FY22

# \$1.37 billion or 99.4%

of our total procurement spend was with Australian businesses and entities.

However, we are aware that while a supplier may be based in Australia, it may have a supply chain or related entities overseas which increases its modern slavery risk. We are looking to understand our supply chain in more detail in FY23.



Country risk assessment is based on the Global Slavery Index 2018 categorisation of prevalence of modern slavery

**Procurement category spend**

Our understanding of Tier 1 higher modern slavery risk for the reporting entities and spend level in each category is set out below.\* These categories have been assessed as higher risk as they are associated with employment of a higher portion of workers from vulnerable populations.. Complexity in the labour supply chain (such as subcontracting) means Cleanaway has less visibility over final pay of persons involved. For further supply chain risks including at the Tier 2 level, please refer to the table at Section 3 on page 16.



**\$100M+**

Waste collections

Examples: Contract collection services



**\$100M+**

Temporary labour

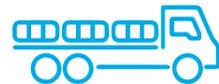
Examples: Corporate and operational labour



**\$50-100M+**

Construction

Examples: Landfill cell construction, building construction, landfill gas infrastructure construction



**\$50-100M+**

Logistics

Examples: Transport, freight



**\$25-50M+**

Facilities maintenance and utilities

Examples: Cleaning, repairs and maintenance, fire safety services



**>\$10M**

Security

Example: Security personnel at sites

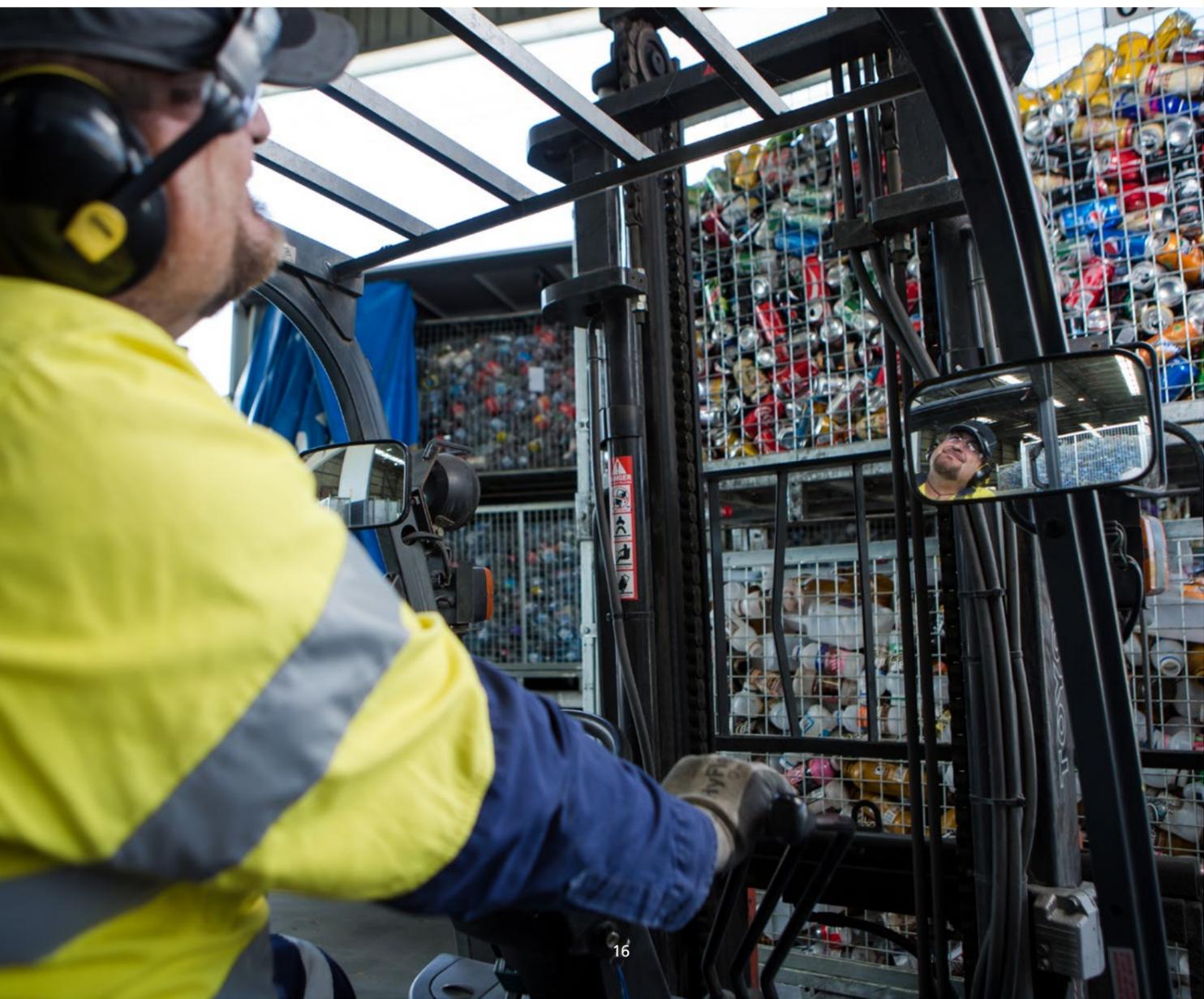
\*Spend level comprises addressable spend (i.e. the spend that Cleanaway can influence, and excludes expenses such as taxes and inter-company expenses).



Section 3

# Risk of modern slavery in operations and supply chain

Cleanaway is aware that modern slavery is an inherent risk in our operations and supply chain. In line with the UNGPs, we are committed to respecting all internationally recognised human rights, including those set out in the UN Declaration on Human Rights, International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.



**In FY22, we identified the following modern slavery risks across our operations and supply chain:**

**Cleaning**



Facilities management involves a variety of activities and may carry a higher risk due to a mix of factors. The industry's reliance on subcontracting arrangements, employing workers from vulnerable populations and because workers are often engaged to work after-hours where there is little supervision.

**IT goods and/or services**



At Cleanaway, we purchase finished goods from reputable Tier 1 suppliers, but we are aware that the components which comprise these finished goods, such as raw materials, may be sourced and/or manufactured in jurisdictions which are recognised as having higher risks of modern slavery.

**Uniforms and Personal Protective Equipment (PPE)**



The textile industry has been closely scrutinised for years, due to the prevalence of high modern slavery risk factors, including the link between cotton from Xinjiang and the use of Uiguyr labour, and high-risk business models and production regions (including Asia Pacific).

**Fleet, plant and equipment**



Our fleet spend comprises capital expenditure (procurement of vehicles, chassis, bodies and yellow gear) and operating expenses (maintenance, spare parts, consumables and fuel). Spare parts and consumables may carry a higher risk at the Tier 2 level due to a lack of visibility of where they are sourced from.

**Logistics and transport**



Cleanaway manages a significant portfolio of logistics suppliers that transport waste and other essential business commodities. We are also aware that logistics and transport are an important element of our Tier 2 supply chain.

Logistics and transport is an area of higher modern slavery risk because of the relative likelihood of business practices such as: forcing contracts by threat or duress, forcing an unsafe number of working hours, employing vulnerable populations, and non-payment for non-driving work (such as loading or waiting).

**Direct labour**



Cleanaway directly employs over 6,800 workers in Australia. These employees are recruited from Australia and internationally. Cleanaway also engages the services of an agency to recruit mechanics from South Africa and the Philippines to work in Australia on a visa for our Cleanaway Solid Waste Services business unit.

Those directly employed by Cleanaway are likely to have a lower inherent risk of modern slavery as Cleanaway has direct control and visibility over their pay and working conditions. In addition, Cleanaway requires that a person hold Australian working rights in order to be employed.

**Indirect labour:**

This includes contractors, subcontractors, owner drivers, and labour hire.



There may be a higher inherent risk of modern slavery through indirect labour as it is often characterised by a higher portion of workers from vulnerable populations who may be less aware of their workplace rights and may be more susceptible to heightened subcontracting (and unauthorised subcontracting), and independent contracting. At Cleanaway, our Tier 1 categories of waste collections, construction, and security are all considered higher risk for these reasons.

Section 4

# Actions taken to assess and address modern slavery risks



## Raising awareness of our approach to modern slavery

In FY22, Cleanaway introduced an employee modern slavery hub on our intranet portal. The hub is designed to facilitate easy access to relevant policies and resources, and to share our approach to modern slavery at Cleanaway.

With input from employees across marketing, sales, tenders, and operational workers at branches, we created a Frequently Asked Questions page, contract clauses, and additional modern slavery resources, including best points of contact within the business. The hub has been well received, with feedback that it has empowered our workers to articulate our approach more clearly to addressing modern risk. The hub continues to be updated as we enhance our modern slavery policies, procedures and resources.

## 4.1 Governance and oversight structure

We have established a clear governance structure over the management of modern slavery risks across our operations and supply chain. Human rights risks, including modern slavery, are considered within Cleanaway's broader governance framework.

The governance structure for addressing modern slavery is outlined below:



## 4.2 Our policy framework

Our policies and procedures play an important role in embedding respect for human rights throughout our business; establishing clear expectations of how we work and what we expect from those who work with or for Cleanaway.

The core policies which assist us in respecting human rights and assessing and preventing modern slavery risks within our operations and supply chain include:

### Code of Conduct

Defines how we do business and the standards of behaviour expected from those who work in or for our business. It emphasises our commitment to operating honestly, ethically, responsibly and with integrity.

Our Code of Conduct was updated in FY22 to amplify our commitment to identifying and eradicating any instance of modern slavery in our operations and compliance with modern slavery laws.

### Supplier Code of Conduct

Defines minimum requirements from our suppliers, including compliance with the *Modern Slavery Act*. Specifically, we communicate that all suppliers, not just those subject to the *Modern Slavery Act*, are to comply with Cleanaway's compliance standards and we consider such compliance when we make our procurement decisions.

### Social Procurement Statement

Enables our vision for positive environmental, social and governance outcomes for our community through our supply chain, by focusing on modern slavery, social enterprises, indigenous-owned businesses and environmentally sustainable initiatives.

### Human Rights Policy

Produced in FY22, our Human Rights Policy sets out our commitment to respect and support the human rights of all people; our employees, in the communities where we operate, within our supply chain and those who may be impacted by our activities.

### Anti-Bribery and Corruption Policy

Strictly prohibits those who work at or with Cleanaway from engaging in conduct that constitutes bribery or corruption, which may facilitate modern slavery.

### Whistleblower Policy

Outlines how those working at or for Cleanaway, their associates or dependents, can raise concerns anonymously regarding any actual or suspected contravention of policies or applicable laws.

It sets out the mechanism to report to the independent third-party service, FairCall. In FY22, this policy was updated to clarify that any instances of modern slavery may be the subject of an eligible report under the Whistleblower Policy.

Other policies that contribute to our broader governance framework can be found here:

[Corporate Governance](#)



### 4.3 Our operations

Cleanaway has assessed the modern slavery risk associated with its direct labour force and determined this to be of lower risk. In arriving at this classification, we considered the strong human resource controls in place to onboard new employees, and our regular reviews of employees wages and salary agreements, to help ensure our compliance with all relevant laws.

Cleanaway employees receive pay and entitlements consistent with, or higher than, legislative requirements in Australia. We have more than 106 Enterprise Agreements in place covering 56% of our staff. The policies in place addressing modern slavery and protecting human rights (as set out at Section 2.4 above) provide further protections for our workers by helping provide safe and fair working environments.

However, our assessment of our indirect labour force arrived at a classification of higher risk. Whilst we recognise there are risks, no instances or allegations of modern slavery have been identified to date.

**Cleanaway sources temporary workers during peaks in demand for our services; temporary workers can represent a comparatively higher modern slavery risk as:**

-  The roles sought are typically unskilled, attracting lower-skilled workers, migrant and other vulnerable populations.
-  Seasonality of work limits job security.
-  There is less visibility over worker end pay.

**Owner drivers and collection subcontractors represent a higher modern slavery risk as:**

-  Owner drivers may employ lower-skilled workers, who may be from vulnerable populations.
-  Owner drivers are paid to provide a service at a fixed price, rather than proportional to the hours they work.
-  The owner driver may engage in subcontracting or unauthorised subcontracting of the services where Cleanaway has less visibility over worker end pay.

Cleanaway engages a range of subcontractors and owner drivers to perform collections services, predominantly in our Solid Waste Services business unit. These workers enter into a standard form contractor agreement with Cleanaway to perform waste collection services.

Cleanaway also engages a small number of contractors overseas to provide specific services, including IT personnel in India, and communication and design specialists in Malaysia.

While these personnel are highly skilled, according to the Global Slavery Index both of these countries have higher modern slavery risks due to factors such as varying levels of employment protections for workers, comparatively high prevalence of modern slavery, and large populations of migrant workers.



**In FY22, we undertook the following actions to address modern slavery risk in our operations:**

**Indirect labour**



- Obtaining statutory declarations or written confirmations from a majority of suppliers on our temporary labour panel to ensure that they comply with modern slavery laws and employment laws.
- Requiring regular confirmations from temporary worker providers in the form of statutory declarations that modern slavery laws and requirements are complied with. Cleanaway recognises the limitations of statutory declarations as a modern slavery risk mitigation tool; however, they serve as a helpful tool to ensure suppliers understand the focus Cleanaway is putting on modern slavery risk management and provide a foundation for further discussion and dialogue.
- Assigning contractual obligations to contractors and owner drivers to ensure compliance with Cleanaway policies (which include modern slavery).

**Direct labour**



- Strengthening our recruitment processes by requiring proof of Australian working rights to prevent unauthorised foreign labour.
- Delivering further training to all corporate employees which includes how to identify risks and report any concerns.
- Delivering ethical procurement training for all Procurement team members.



## 4.4 Our supply chain

In FY22, we undertook the following assessment of modern slavery risk in our supply chain:



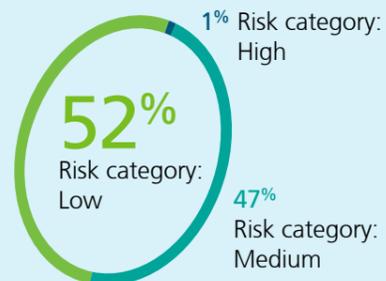
### 1. Categorisation of suppliers based on modern slavery risk factors

We categorised over 300 suppliers either high, medium or low risk by industry, geography and spend.



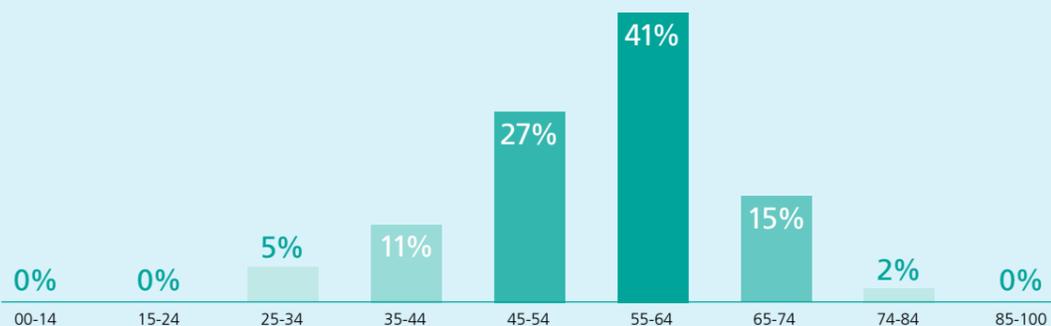
### 2. Survey issued by independent third-party

For suppliers rated low and medium, a survey was issued by an independent third-party to request information regarding the company's approach to managing labour and human rights.



### 3. Assessment by third-party provider

Following from the initial survey, additional checks were performed over suppliers with an assessment score of 44 or less to determine if further investigation is needed. This has been included in our FY23 work program.



### 4. Independent physical audits

We engaged a third-party to undertake physical audits of the following high-risk rated suppliers:

- Tier 1 supplier based in India which supplies IT help desk personnel support to Cleanaway internally.
- Tier 1 supplier based in Thailand which supplies geosynthetic materials to Cleanaway.
- Reviewed Sedex report of a Tier 2 supplier based in China which supplies Cleanaway uniforms.

These suppliers were audited using the internationally recognised Sedex SMETA standard using a licensed independent Sedex auditor headquartered in Hong Kong. These audits revealed each supplier had positive working conditions and no modern slavery incidents were identified in any of the three suppliers audited.



## Key achievements and actions in FY22

- Appointing a specialist role dedicated to leading and developing Cleanaway's ethical procurement program.
- Introducing our new Social Procurement Statement.
- Significantly increasing the number of desktop audits with over 100 suppliers completing surveys representing approximately 42% of procurement spend.
- Utilising a third-party predictive risk tool that anticipates our highest-risk suppliers based on industry factors.
- Utilising a newsfeed aggregator to facilitate searches of negative news about our suppliers.
- Strengthening our Supplier Code of Conduct and standard supplier contracts to include modern slavery compliance clauses.
- Communicating our Whistleblower Policy throughout the organisation via training modules.
- Participating in Modern Slavery roundtables with customers and industry peers to share learnings and gain insights.





Case study

# Raising awareness of Responsible Business practices

In FY22, we introduced a dedicated web page on responsible and ethical business practices.



Stakeholders now have access to the key documents supporting Cleanaway's modern slavery strategy, including our Human Rights Policy, Supplier Code of Conduct and previous Modern Slavery Statements. The introduction of this dedicated webpage reflects our commitment to being transparent about our actions to assess and address our modern slavery risks. We hope this webpage will raise overall awareness and understanding both internally and externally.



**This website will help raise awareness and understanding of modern slavery, both internally and externally.**



## In FY22, we undertook the following actions to address the modern slavery risks identified in our supply chain:

**Cleaning**



We procured cleaning services directly where possible to remove unnecessary layers of subcontracting. For example, see our case study at page 28.

**IT goods and/or services**



As set out in section 4.4, an in-person audit was performed with a Tier 1 supplier in India that provides IT help desk services to support Cleanaway internally.

**Fleet, plant and equipment**



We aim to mitigate this risk by purchasing from large, multi-national providers. We note that our largest supplier of fleet parts did not participate in our modern slavery survey in FY22 but have expressed interest in completing it during FY23.

**Uniforms and Personal Protective Equipment (PPE)**



Due to the prevalence of high-risk factors, including the link between cotton from Xinjiang and the use of Uiguyr labour, we worked with our uniform supplier's Tier 2 supplier to gather more detail on the factory where our uniforms are made and we analysed their Sedex SMETA report.

Our Tier 1 uniforms and PPE suppliers also provided confirmation that no modern slavery incidents were identified, as supported by the Sedex SMETA report.

We are continuing to develop and utilise appropriate controls focusing on suppliers and industries we have the greatest influence over, which is often tied to spend. From there, we will then progressively expand these controls across a wider selection of our suppliers.

### 4.5 Grievance mechanisms

Cleanaway is committed to ensuring that current and former employees, contractors and suppliers of Cleanaway can raise concerns anonymously, freely, without fear of reprisal or intimidation, and that complaints are taken seriously, sensitively and in confidence. The UNGPs set out criteria for effective grievance mechanisms and Cleanaway is continuing work to evolve our grievance mechanisms to meet these criteria.

In addition to raising issues with their Cleanaway contact — whether that be their manager or Cleanaway representative — current or former employees, suppliers, contractors and their workers and associates have access to the independent third-party service FairCall which provides these persons with the ability to anonymously and confidentially raise their concerns, including in relation to modern slavery. FairCall can be accessed in multiple languages, by phone, email or fax.

No labour rights or modern slavery disclosures were made to FairCall in FY22.

While FairCall should not replace an effective grievance mechanism, its details are widely available throughout Cleanaway and all potential modern slavery or broader human rights or concerns or allegations received via the hotline are investigated.



Case study

# Cleanaway responds to modern slavery risk

During 2022, a Cleanaway Branch Manager notified the Modern Slavery Working Group that a cleaner may have been working longer hours than for which they were being compensated. The Modern Slavery Working Group determined that the risk factors evident warranted further investigation.

The initial investigation uncovered multiple layers of subcontracting as well as potential underpayment for hours worked. While dangerous and substandard working conditions can be indicators of modern slavery (though not necessarily evidence of modern slavery itself), the Modern Slavery Working Group considered that they were important factors requiring further investigation and escalation.

The Modern Slavery Working Group assessed whether Cleanaway had caused or contributed to the exploitation and was satisfied it had not.

The Modern Slavery Working Group followed the remediation process to issue letters to both the Tier 1 supplier and the contractor

which engaged the cleaner, seeking explanation and remediation commitments. The responses received did not satisfy the Modern Slavery Working Group and after seeking further dialogue, Cleanaway terminated our engagement with the Tier 1 supplier. In partnership with a not-for-profit organisation, we assisted the worker to complete the necessary paperwork and insurances for us to engage them directly.

Due to proliferation of multi-layered subcontracting present in the cleaning industry, in FY23 Cleanaway intends to perform further assessment of this supply category, with the objective of developing an awareness of all instances of subcontracting and ensuring high working standards.

**Except as outlined above, no other modern slavery related complaints were received via any mechanisms during FY22.**



## 4.6 Remediation process

In the event that instances of modern slavery are identified in Cleanaway's supply chain or operations, Cleanaway, led by the Modern Slavery Working Group, will conduct an investigation into the identified risks in order to gain an understanding of whether Cleanaway has caused or contributed to the identified modern slavery harm. Any such investigation findings will then be reported upwards through the governance structure outlined in Section 2.3 and inform our approach to remediation.

The Modern Slavery Working Group will make its recommendations for remediation on a case-by-case basis. If we identify that we have caused, or contributed to modern slavery, Cleanaway will endeavour to remediate or cooperate in the remediation of the harm,

in line with the UNGPs. This may include putting in place an agreed framework to mitigate any such involvement in any future instances of modern slavery.

In situations where Cleanaway is not satisfied with the response from a supplier in relation to managing modern slavery risks, we will generally seek to work with the supplier to undertake the actions we deem necessary to address and mitigate the modern slavery risk. In some situations, we may choose to remove the supplier from our supply chain and terminate their engagement with us.



## Section 5

# Assessing the effectiveness of our actions

We acknowledge that measuring effectiveness of our actions to assess and address modern slavery risks is challenging and takes time to develop. In FY23, we will undertake a modern slavery gap analysis with Pillar Two, a leading business and human rights advisory firm, to support us to identify opportunities to enhance the effectiveness of our response in line with international business and human rights standards, including by identifying potential gaps in our current response.

Cleanaway will continue to mature our modern slavery risk management framework and assess its effectiveness by:

- Regularly evaluating our own processes and procedures against best industry practice and peer companies.
- Regularly reviewing relevant governance documents, processes and procedures to help ensure they remain fit for purpose.
- Tracking our work to extend and enhance our modern slavery training across Cleanaway, including the reporting entities, sharing insights learned from participating in round tables with peers, customers and suppliers, and assessing comprehension. This will help us identify remaining knowledge gaps and help ensure our training content is fit for purpose.
- Continuing to use our cross-functional Modern Slavery Working Group to monitor the progress of our actions and drive improvements to our processes to address identified gaps and opportunities.
- Analysing any modern slavery related complaints or grievances received through the third-party service FairCall and Cleanaway's Whistleblower Policy mechanism or other channels to help identify any trends and possible gaps in our controls.
- Embedding a continuous improvement process through monitoring of suppliers participating in the third-party supplier survey, to help us track, assess and evaluate our risks on an ongoing basis.

Further details on our priorities for FY23 are found at Section 6.



Section 6

# Moving forward in FY23

We are committed to continuously improving our response to modern slavery as we continue to learn and understand our modern slavery risks. We have set the following as our key priorities in FY23:

| Area   | Planned action   |
|--|--|
|  <p><b>Strengthening our foundations</b></p>              | <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>- Implement a Modern Slavery Policy to consolidate the grievance mechanisms, remediation and enforcement steps available, and Cleanaway’s approach to addressing modern slavery.</li> <li>- Undertake an analysis to identify gaps in our approach to assessing and addressing modern slavery risks and alignment to the UNGPs.</li> </ul> |
|  <p><b>Supplier onboarding and audit program</b></p>    | <p><b>Supply chain</b></p> <ul style="list-style-type: none"> <li>- Enhance our supplier onboarding and pre-qualification process to strengthen assessment of modern slavery risk.</li> <li>- Strengthen our audit program based on supplier risk assessment.</li> <li>- Remove, where possible, unnecessary layers of subcontracting for high-risk categories, such as cleaning.</li> </ul>               |
|  <p><b>Training and capability building</b></p>         | <p>Expand training for our employees to recognise and respond to potential instances of modern slavery, prioritising those managing higher risk functions or categories.</p>   |
|  <p><b>Stakeholder engagement and collaboration</b></p> | <p>Develop a program of ongoing engagement with key external stakeholders, including our customers and industry peers for the purpose of continuously improving, and refining our response to assessing and addressing modern slavery risk.</p>  |

**Appendix: Modern Slavery Act reporting criteria**

The table below sets out the mandatory reporting requirements in the Modern Slavery Act and where each has been addressed within this Statement:

| Modern Slavery Act mandatory reporting criterion   | Reference in this Statement     |
|--|---------------------------------|
| 1 Identify the reporting entity.   | Section 1- Page 3               |
| 2 Describe the reporting entity’s structure, operations and supply chain.  | Section 2 - Page 7              |
| 3 Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity and any entities it owns or controls.  | Section 2.4, 2.5, 3 Pages 12-16 |
| 4 Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address risks, including due diligence and remediation processes. | Section 4 - Page 18             |
| 5 Describe how the reporting entity assesses the effectiveness of such actions.  | Section 5 - Page 31             |
| 6 Describe the process of consultation with any entities the reporting entity owns or controls and, for a reporting entity covered by a joint statement, the entity giving the statement.        | Section 1.2 - Page 3            |
| 7 Include any other information that the reporting entity, or the entity giving the statement, considers relevant .  | Section 6 – Page 32             |