



# Modern Slavery Statement

FY23



## Chairman and CEO Statement

This Modern Slavery Statement (the **Statement**) is made by Washington H. Soul Pattinson and Company Limited (**Soul Patts**).

The Statement outlines Soul Patts' efforts over the last reporting period to uphold and protect human rights in our operations, our investments and our supply chains. This is our fourth consecutive Statement since FY20. Given the minimal changes to our operational structure and supply chains, we have focused on continuing to build on the work undertaken in prior years.

Our philosophy as an investment company is anchored in long-term, sustainable outcomes to create inter-generational value for our shareholders. In pursuing this, Soul Patts continues to focus on environmental, social and governance (**ESG**) initiatives within our operations, our investment portfolio and in our supply chains. A key component of these ESG initiatives is Soul Patts' evolving understanding and approach to the risk of modern slavery in our business.

Our FY22 Statement included reference to activities we intended to complete in FY23. This included extending our review of our supply chain beyond the first tier (i.e. analysing our suppliers' suppliers and risks). We did this by engaging FairSupply Analytics, an ESG software as a service provider (**FairSupply**) that uses its technology to analyse a user's spend data by supplier, investment, country or industry, in order to help identify areas at greatest risk.

This allowed us to gain insight into where modern slavery risks arise across our supply chain, and provides us with enhanced visibility to potential issues in the deeper tiers of our supply chain. The results showed us that ~89% of our suppliers were classified as low risk. We encouraged our portfolio companies to undertake a similar review with FairSupply.

Our FY23 activities also included the engagement of an external specialist adviser to complete due diligence and report back on the modern slavery risk levels inherent in the supply chains of our direct suppliers and the development and introduction of enhanced review procedures when onboarding new suppliers.

We believe we are taking substantive and appropriate steps to address modern slavery risks and intend to continue this progress into FY24 by developing a multi-year action plan, setting out our approach to modern slavery risk.

**Robert Millner**  
Chairman  
29 January 2024

**Todd Barlow**  
CEO & Managing Director  
29 January 2024

*This statement has been approved by the Board of Soul Patts on behalf of itself and its owned and controlled entities.*



## 1. Criterion 1: Identify the Reporting Entity

This Statement is made in accordance with section 13 of the Modern Slavery Act 2018 (Cth) (**Act**) for the reporting period of 1 August 2022 to 31 July 2023 on behalf of Soul Patts, as the reporting entity, and its controlled entities (other than as described below).

In determining which entities are controlled by Soul Patts (and so included in this Statement), we have applied the Australian Accounting Standards Board requirements in accordance with section 4 of the Act and determined the entities controlled by Soul Patts include the following entities of substance:

- Pitt Capital Partners Limited (**Pitt Capital Partners**).
- Milton Corporation Limited (**Milton**).
- Ampcontrol Limited (**Ampcontrol**). Ampcontrol is a wholly owned subsidiary and is independently a reporting entity under the Act. Ampcontrol has prepared its own Modern Slavery Statement which is available on its [website](#). For this reason, we have not included Ampcontrol in this Statement.
- WHSP Aquatic Achievers Pty Limited (**Aquatic Achievers**). Aquatic Achievers is a wholly owned but operationally separate subsidiary of Soul Patts. It is not independently a reporting entity within the meaning of the Act, however, we have included an assessment of its structure, supply chain and operations in the Addendum to this Statement. This Addendum has been approved by the board of Aquatic Achievers.
- Trust structures holding our agricultural assets which are managed by an external and unrelated asset manager.

Soul Patts has significant shareholdings in certain other entities within its portfolio which we do not control and as such they are not included in our statement. It is the responsibility of these entities to individually report their own modern slavery statements where required by the Act.

Soul Patts' group structure is described in further detail in **Criterion 2**.



## Criterion 2: Describe the structure, operations and supply chains of the Reporting Entity

### Group Structure

Soul Patts is an ASX listed investment company (ASX: SOL) with a diversified portfolio of investments across a range of industries and asset classes, including natural resources, building materials, telecommunications, financial services and real estate.

Its investment portfolio operates across six segments. All segments are predominately based in Australia. These include:

- Strategic Portfolio: usually significant investments in listed companies and includes:
  - a long-term equity investment in TPG telecom; and
  - the following associates: Brickworks Limited, New Hope Corporation, TUAS Limited, Apex Healthcare Berhad, Pengana Capital Group Limited, and Aeris Resources.
- Large Caps Portfolio: Australian listed equities in the ASX 200, or listed investment companies
- Private Equity Portfolio: long-term investments in unlisted companies including:
  - the following subsidiaries: WHSP Agriculture Holdings, WHSP Water Holdings Trust, Aquatic Achievers, Ampcontrol Limited<sup>1</sup>; and
  - the following associates: Ironbark Investment Partners Pty Ltd.
- Structured Yield Portfolio: investments in financial instruments including corporate loans and hybrid debt instruments.
- Emerging Companies Portfolio: Ex-ASX100 listed equities and unlisted growth companies.
- Property Portfolio: externally managed property investments<sup>2</sup>.
- Net Working Capital: Portfolio liquidity.

The Soul Patts Group structure also includes two additional entities of substance:

- Pitt Capital Partners Limited (**Pitt Capital Partners**): a wholly owned subsidiary of Soul Patts that invests in companies with long term growth opportunities across a range of industry sectors, and
- Milton Corporation Limited (**Milton**): a wholly owned subsidiary of Soul Patts following the completion of its acquisition by scheme of arrangement in 2021.

Neither of these is an employing entity.

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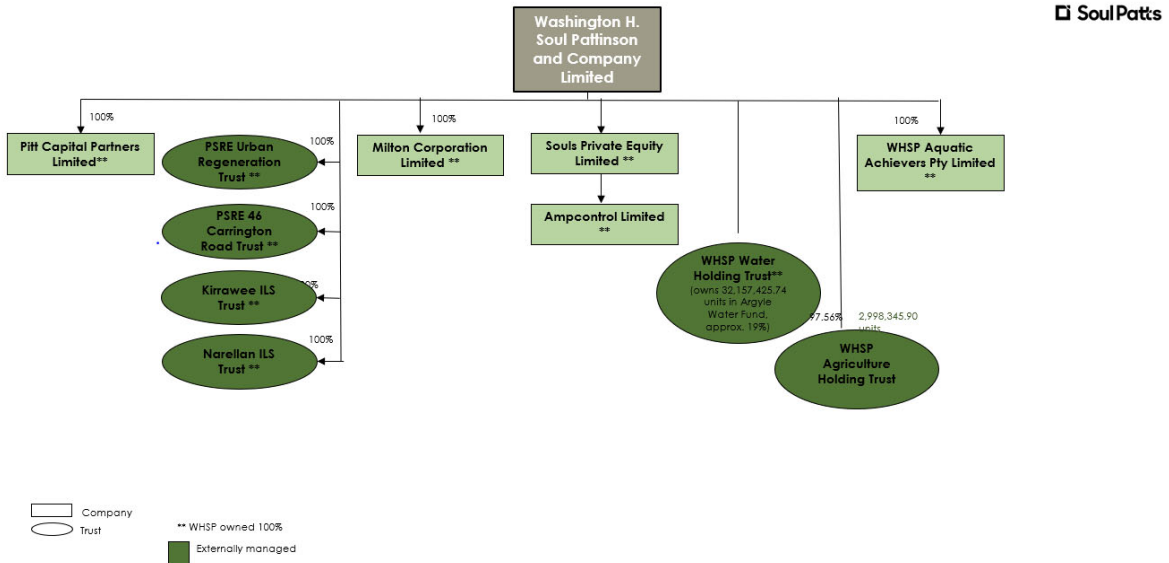
<sup>1</sup> Within our private equity portfolio, we hold our assets in the agricultural sector through trust structures. These assets are managed by an external asset manager (**Asset Manager**) in which we do not have any interest. For the purpose of this Statement, we have reported on the supply chain and operations of the assets in the trust, following consultation with the Asset Manager. This is discussed in detail in Criterion 4.

<sup>2</sup> We hold a small property portfolio which is externally managed by a global property asset manager. This asset manager is a reporting entity and publishes a modern slavery statement on its website, along with various other ESG related policies.



### Diagram 1 – summarised corporate structure

The summarised corporate structure set out below at **Diagram 1** provides an outline of our major subsidiaries and key operating entities we own or control. We note that there are a number of inactive entities or investment vehicles within our corporate structure which have been excluded from this report because they do not have any employees or standalone operations.



**SoulPatts**



## Operations

### Our workforce

As at 31 July 2023, Soul Patts had a workforce of 51 people inclusive of full-time equivalents, part-time, casual workers and contractors. Given the nature of our work, we require highly skilled employees, often with professional experience or tertiary education. This workforce is composed of our investment teams and corporate functions, extending to investment operations, investor relations, HR, legal, risk, compliance, finance and administration. Generally, because highly skilled workers are often tertiary educated and trained business professionals, they hold significant bargaining power within the labour market and are therefore exposed to a lower risk of modern slavery.

Within the consolidated Soul Patts Group, only Soul Patts, Ampcontrol and Aquatic Achievers employ staff. Workers engaged by the Asset Manager of our agricultural assets to operationalise the agricultural assets are either direct employees of the Asset Manager or are otherwise engaged by the Asset Manager, through third party labour supply companies.

### Location

Our workforce and our primary operations are mostly localised to Australia, providing our workforce with the protections afforded by the robust labour laws of Australia, including modern slavery laws. The Walk Free Foundation's Global Slavery Index 2023 (**GSI**) has identified Australia as having a comparatively low prevalence of modern slavery among the nations measured and a strong government response.

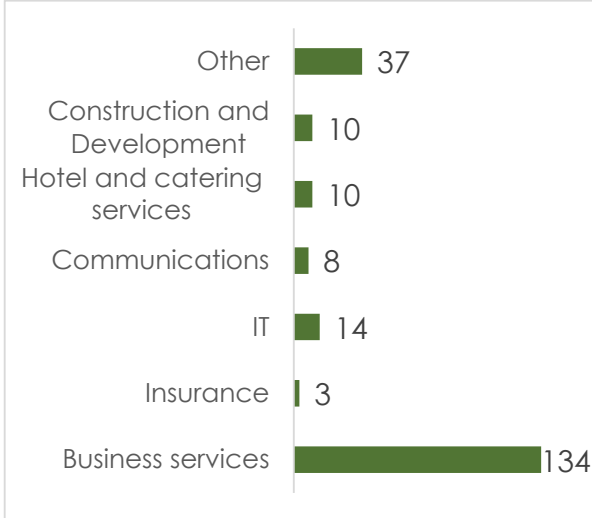
## Our Supply Chain

### Our Supply Chain

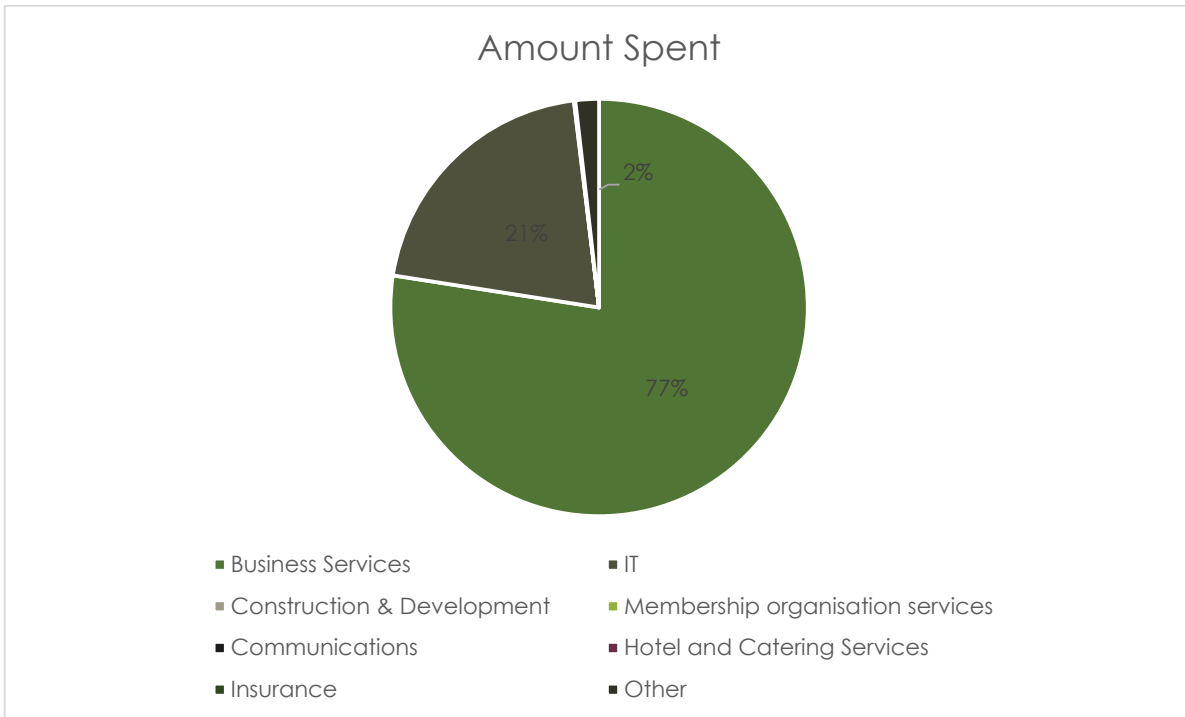
Soul Patts procures various goods and services from a number of suppliers. In FY23, for the purposes of supply chain mapping, we identified that we had paid 216 suppliers. Of these suppliers, the top 20 (as measured by the total value of payments made to them) constituted over 95% of our total expenditure in FY23. These suppliers were largely operating in the professional services sector, specifically in financial intermediation services and professional advisory firms. These suppliers were all located in Australia. See **Diagram 2** below for further details on categories of spend by number and **Diagram 3** for percentage of spend per category.



**Diagram 2: number of suppliers per category**



**Diagram 3: percentage of spend per category**





## Criterion 3: Describe the risks of modern slavery practices in the operation and supply chains of the reporting entity and any entities it owns or controls

### Risks in Supply chain

#### Mapping Exercise

In accordance with the intentions set out in our FY22 Statement for FY23, we have completed a risk assessment of our suppliers. To do this, Soul Patts engaged FairSupply to analyse our supply chain to understand the risks of suppliers we engaged directly, as well as the risks in the supply chain of those suppliers. This allowed Soul Patts to gain further insight into modern slavery risk in the various tiers of our supply chain.

FairSupply uses multiple metrics to assess risk, using its technology to map where supplier spend goes throughout the supply chain. The mapping exercise provides a number of metrics as outputs, including a general class of risk on a five-point scale ranging from **high, moderately high, moderate, moderately low** and **low**. **Nearly 90% of our suppliers were classified by FairSupply as low risk.**

The suppliers which were higher risk in our supply chain due to their industry classification, only rated as a moderate risk. These suppliers are involved in the production of office supplies, textiles & apparel and hotel and restaurant services.

In addition to the FairSupply analysis, we engaged an external specialist adviser to complete due diligence on these higher risk industries.

As noted in FY22, we do not directly engage any cleaning, security and building maintenance services. These services as they apply to Soul Patts' corporate offices are procured by the Investa Group, as the owner and operator of Soul Patts' office at Barrack Place, 151 Clarence Street. The Investa Group is a reporting entity and publishes a modern slavery statement describing its operations, which extend to the management of Barrack Place. Any similar services engaged in respect of our property investments are engaged by the asset managers in accordance with their modern slavery and procurement policies and accordingly are not within the scope of this Statement. In FY24, we will make further enquiries into the operations of our real estate portfolio, particularly in respect of the new development project referred to above in **Criterion 2**, and our JV partners.

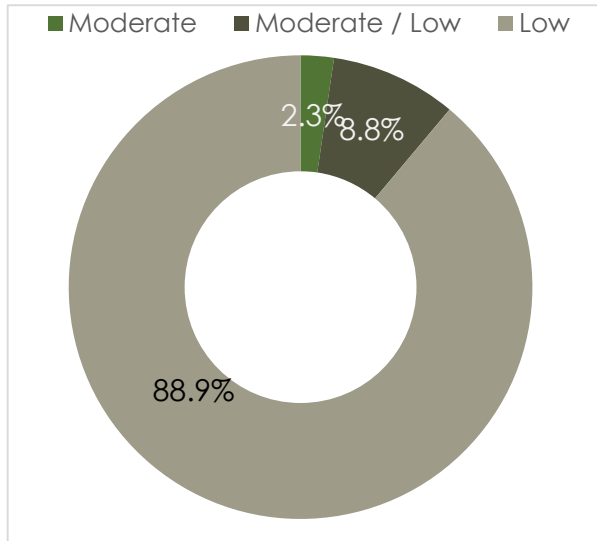




### Risk categories

An analysis of our 216 suppliers found that 192 suppliers (88.9%) had a low risk of modern slavery, 19 (8.8%) had a moderately low risk and 5 (2.3%) had a moderate risk.

**Diagram 4: supplier risk categorisation percentage**



As noted above, the majority of our spend is in the professional services sector which is low risk. However, we instructed our external advisers to perform further due diligence into suppliers presenting a moderate risk (as opposed to moderate low or low risk) and those sectors which are traditionally higher risk.

### Office Supplies – Moderate Risk

The FairSupply analysis identified that 3 suppliers within the office supply sector posed a moderate risk.

Office supplies often involve the procurement of raw elements such as wood for paper and chemicals for ink. Typically, these are low-margin, high-volume industries that raise the risk of exploitative labour practices in order to maximise profit. The manufacturing of these goods is usually associated with the higher prevalence of unskilled, migrant labourers in the workforce due to the nature of the work. The large volume of these workers required to produce office supplies increases the chance of modern slavery risk.

While our expenses in the office supply sector do not amount to a material proportion of our annual spend, to better understand our risk exposure, we undertook a desktop due diligence exercise which found that 2 of the 3 suppliers had made available public modern slavery and ethical sourcing policies that outlined their position and how they mitigate modern slavery risk in their supply chain.

The third supplier in the office supplies sector is a small business operating as a newsagency located in the Sydney CBD. As a small business, we would not expect this supplier to publish modern slavery and ethical sourcing policies. We note our annual spend made with this supplier formed a very small proportion of our total annual spend and we do not consider this business to pose a higher risk than the other 2 suppliers of office materials referred to in this statement.



### **Textiles & Apparel – Moderate Risk**

The FairSupply analysis identified that 2 suppliers within the textiles and apparel sector were a moderate risk.

During FY23, we procured office furnishings as well as branded garments and promotional merchandise from two suppliers operating in the textiles & apparel industry. The textiles industry sources a number of raw materials that have been linked to forced labour, with the production of certain materials such as cotton and silk being historically linked to jurisdictions with high prevalence of modern slavery.

These raw materials are processed in factories which produce the finished products, often occurring in locations like China, India and Pakistan where modern slavery practices such as forced labour and servitude are quite prevalent due to the high-volume of goods and low-cost nature of such products.

While these expenses do not amount to a material proportion of our annual spend, we procured further due diligence in respect of one textiles provider, which revealed that this particular supplier was a Certified B Corporation. Certification as a B Corporation requires an assessment by B Lab, a third-party non-profit organisation that aims to assist private enterprises to create value for society. Certification as a B Corporation involves analysis using independently governed standards and related social and environmental scoring criteria including a collaborative tool developed in conjunction by the United Nations Global Compact relating to the Sustainable Development Goals. The scoring criteria for the relevant textiles and apparel supplier noted there was a distinct emphasis on the health, wellness and safety of their workers and it had made efforts to effectively manage its supply chain. Whilst the above is not indicative of a specific effort to mitigate modern slavery, it demonstrates a level of engagement with key social issues that relate to modern slavery risk.

The second of our suppliers operating in the apparel industry enacted an ethical sourcing and modern slavery policy to combat modern slavery within their supply chains and publishes its policy and related standards on its website. These actions demonstrate an active effort to mitigate modern slavery risks in their operations and supply chains.

### **Supply chain risks addressed in prior Statements**

We note that in prior years we have identified electronic goods, branded garments and uniforms as well as labour contracting as the highest risk product categories for Soul Patts. This identification was largely made on the basis of a risk assessment of the industry in which those suppliers operate, rather than supply chain mapping of the particular suppliers engaged. While electronic goods and IT equipment remain a higher risk product category for forced labour and other forms of modern slavery, this product was classified as moderate low risk for FY23 by FairSupply in its mapping exercise.

### **Supply chain risk in agricultural investments**

We extended the use of our FairSupply licence to the Asset Manager of our agricultural trusts in respect of its accounts payable data relating to our assets. Of the 295 suppliers analysed by FairSupply, 78 were classified as moderate low risk and 217 were classified as low risk. Nearly all suppliers were located in Australia. For further detail, refer to the [Case Study: Agricultural Investments in Criterion 4](#).

### **Geography**

Given that nearly all suppliers are located in Australia, our geographical risk is low. However, as noted above, certain products acquired from suppliers during FY23 are manufactured in higher risk jurisdictions. We are aware of this risk and from FY24, treat these suppliers as higher risk and take steps when onboarding any such supplier to satisfy ourselves that it is mitigating risk in its supply chain. Our onboarding process is described in



more detail at [Criterion 4](#).

We note we have certain suppliers with operations located outside Australia. Some of these are suppliers of software services. They were rated as low risk by FairSupply, and further research found disclosed that they have their own established practices to mitigate modern slavery risk.

## Risks in Operations

### Our workforce

We have assessed our direct operations as having a low risk of modern slavery due to the nature of the work, the size of our operations, geographical location and internal policies and grievance mechanisms as outlined below.

As detailed in Criterion 2, our employees are typically highly skilled, which lowers the risk of modern slavery. We ensure all our employees have contracts in place and have a number of policies including an employee Code of Conduct to protect their rights and interests in the workplace. Furthermore we have a [Whistleblower Policy](#) which enables our employees to call out any suspected contraventions of their rights, and a [Diversity & Inclusion Policy](#) to ensure all current and prospective employees have equal access to opportunities.

Our operations are based solely in Australia, which has a lower risk of modern slavery compared to most other countries.

### Investments

Soul Patts integrates the consideration of ESG factors, including human rights and modern slavery, in our investment decision making and ongoing portfolio management processes. This includes engagement with our investee companies where we seek to incorporate respect for human rights and demonstrate a commitment to fundamental principles of human rights through our various engagement avenues. We have assessed the operational risk in our investments as low.

However, in our FY22 statement, we identified our agricultural portfolio as potentially higher risk for modern slavery given the prevalence of unskilled migrant labour, the remoteness of the workplace, and the seasonal nature of the workers' contracts.

As a result, in FY23 we conducted a deep dive risk assessment into the policies and practices used by the external Asset Manager of our agricultural portfolio and its supply chain. For further information, in relation to the key modern slavery risks in those operations and actions taken to address this risk, refer to the [Case study: Agricultural investments in Criterion 4](#).



## **Criterion 4: describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes**

### **Action to address supply chain risk**

#### **Supply chain analysis**

To address supply chain risk, we conducted the FairSupply analysis, to allow us to identify where we are exposed to modern slavery risk in our supply chain. The results of this exercise, while demonstrating that the majority of our suppliers are low risk, exposed where our risk currently lies and is likely to lie in the future. This assists us in further mitigating our modern slavery risk exposure through a range of actions including those set out below.

#### **Supplier procurement system**

In FY23 we obtained an external review of our supplier onboarding system. This involved an update to our supplier onboarding questionnaire to include questions extending beyond modern slavery, relating to sustainability, diversity, cyber risk data privacy and anti-bribery and corruption. Almost all new suppliers are required to complete the questionnaire to Soul Patts' satisfaction in order to be onboarded successfully. The only suppliers that are not required to complete the questionnaire are typically sole traders or boutique professional services professionals. The questionnaire includes specific questions in respect of modern slavery and requires an acknowledgement by the supplier of obligations under the Act and confirmation that the supplier reviews its own suppliers' labour hire practices and its employment contracts for compliance with labour laws.

#### **Supplier register and improving the onboarding process**

In FY23 we established a supplier register, containing details of each supplier's onboarding questionnaire and modern slavery statement for those entities that report under the legislation or voluntarily. Responses to supplier onboarding questionnaires are also recorded in the register. This register assists us in monitoring our risk.

### **Operations**

#### **Risk Management**

Our risk management framework sets the foundations and arrangements for designing, implementing, monitoring and improving risk management processes.

Soul Patts has a Board Risk Committee to assist the Board in setting Soul Patts' risk appetite and monitoring the operation of Soul Patts' risk management framework. All Board members are members of the Board Risk Committee.

Senior management has also established a Management Risk Committee, chaired by the Chief Operating Officer. The Management Risk Committee is responsible for identifying and managing risk, and is accountable to the Board Risk Committee for designing and implementing the Risk Management Framework, as well as integrating it in Soul Patts' day to day activities.

Soul Patts' policies and procedures are used to articulate the standards expected of our staff and have been implemented in line with our Board Risk Committee and the Risk Management Framework.



## Workforce

Soul Pattinson has also undertaken initiatives to support our employees, providing career development and upskilling through targeted professional development courses. These elements further minimise the risk of modern slavery risk occurring in our direct operations when compared to industries and businesses that employ higher percentages of lower-skilled workers.

To improve employee wellbeing, we undertake several activities, to create a diverse, inclusive and safe workplace. We provide our employees with access to a 24-hour Employee Assistance Program. Additionally, we promote inclusive recruitment practices and an increased focus on employee retention. By enriching our staff's wellbeing and ensuring their ongoing development, Soul Pattinson is able to ensure our workforce is at a lower risk of exploitative practices.

## Policies

As noted above, we have a number of policies applying to our business and workforce that are periodically reviewed, including our Code of Conduct, [Whistleblower Policy](#), [Sustainable Investment Policy](#), and [Anti-Bribery and Corruption Policy](#). These policies are all aligned with international best practice frameworks such as the UN Guiding Principles on Business and Human Rights. During FY24, we have commenced a broader policy review to ensure alignment with UN Guiding Principles. We are also in the process of establishing a suite of HR-related policies, creating greater protection for our workforce.

## Training and Education

In FY23, Soul Pattinson conducted informal training providing an overview of modern slavery, our supplier onboarding process as well as training on the [Whistleblower Policy](#), Code of Conduct and Anti-Bribery and Corruption.

Soul Pattinson has recently engaged an external compliance training provider to administer regular training modules for all staff in FY24. This will include ESG-related training modules, extending to modern slavery and whistleblowing.

## Reporting Grievances

Soul Pattinson is committed to promoting a culture of corporate compliance and high ethical behaviour.

Through our [Whistleblower Policy](#), we encourage employees, suppliers, contractors, associates, both current and former, as well as their dependents and spouses, to report improper conduct.

To protect the anonymity of the person who may decide to make a disclosure, we offer an anonymous 24-hour telephone hotline and online portal run externally and independently by our whistleblowing service provider, Your Call.

Soul Pattinson regularly reminds staff of escalation procedures. Soul Pattinson offers protection and support to people who have made a disclosure, with a commitment of protection from detrimental conduct to whistleblowers.

In FY24, Soul Pattinson has augmented its Employee Handbook to include a formal grievance procedure.

## Investments

### Engagement with investments

Soul Pattinson has extended our engagement and collaboration with the entities in our investment portfolio as it relates to modern slavery. We have shared tools and information regarding actions we have taken to mitigate modern slavery risks in operations and supply chains with subsidiaries including Aquatic Achievers and the



Asset Manager of our agricultural assets in support of them addressing modern slavery risk within their respective companies and supply chains.

Soul Patts has extended our FairSupply licence to certain investments, to better facilitate engagement and to assist portfolio entities in their mitigation efforts.

The below provides an example of engagement with the Asset Manager of our agriculture portfolio.

## Agriculture

Within our private equity portfolio, we hold various agricultural assets. These assets include farms, water entitlements and ancillary infrastructure such as worker accommodation. These assets are held in trust structures, which are managed by an external Asset Manager specialising in the management of private investments in Australia's agricultural sector on behalf of institutional and sophisticated investors. We have no shareholding or other interest in the Asset Manager.

Agricultural assets hold an elevated risk of modern slavery due to the high prevalence of unskilled and migrant labour, the remoteness of the farms on which they work and the seasonal nature of their work. The confluence of these factors presents an elevated level of modern slavery risk.

In light of this risk, in FY22, Soul Patts committed to expanding our analysis and engagement with our agricultural portfolio to identify risks in the supply chain and operations in respect of our assets, as well as to identify how those risks are being or can be mitigated.

In FY23, we engaged FairSupply to conduct a supply chain analysis of accounts payable data, relevant to our agricultural assets. We also conducted further due diligence on our agricultural asset holdings and worked with the Asset Manager to assess operational risk.

Our FairSupply mapping exercise, in respect of agricultural assets, disclosed that of the 295 suppliers analysed, 78 were a moderate low risk and 217 were classified as low risk. Nearly all suppliers were located in Australia, with 5 located in the United States.

Through the FairSupply analysis, we identified the suppliers which presented the highest probable risk and the industries in which they operate. Although the risk was estimated to be most present for suppliers in each of (i) the sourcing construction and engineering services industry, (ii) the fertiliser and agricultural chemicals industry and (iii) the machinery industry, FairSupply classified the majority of these suppliers as being "low" risk".

In respect of operational risk, the Asset Manager engages contract workers to service the farms held in our agricultural trust. These workers are typically unskilled labourers, who are often migrant workers on seasonal contracts. This category of worker is often at a higher risk of modern slavery exposure.

However, through our engagement and consultation process, we identified that the Asset Manager seeks to mitigate modern slavery risk, particularly in respect of deceptive recruiting, by engaging specialist labour hire providers, accessing government supported schemes relating to migrant labourers and engaging specialist migration agents.

Additionally, the Asset Manager has implemented policies and protocols to ensure that any migrant labour is properly onboarded, including a requirement that contracts with migration agents and labour hire providers contain (1) modern slavery undertakings and warranties, in addition to general compliance with all laws clauses; and (2) undertakings that labourers will be ethically sourced, and workers will be paid award wage as a minimum.



During FY22 the Asset Manager implemented the Integrity Line, a grievance escalation or whistleblower communication resource which was made available to all workers located at certain assets. Workers are made aware of the existence of, and encouraged to use, the Integrity Line. Workers are encouraged to use this for all grievances, including any underpayment or other pay disputes. This service continues to operate in FY23 and will be made available to all workers at all agricultural assets in FY24.

Further, the Asset Manager is in the process of implementing centralised safety management and human resource management systems to accurately record incidents, to ensure new staff are onboarded in line with stated practice and to ensure staff are employed under conditions which meet or exceed requirements under applicable law and industry awards.

During FY24 we will continue to build on our engagement and consultation with the Asset Manager.

## Our progress since FY22

What goal did we set?	What did we do?	Next steps
<b>Tier 1 supply chain analysis and review</b>	Completed during FY23	Consider periodic review every 3 years.
<b>Engagement with investments in agricultural sector</b>	We completed a deep dive in FY23, extending our FairSupply licence to allow supply chain analysis and mapping.  We carried out a Q&A process to better understand the modern slavery risk exposure and mitigants in respect of operations.	Continue these practices on an annual basis.
<b>Encourage investee companies who are not subject to the Act to consider their approach to meeting the principles of legislation</b>	We extended our supply chain analysis to Aquatic Achievers who have prepared an addendum to this statement.	Deeper engagement with managers of real property assets and joint ventures, including supply chain analysis.
<b>Periodic policy review</b>	During FY23, certain ESG policies were reviewed by external specialist advisers.	Annual review of Soul Patts' policy suite
<b>Whistleblower training in FY23</b>	Whistleblower and modern slavery training provided to staff.	In FY24, we are expanding this training by delivering compliance training electronically via a specialist external provider, including modern slavery, whistleblower and other ESG-



related training sessions.

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**Improving the supplier procurement system and onboarding process**

We procured an external review of our onboarding system and now require nearly all suppliers to submit responses to our revised onboarding questionnaire.

We established a formal supplier register which tracks details of each supplier and responses to the onboarding questionnaire.

We assigned supplier codes in our invoicing and payment software to allow us to track supplier spend categories going forward.

Consider further refinements and risk mitigants to be included in the questionnaire.

Formal engagement with any higher risk supplier to understand additional mitigants in place (e.g. similar to the desktop review conducted in respect of the hospitality industry).

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**Real Estate investments**

Conduct a 'deep dive' analysis into risk in the real property sector, including asset management and construction risk.

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## Criterion 5: Describe how the reporting entity assesses the effectiveness of these actions

Soul Patts monitors the effectiveness of measures taken to date and looks to improve these measures in addressing modern slavery risk.

Examples of steps taken that demonstrate the effectiveness of these measures are:

- The results of our supply chain analysis and due diligence found that we have been effective in our supplier engagement to determine the risk profile of suppliers in our supply chain.
- We have operationalised our supplier onboarding governance which is now followed by all accounts payable staff.
- Investment approvals require an analysis of ESG factors, including modern slavery risk.
- a formal engagement survey for our employees which indicated:
  - 95% of employees indicate their direct manager cares about their wellbeing;
  - 86% rate the culture positively;
  - 90% would recommend Soul Patts to their network as a place to work; and
  - 92% agree that people from all backgrounds have equal opportunities to succeed at Soul Patts.
- Quarterly risk reporting to the Board Risk Committee to monitor whether risks are within the Board's approved risk appetite.
- Board authorisation of this Modern Slavery statement.
- Achievement of the modern slavery initiatives identified in previous years, as set out in the table above in **Criterion 4**.

## Criterion 6: Describe the process of consultation with any entities the reporting entity owns or controls

Soul Patts recognises that its wholly owned entities operate in a variety of industries, with each requiring varying levels of engagement and consultation. As part of the consultation process, Soul Patts engaged with its wholly owned entities, outlining our commitment to respecting human rights and its expectations for compliance with the Act. This included sharing the use of our FairSupply licence with the Asset Manager of our agricultural assets and Aquatic Achievers, as well as carrying out a Q&A process to better understand the modern slavery risks to those businesses and key mitigants in place.

In the process of developing this statement, Soul Patts made the statement available to Aquatic Achievers, Ampcontrol, Milton Corporation Limited and Pitt Capital Partners Limited for review. Aquatic Achievers has prepared the Addendum to this statement and Ampcontrol has prepared its own statement for FY23.



## Criterion 7: any other relevant information

In FY24, we will continue to build on the efforts made since our first modern slavery report in FY20.

**This Statement is authorised by the Soul Patts Board.**

Robert Millner  
*Chairman*

29 January 2024



## Addendum A: Aquatic Achievers



## WHSP Aquatic Achievers Pty Ltd

Modern Slavery Addendum FY23



## WHSP Aquatic Achievers Pty Ltd – Modern Slavery Addendum Criteria 1 and Criteria 2: Identify the reporting entity and describe the reporting entity's structure, operations and supply chains

WHSP Aquatic Achievers Pty Ltd ACN 623 260 033 (Aquatic Achievers) is not a reporting entity under the *Modern Slavery Act 2018* (Cth) (the Act) nor are any of its wholly owned subsidiaries. The purpose of this Addendum is to expand upon Soul Patts' statement and provide further insight into Aquatic Achievers operations and supply chain. This Addendum should be read in conjunction with the Soul Patts statement.

Aquatic Achievers is a premium operator of swim centres across Australia. During FY23, Aquatic Achievers embarked on an expansion of its business operations facilitated by the acquisition of two new businesses which complement the existing business by extending its footprint in the NSW and Western Australian Markets. These acquisitions have resulted in a significant change in the size and scale of operations of the Group. At the end of FY23, Aquatic Achievers operated twenty-six swim centres across QLD (7), NSW (11), VIC (1), ACT (1), and WA (6) under three brands – Aquatic Achievers, Carlile Swimming and Kirby Swim. Aquatic Achievers has an experienced management team along with considerable depth across all aspects of the business with strong developed infrastructure, systems and processes.

This is the fourth consecutive reporting period in which Aquatic Achievers has participated and this addendum outlines the expansion of our actions to uphold and protect human rights in our operations, investments and supply chains and ensure any identified human rights violations are appropriately addressed and remediated.

During FY23 Aquatic Achievers was able to:

- Assess our workforce and its exposure to modern slavery risk factors;
- Undertake a supply chain mapping exercise in conjunction with FairSupply Analytics (**FairSupply**), an environmental, social and governance (ESG) data software-as-a-service provider that utilizes proprietary technology to analyse our supplier spend data and map our 'comprehensive supply chain' to the tenth tier; and
- Conduct due diligence on key industries identified in the FairSupply supply chain mapping exercise that were identified as having higher risk of exposure to modern slavery.

As at 31 July 2023, Aquatic Achievers employed a total of 1,330 employees across its operations. Of these employees, 134 were full-time or part-time permanent salaried professional staff. The remainder of the employees are casual employees working as qualified swimming teachers and instructors.

During FY23, Aquatic Achievers' direct supply chain comprised of approximately 249 suppliers when adjusted for one-off payments related to acquisitions, payments made to government organisations and payments below \$1,000.

The use of casual employees typically presents a heightened risk of modern slavery due to the increased potential of exploitative practices resulting from reduced job security. On this basis, Aquatic Achievers has implemented internal recruitment processes that onboards our staff in full compliance with the robust labour laws of Australia. As part of the onboarding process of new employees, our casual swim teachers/instructors review and acknowledge our policies and procedures which include workplace health and safety, anti-bullying and harassment policies.

Aquatic Achievers ensures that all staff are employed on the conditions which meet or exceed the minimum conditions of employment for employees covered by the Fitness Industry Award 2020 of the Fair Work Commission of Australia, and any other relevant Awards. Aquatic Achievers also has a small number of staff that are covered by an enterprise bargaining agreement approved by the Fair Work Commission.



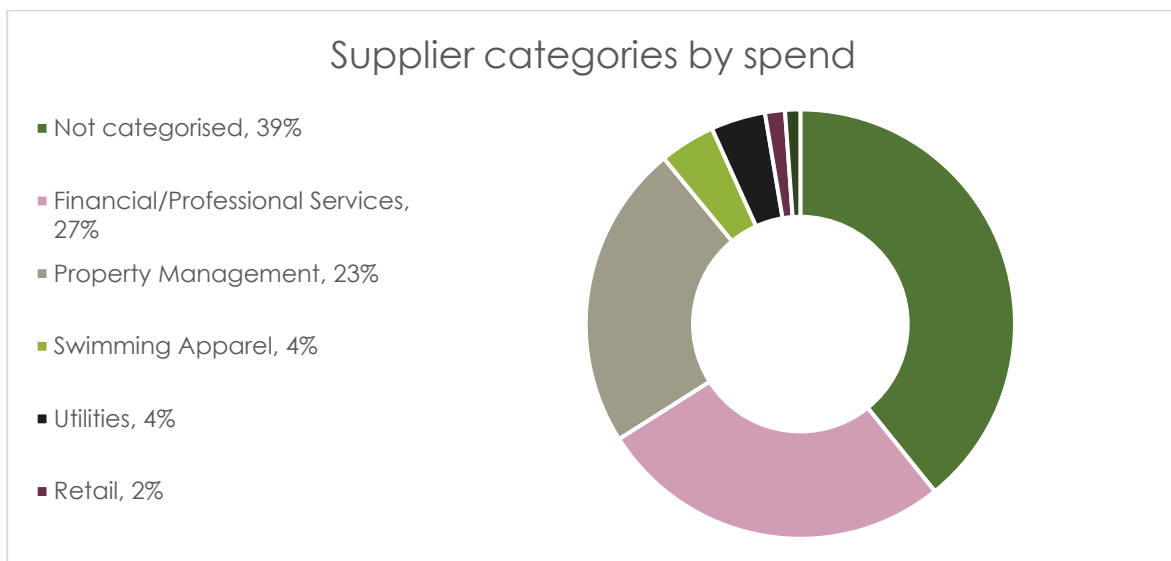
The entirety of Aquatic Achievers' operations are based in Australia. The Walk Free Foundation's Global Slavery Index 2023 (GSI) has identified Australia as having a comparatively low prevalence of modern slavery among the nations measured.

This, in conjunction with a relatively strong government response to modern slavery in Australia, correlates to comparatively low risk of modern slavery in our operations and across our Australian-based suppliers. Despite this, Aquatic Achievers remains committed to furthering its efforts in identifying, analysing and mitigating modern slavery risk within its operations, and as such, has implemented a number of actions to directly address risk of labour exploitation within its operations.

## First Tier Suppliers

Aquatic Achievers procures a number of goods and services from a variety of suppliers. In FY23, there was a total of 249 suppliers when adjusted for one-off payments related to acquisitions, payments made to government organisations and payments below \$1,000. This was done in order to focus on the pertinent sources of modern slavery risk in our supply chain. All of these suppliers were Australian based companies and as such, are subject to the robust labour laws of the jurisdiction. Additionally some of these suppliers were 'reporting entities' under the Act.

The concentration of our spend was largely related to rent, financial services, swimming apparel, utilities and stocking retail services on our premises.



In order to better understand the modern slavery risk within our supply chain, we undertook a due diligence exercise on identified at-risk industries within our supply chain.

### Swimming Apparel:

Representing two key suppliers in our top 20 suppliers, the procurement of swimming apparel is a key portion of our supplier spend. The manufacture of apparel attracts modern slavery risk at a few levels. These suppliers of finished goods will usually source raw materials such as synthetic and natural fibres from a number of suppliers. The procurement and processing of such raw materials is usually characterised as having an elevated level of modern slavery risk due to the jurisdictions in which this occurs as well as the high-volume, low-margin nature of their business. Polyester, a key material in the production of swimwear, is sourced from a number of companies across the world and key suppliers are located in Mexico, India and China. These jurisdictions have been identified as having a greater prevalence of modern slavery risk as a result of comparatively low government response to highly exploitative labour practices



### **Property Management:**

A key portion of our spend is rent payments to landlords for the premises from which we operate. Property development and management is an industry in which modern slavery has been identified as a key risk factor. The management and maintenance of facilities usually includes the provision of cleaning services, maintenance staff and security. Property managers will usually source staff from third-party companies to provide such services for their tenants. These sub-industries, specifically cleaning staff, are usually characterised by a high prevalence of lower-skilled, migrant workers who are more vulnerable to modern slavery and modern slavery-like practices.

### **Cleaning Services:**

As part of our operations, Aquatic Achievers procures cleaning services to help maintain our facilities from a variety of suppliers in the cleaning industry.

Labour exploitation and modern slavery have been prevalent in the cleaning industry. Due to the labour-intensive nature of the work involved, the high prevalence of migrant labourers and aggressive price competition among competing suppliers, there is greater vulnerability of their respective employees to exploitative practices such as debt bondage, deceptive recruitment and forced labour.

Whilst cleaning services comprise a relatively small amount of our expenditure in FY23, the heightened level of risk presented a key area of concern for Aquatic Achievers. A desktop due diligence exercise was carried out on a major supplier of such services and it showed that they were a reporting entity under the Act and had published their statement. Within the statement, the supplier had implemented numerous actions to mitigate modern slavery risk, including a code of conduct, whistleblower policies and a modern slavery policy that are communicated during the employee induction process.

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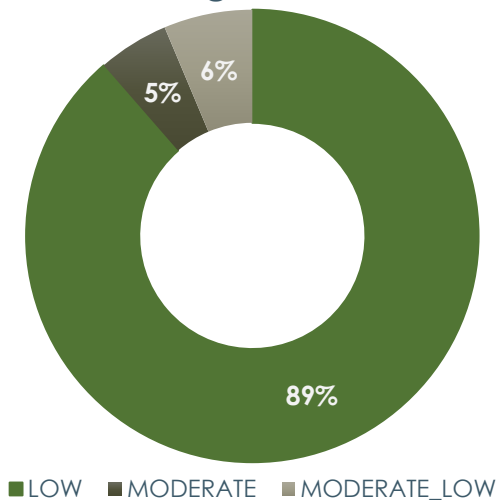
## **Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls**

Aquatic Achievers understands that its greatest exposure to modern slavery risk is found in the lower tiers of its comprehensive supply chain, although some risks exist in the top tiers also.

In order to facilitate an analysis of our comprehensive supply chain, Aquatic Achievers partnered with FairSupply which utilised its proprietary technology to analyse our spend data (amended as noted above) and to map our comprehensive supply chain to the tenth tier. In doing so, FairSupply was able to estimate the greatest source of risk, where it is occurring geographically and in what industry the risk is occurring. With this data, Aquatic Achievers is able to gain greater insight into the risk-factors that contribute to the greatest level of modern slavery risk within our supply chain and are empowered to make targeted efforts to mitigate our modern slavery risk.



## Supplier Risk Categorisation



The FairSupply analysis found that overall, Aquatic Achievers has a low level of modern slavery risk as determined by the metric of “estimated number of people in forced labour per \$M spent”. A detailed analysis of the results of the mapping exercise were carried out and further due diligence into suppliers that have been identified as having a greater exposure to modern slavery was undertaken to better understand our modern slavery risk profile.

The entirety of Aquatic Achievers suppliers captured in this analysis were located in Australia. As a result, they are subject to the robust labour and anti-slavery laws of Australia, reducing the level of modern slavery risk across our direct suppliers. The FairSupply analysis also provided estimates as to where our direct suppliers source their inputs and as such, Aquatic Achievers was able to better understand certain countries that have an elevated level of risk in our supply chain. India, China and Bangladesh were identified as jurisdictions that had an elevated level of modern slavery. These nations have been identified by the GSI as having an elevated level of modern slavery risk

as well as having a weaker government response to highly exploitative labour practices.

Aquatic Achievers understands that analysing modern slavery on the basis of geography is limited in its ability to properly diligence suppliers. As such, Aquatic Achievers also conducted diligence on the industries identified in the FairSupply mapping exercise as attracting the greatest amount of risk within our supply chain. The two highest risk industries identified in our comprehensive supply chain (Textiles and Clothing, and Real Estate Services) aligned with industries we identified in our preliminary analysis of our first-tier suppliers noted above (Swimming Apparel and Property Management).

The top tier suppliers undergo additional due diligence whereby analysis is undertaken about the supplier, with a desktop review enabling a better understanding of the supply chain and their values regarding modern slavery.

## Textiles and Clothing

To conduct operations, Aquatic Achievers sources a significant amount of swimwear and clothing from a variety of suppliers. The manufacturing industry, specifically the production of clothing, has long been plagued with modern slavery. In this regard, clothing attracts modern slavery risk in various tiers in the supply chain. At the lower tiers of the supply chain, raw materials are cultivated or produced such as cotton or polyester which are usually low-margin, high-volume materials produced in jurisdictions with lower protections for workers who are usually unskilled. Further up the supply chain, those raw materials are processed and used to weave products in regions that have been associated with poor working conditions.

In this regard, Aquatic Achievers has reviewed a number of our suppliers operating in this industry and noted some positive actions taken to mitigate these potential risks. A major supplier of swimwear to Aquatic Achievers has published their modern slavery statement under the Act and has outlined their auditing and due diligence processes with overseas production. Smaller suppliers have publicly indicated their preference to source inputs from other local Australian businesses.

## Real Estate Services

A number of Aquatic Achievers' top suppliers in terms of expenditure relate to rent paid to property managers





for premises. In this regard, the property management industry has been characterised as having a number of modern slavery risk-factors throughout their respective supply chains. Property management usually involves the procurement of supplementary services for the care, cleaning and maintenance of premises. Cleaning services are of particular concern due to the low barriers to entry and the high prevalence of migrant workers in that industry. Migrant workers are more susceptible to exploitative practices such as deceptive recruitment, the withholding of identity documents and other modern slavery practices.

Aquatic Achievers notes that a number of our suppliers within the space are large commercial entities which have published modern slavery statements or are government enterprises which are required to undertake specific modern slavery screening when tendering for suppliers. This indicates a proactive approach to the risk of modern slavery within their respective supply chains, mitigating the level of risk of exploitative practices.

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## **Criteria 4: Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation process**

Aquatic Achievers' commitment to mitigating modern slavery risk and any human rights violations is made apparent in our suite of policies and procedures which govern the conduct and treatment of our employees and the protections they are afforded. These policies and procedures are required to be reviewed and acknowledged by each new employee in their onboarding process to ensure that they are aware of these standards, protections and channels for redress.

### **Code of Conduct**

The Code of Conduct (CoC) applies to all staff members whether they are permanent full-time employees or if they are casual employees. The CoC requires high standards of ethics, integrity and behaviour when engaging all stakeholders.

At a minimum, the CoC requires that all staff comply with all legal obligations. In addition to this, Aquatic Achievers requires that staff conduct themselves in a manner that is honest and fair. Aquatic Achievers requires that our staff act with respect, not engage in any behaviour that would likely cause damage to the reputation of Aquatic Achievers, not discriminate on the basis of personal characteristics and report any conduct that is contrary to the CoC.

Our CoC also sets out a number of other policies and procedures to be read in conjunction with the CoC, including our anti-bullying and anti-harassment policy and our grievance handling policy.

### **Whistleblower Policy**

A key portion of our approach to mitigating modern slavery is by providing an accessible avenue by which our employees, both current or former as well as current or former suppliers to Aquatic Achievers, are able to report any conduct that may be construed as unethical (among other matters).

The Whistleblower Policy outlines methods by which individuals are able to report such behaviour, allowing them to do so anonymously through a hotline operated by a third-party, and the process by which disclosures are received and investigated.



By empowering both employees and suppliers, former and current, to feel confident in their ability to report such conduct, Aquatic Achievers is able to better ensure that any misconduct, including modern slavery or modern slavery-like practices, within our operations and supply chain is reported and investigated thoroughly.

In FY23, no reports of modern slavery or modern slavery-like behaviour were recorded under the Whistleblower Policy. New and updated employment policies are released periodically throughout the year with an invitation to ask questions of senior management to ensure employees understand their rights under these policies.

## Risk Assessment

We have assessed our internal operations as having a low risk of modern slavery due to the nature of our work, geographical location and internal policies and grievance mechanisms as outlined below.

We regularly review and update our CoC to ensure our employees are treated fairly and with respect.

The Aquatic Achievers branded business recently achieved its Safeguarding Children Accreditation in October 2023. As part of this accreditation process, Aquatic Achievers implemented child protection policies and procedures in the business, including an update to the CoC, as well as a suite of protocols and a management system to promote the safe recruitment and supervision of staff.

Relevant human rights risks specific to Aquatic Achievers' industry include:

- Child safety
- Child labour
- Workplace health and safety
- Discrimination
- Labour contracting (cleaning, maintenance and security)



## Training and Education

Part of Aquatic Achievers strategy to effectively identify and mitigate modern slavery is empowering our people to be aware of and understand the risk of modern slavery to our operations and supply chains. In this regard, training and education has been provided to key Aquatic Achievers professional staff who were engaged in procurement activities or supplier selection in order to better equip them with the knowledge required to identify, analyse and take action to mitigate modern slavery risk.

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## Criteria 5 and 6: Describe how the reporting entity assesses the effectiveness of these actions and the process of consultation with any entities the reporting entity owns or controls

Aquatic Achievers establishment of the FairSupply supply chain mapping exercise has provided us with measurable and comparable metrics from which we will be able to assess the effectiveness of our actions.

### Consultation and Collaboration

Aquatic Achievers has acquired a number of businesses in FY23 and as such, it was necessary to build an initial awareness and have conversations around the importance of modern slavery across the business.

In this regard, Aquatic Achievers have engaged in initial discussions with key professional staff at these newly acquired businesses, who are engaged in procurement activities or supplier selection, to generate awareness of the issue of modern slavery. For FY24, Aquatic Achievers intends to expand our training and communications to these key staff at the new entities in order to provide them with more detailed information and the necessary tools to better understand and effectively deal with modern slavery risk.

In addition, an employment practices review will be carried out in FY24 to ensure each of the newly acquired businesses has the right policy coverage and that they are aligned to our suite of policies and procedures which govern the conduct and treatment of our employees and the protections they are afforded.

Aquatic Achievers will also carry out further desktop due diligence on key suppliers in the upper tiers identified in the FairSupply supply chain mapping exercise. In addition, the focus in FY24 will be on centralising the procurement function as much as possible as this will provide greater bargaining power to leverage in supplier relationships and ensure suppliers used are in line with our modern slavery strategy.

In terms of industry collaboration, Aquatic Achievers is part of the National Associated Retail Traders of Australia (NARTA), an independent buying group in Australasia. NARTA has introduced a modern slavery initiative which supports businesses in reviewing supply chain practices to deliver best-in-class ethical standards and works with suppliers who are in compliance with relevant modern slavery laws.

As part of the larger corporate group of WHSP, Aquatic Achievers has extensively engaged with WHSP in developing our modern slavery strategy.



**This statement was approved by the Board of Directors of WHSP Aquatic Achievers Pty Ltd on behalf of itself and its controlled entities.**

David Scammell  
*Chair*

23 January 2024