

Modern Slavery Statement for the Financial Year ending June 2022

Company Secretary | October 2022 |

Contents

Introduction	1
Our Structure and Operations.....	1
Policy Framework	2
Governance	2
Our Suppliers	2
Assessment of Modern Slavery Risks and our Approach.....	3
Assessing the Effectiveness of our Actions.....	4
Reporting	4

Introduction

This is NSW Ports' statement on modern slavery for the financial year ending on 30 June 2022, made and published in accordance with our obligations under the *Modern Slavery Act 2018* (Cth) (the 'Act'). NSW Ports fully supports the aims of the Act and we hereby reiterate our commitment to tackling the risks of modern slavery in our business and procurement supply chains and to implementing actions to address any such risks, wherever possible.

This statement is made pursuant to section 14 of the Act and constitutes NSW Ports' joint statement on modern slavery for the financial year ending on 30 June 2022.¹ This statement was approved by the board on behalf of each of the reporting entities comprising NSW Ports on 27 October 2022 and is correct as at that date.

Our Structure and Operations

NSW Ports began operations in 2013 under a 99-year lease for Port Botany, Port Kembla, Cooks River Intermodal Terminal and Enfield Intermodal Logistics Centre. The NSW Ports group of companies consists of NSW Ports Operations Hold Co Pty Limited (and its subsidiaries)² and NSW Ports Pty Limited (and its subsidiaries)³.

NSW Ports manages two of the key trade gateways to New South Wales ('NSW'), the largest economy in Australia. Both Port Botany and Port Kembla are essential infrastructure assets to the State of NSW. Port Botany is NSW's container port serving the State and handling about one-third of Australia's containers. Port Botany also handles and stores large volumes of bulk liquid and gas, principally for NSW. Port Kembla, located 90 kilometres south of Sydney, is a significant bulk and general cargo port in southern NSW and contains NSW's motor vehicle import facility.

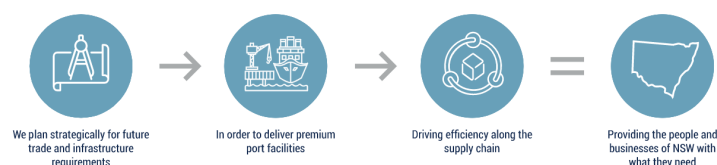
NSW Ports operates its business as a pure landlord infrastructure asset. NSW Ports leases and manages an extensive portfolio of land which comprises leases of waterside land to stevedores and other port-related operators. As custodians of these assets, NSW Ports is committed to taking a long term and sustainable approach to the way that that we operate, the actions that we need to take or encourage from others, and the way that we work with our tenants and suppliers.

Navigating the Future: NSW Ports' 30 Year Plan (our '**Master Plan**') and our *2022 Sustainability Strategy* (our '**Sustainability Strategy**') are ways for us to do this. Our Master Plan looks at every aspect of our operations - the assets that we manage, the stakeholders that we deal with and the social and environmental outcomes that we want to contribute to. Importantly, our Master Plan focuses on sustainability, and not just our efforts to minimise our impact on the environment, but also on economic sustainability – the ability to reduce costs and improve productivity outcomes. In turn, our Sustainability Strategy builds on the Master Plan and other initiatives to ensure that NSW Ports remains highly resilient, responsive and responsible in our operations.

Further details on our Master Plan and Sustainability Strategy can be found on our website: www.nswports.com.au.

NSW Ports is a consortium comprising long-term infrastructure investors including: IFM Investors, Australian Super, Tawreed Investments and Qsuper.

NSW Port's vision is to be a world class port and logistics manager by developing our assets to drive sustainable growth and keep Australia's economy moving by managing key trade gateways connecting the State of New South Wales to global and domestic markets and, at all times, living our values: Care, Collaboration, Passion, Integrity and Accountability.



¹ For the purposes of sections 14 & 16 of the Act, this is a joint statement made by the 'reporting entities' (as defined under s.5 of the Act) within the NSW Ports group of companies, namely, Port Botany Operations Pty Limited, NSW Ports Botany Property Co Pty Limited and NSW Ports Pty Limited. In circumstances where the directors and senior management team of each 'reporting entity' are the same, consultation between entities (as is required under sections 14(c) and 16(f) of the Act) consisted of a joint review of the operations and supply chains of each which was then consolidated for the purposes of this joint statement on modern slavery, which was thereafter approved by the Board of Directors of each entity on 27 October 2022.

² Port Botany Operation Pty Limited and Port Kembla Operations Pty Limited.

³ NSW Ports Finance Co Pty Limited, NSW Ports Botany Property Co Pty Limited and NSW Ports Kembla Property Co Pty Limited.

OUR PURPOSE
Keep Australia's economy moving

OUR VISION
Be a world class port and logistic manager driving sustainable growth

OUR APPROACH
Manage key trade gateways connecting you to global and domestic markets

OUR VALUES
Care | Collaboration | Passion | Integrity | Accountability

Policy Framework

At NSW Ports, we recognise the importance of respecting human rights and we are committed to protecting the fundamental rights of all people including our employees, our customers, the communities in which we operate, those who may be impacted by our activities and those within our supply chains. NSW Ports' management of modern slavery risks falls within our overall approach to protecting and upholding human rights and preserving the freedom, dignity and equality of all human beings. The foundational documents for human rights protection are NSW Ports' Code of Conduct, Procurement Policy and our 2022 Sustainability Strategy.

These documents outline NSW Ports' approach to establishing the essential standards of corporate and personal conduct and the behaviour expected of everyone who works for or with NSW Ports. These documents outline clear requirements and expectations on the identification and management of issues associated with modern slavery within NSW Ports' operations and our supply chains.

Further, these documents provide specific guidance to our personnel to ensure that the highest standards are achieved across the business and make provision for sourcing suppliers on a risk-assessed basis.

Governance

Good corporate governance is critical to the long term, sustainable and ethical success of NSW Ports. Consistent with NSW Ports' risk management approach to potential modern slavery risks in its business and supply chain, the Board's Audit & Risk Committee is responsible for providing oversight of this issue on behalf of the Board. Given the nature of this risk, the key focus of senior management is on working collaboratively with NSW Ports' suppliers to ensure that expectations and standards are understood and that potential exposures to modern slavery risks are either eliminated or minimised so far as is reasonably practicable.

Our Suppliers

NSW Ports is committed to working with our suppliers to address the risks of modern slavery in our supply chains. In this regard, we note that the vast majority of NSW Ports' third-party procurement spend for goods and services is based within Australia, with a considerable proportion in New South Wales.

The current Global Slavery Index (published in 2018) ranked the prevalence of and vulnerability to modern slavery in Australia as very low, with a Prevalence Index Rank of 163 / 167⁴ and a Vulnerability to modern slavery score of 4.27 / 100⁵.

Notwithstanding the above, however, the realities of global trade and business make it inevitable that Australia, like many other countries globally, will experience greater indirect exposure to the risk of modern slavery through the goods that we import from origin countries where the prevalence of and vulnerability to modern slavery is relatively higher than that in Australia.

⁴ Australia ranked 163 out of 167 countries assessed against the Global Estimates of Modern Slavery criteria produced by the International Labour Office and Walk Free Foundation in partnership with IOM.

⁵ The Global Slavery Index Vulnerability Model is built on statistical testing and processes to identify the factors that explain or predict the prevalence of modern slavery. The 2018 Vulnerability Model provides a risk score for 167 countries based on an analysis of data covering 23 risk variables across five major dimensions.

Assessment of Modern Slavery Risks and our Approach

NSW Ports continues to take a zero-tolerance approach to modern slavery in all its different forms in any part of our operations and supply chains. This approach reflects a commitment to act ethically and responsibly in all business relationships and to ensure that modern slavery is not present in any part of NSW Ports' business. In this regard, NSW Ports is conscious of the fact that the COVID-19 pandemic brought with it many challenges, including in relation to the protection of human rights. Building on our previous efforts in the financial years ending June 2020 and June 2021, NSW Ports has continued to work with our employees, customers and suppliers in order to develop a deeper understanding of the particular and lingering impacts of the pandemic and to offer support during this difficult time.

Dealing first with our operations, and as outlined above, NSW Ports is a landlord / infrastructure asset manager and our workforce is predominantly made up of white-collar workers employed on a full-time basis. Senior management maintains oversight of all employment contracting which is conducted in accordance with applicable laws and awards (including, without limitation, the *Fair Work Act 2009* (Cth) and the *Fair Work Regulations 2009* (Cth)).

On this basis, NSW Ports assesses that the risk of modern slavery practices within our operations is low.

Our approach to the detection of modern slavery risks in our procurement supply chains, on the other hand, is based on various factors. These include the nature of our relationship with suppliers, their industry sectors and geographic location(s), the types of goods or services being provided, and existing local human rights protections offered to workers.

NSW Ports conducts an annual review and risk-assessment of our existing supplier base and, on the basis of our review for the financial year ending on 30 June 2022, considers that the risks of modern slavery practices in our supply chains remains low. That being said, however, NSW Ports has once again identified a number of suppliers which are potentially at a higher risk to modern slavery practices (relatively speaking, by virtue of specific sector risks) and has requested that those suppliers complete a 'Modern Slavery Compliance Declaration' (which was first developed and implemented by NSW Ports in the financial year ending June 2020) which requires the identified suppliers to self-assess their compliance with the Act and also raises awareness about modern slavery risks generally.

Last financial year, by way of example, NSW Ports engaged an IT managed services supplier based in Australia that, in turn, operates an IT help desk service in Malaysia. This supplier was asked to complete a Modern Slavery Compliance Declaration and following specific engagement with NSW Ports in this regard, agreed to take all reasonable steps to ensure that there was no modern slavery in any part of its business and supply chain, including in its offshore operations and supply chains. Positive obligations in this regard were also codified in the relevant Master Services Agreement. This financial year, that particular supplier completed a further Modern Slavery Compliance Declaration which confirmed that the controls and mechanisms implemented previously are working to manage identified modern slavery risks.

By way of our Modern Slavery Compliance Declaration, NSW Ports aims to foster pro-active engagement with our suppliers in sectors and industries deemed to have a higher risk of modern slavery in order to understand the policies and controls that they have implemented to manage modern slavery risks and, where deficiencies are identified, to work with them to address those issues.

In addition to the above, NSW Ports has reviewed and updated its Code of Conduct and Procurement Policy to reflect our zero-tolerance approach to modern slavery in all its different forms in any part of our business and supply chain.

While not considered to be within the scope of NSW Ports' operations and supply chain, NSW Ports acknowledges that there is a specific modern slavery risk in the maritime industry concerning international seafarers that are employed to work on vessels that berth at Port Botany and Port Kembla. NSW Ports has positive working arrangements with the Australian Maritime Safety Authority, the Australian Border Force and other statutory authorities and industry stakeholders, including Mission to Seafarers and other similar organisations, and is committed to assisting those parties to address modern slavery issues wherever possible.

In May 2021, NSW Ports initiated a program to provide free COVID-19 vaccinations to international seafarers at Port Botany. Port Botany was the first Australian port to offer such vaccinations, a similar program now in place at Port Kembla, as well as other NSW and interstate ports. Over the ensuing 12 months, 85 ships berthing at Port Botany had crew members vaccinated; with almost 1,500 vaccinations administered.

Finally, NSW Ports has committed to ensuring that its staff understand and are compliant with our approach to preventing modern slavery in all of its forms. NSW Ports provided the following training and communication in relation to the Act and the risks of modern slavery generally:

- all new employees are inducted on our zero-tolerance approach to modern slavery, and on our most recent Modern Slavery Statement through our new starter induction process run by Human Resources; and

- all leadership roles, and those personnel that are involved in procurement activities on behalf of NSW Ports, have undergone instruction to ensure a high level of understanding of the risks of modern slavery in our business and supply chain, alongside the relevant policies and procedures.

NSW Ports is committed to continually reviewing and enhancing our applicable policies and procedures to appropriately respond to modern slavery risks. To this end, NSW Ports will continue to:

- identify, monitor and assess categories of third-party procurement spend most 'at risk' to modern slavery;
- incorporate anti-modern slavery obligations into its policies and processes where relevant, on a risk-assessed basis;
- include appropriate measures in its due diligence processes for sourcing suppliers and for verifying where those suppliers source their goods and services on a risk-assessed basis (including by way of the Modern Slavery Compliance Declaration);
- provide guidance to relevant employees to ensure a high level of understanding of the risks of modern slavery;
- maintain its established whistleblowing procedure; and
- report its commitments, policy, performance and actions in tackling modern slavery to the Audit and Risk Committee and to the Boards of each of the NSW Ports entities.

Assessing the Effectiveness of our Actions

NSW Ports will continue to monitor the effectiveness of the processes and procedures that we have implemented to address the modern slavery risks that exist in our operations and supply chains. In this regard, we are pleased to note that, once again, each of the Modern Slavery Compliance Declarations that have been submitted by our suppliers to date demonstrate a high level of understanding and compliance with both the specific requirements and overarching objectives of the Act.

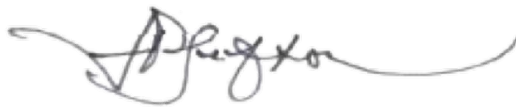
We will continue to conduct due diligence assessments and work with our suppliers to ensure that any / all modern slavery risks in our operations and supply chains are appropriately managed. Based on the results of these processes, we will adapt and strengthen our actions to continually improve our response to the issue of modern slavery and to ensure we continue to operate in an ethical and responsible manner.

We will also continue to provide updates on modern slavery to the applicable boards and/or the Audit and Risk Committee, as appropriate.

Reporting

NSW Ports will continue to report on its approach to addressing modern slavery annually at the end of each financial year, in accordance with the requirements of the Act, and this will include information about:

- NSW Ports' business and its procurement supply chains;
- the due diligence processes applied by NSW Ports in sourcing suppliers;
- the risk-assessment methods and steps taken to manage the risks in both the business and the procurement supply chain;
- the effectiveness of ensuring that modern slavery is not taking place in any part of its business or its procurement supply chain; and
- the adequacy of training arrangements to ensure that relevant NSW Ports employees have the knowledge and skills necessary to fulfil their obligations.



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Signed for and on behalf of NSW Ports

Name: Julian Sefton

Position: Company Secretary

Date: 25 November 2022