

Joint Modern Slavery Statement for the Financial Year Ending 30 June 2023

Company Secretary | October 2023 |

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Introduction

This is NSW Ports' statement on modern slavery for the financial year ending on 30 June 2023 ('FY23'), 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 FY23.¹ The boards of each reporting entity have the same Directors and are hereafter referred to as the 'Board'. This statement was approved by the Board on behalf of each of the reporting entities comprising NSW Ports on 26 October 2023 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 controls 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 the sole container port serving Australia's largest state economy, NSW and Sydney, Australia's largest city. Port Botany also has the largest common user bulk liquids facility in Australia. Port Kembla, located 90 kilometres south of Sydney, is the only significant bulk port in southern NSW and the only vehicle import facility in NSW.

NSW Ports operates its business as a 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 we operate, the actions that we need to take or encourage from others, and the way that we work with our tenants and suppliers.

NSW Ports 2063: Our 40-Year Master Plan for Sustainable Growth (our '**Master Plan**') and our *2022 Sustainability Strategy* (our '**Sustainability Strategy**') articulate the vision and direction for our operations and assets in the future. Our Master Plan outlines priorities and actions required to cater for trade growth and diversification needs of the people and businesses of NSW. Achieving our Master Plan objectives will contribute to sustainable ports and supply chains – reducing emissions, minimising community impacts, supporting the competitiveness of exports and supporting cost-effective goods for consumers and businesses. Our Sustainability Strategy will also support NSW Ports remaining highly resilient, responsive and responsible in our operations.

¹ For the purposes of sections 14 and 16 of the Act, this is a joint statement made by the 'reporting entities' (as defined under section 5 of the Act) within the NSW Ports group of companies, namely, NSW Ports Operations Hold Co Pty Limited as trustee for NSW Ports Operations Hold Trust, NSW Ports Pty Limited as trustee for NSW Ports Property Hold Trust, Port Botany Operations Pty Limited as trustee for Port Botany Unit Trust, NSW Ports Botany Property Co Pty Limited as trustee for NSW Ports Botany Property Trust, and NSW Ports Finance Co 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 reporting entity on 26 October 2023.

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 MASTER PLAN OBJECTIVES



NATION

Cater for the trade needs of NSW and Australia.



LAND USE

Ensure the efficient and responsible use of land and infrastructure.



MOVEMENT

Grow the volume of freight moved by rail and improve the efficiency of road connections.



PLACE

Protect our ports, freight-related lands and freight transport routes.



CAPACITY

Grow freight handling capacity.

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 Australian superannuation fund owners representing over 6 million Australians.

NSW Port's vision is to be a world class port and logistics manager by developing our assets to drive sustainable growth, while our purpose is to keep Australia's economy moving, and at all times, living our values: Care, Collaboration, Passion, Integrity and Accountability.

Our Supply Chains

While NSW Ports is a key participant in the wider NSW supply chain, the purpose of this statement is to report on modern slavery risks in NSW Ports' procurement supply chains, being the products and services (including labour) that contribute to NSW Ports' own services. These products and services include: construction and engineering services, consultancy and advisory services, digital managed services and information technology, facilities management services, financial services, fleet management, office supplies, security services, training services, travel and utilities.

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 operations and those within our procurement 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' Modern Slavery Policy (incorporated in this Statement), 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 and 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.

Risk Environment

The Global Slavery Index (published in 2023) ranked the prevalence of and vulnerability to modern slavery in Australia as very low, with a Prevalence Index Rank of 149 / 160⁴ and a Vulnerability to modern slavery score of 7%⁵.

Notwithstanding the above, NSW Ports notes that the prevalence of modern slavery in Australia has been rising, and 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 we import from origin countries where the prevalence of and vulnerability to modern slavery is relatively higher than that in Australia.

Our Modern Slavery Policy

Respect for human rights is fundamental to NSW Ports' values, long-term sustainability, the growth of our business and to the wellbeing of the communities in which we operate. Modern Slavery represents a grave human rights abuse.

NSW Ports does not permit any forms of forced labour or human trafficking in its operations and supply chains. Workers must be free to terminate their employment at any time after giving reasonable notice. Suppliers are encouraged to raise any concerns regarding modern slavery with NSW Ports. NSW Ports takes a zero-tolerance approach to modern slavery in its own operations, and where a supplier fails to take action to address an identified case. This approach reflects a commitment to act ethically and responsibly in all business relationships. NSW Ports has continued to work with our employees, customers and suppliers to develop a deeper understanding of the risks of modern slavery in our operations and supply chains. Employees are asked to report any modern slavery concerns to their line manager.

Modern Slavery Risks in our Operations

Dealing first with our operations, our workforce is predominantly made up of office-based employees 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.

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

⁴ Australia ranked 149 out of 160 countries assessed against the Global Estimates of Modern Slavery criteria produced by the International Labour Organization, Walk Free Foundation and International Organization for Migration.

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 2023 Vulnerability Model provides a risk score for 160 countries based on an analysis of data covering 23 risk variables across five major dimensions.

Under our community investment program, NSW Ports is an active partner of Mission to Seafarers, an organisation which takes care of visiting seafarers. In FY23, NSW Ports continued with its annual donations to the Mission to Seafarers and provided additional funds to assist the Port Kembla branch to replace the bus used for transporting seafarers to and from the port precinct. NSW Ports regularly participates in other fundraising events to support seafarers and provides care packages to berthed vessels on the annual 'Day of the Seafarer'.

Modern Slavery Risks in our Supply Chains

NSW Ports is committed to working with our suppliers to assess and address the risks of modern slavery in our supply chains. As part of the risk assessment, we consider the nature of our relationship with suppliers, their industry sectors and geographic location(s), and the types of goods or services being provided.

The vast majority of NSW Ports' third-party procurement spend for goods and services is based within Australia. In FY23, NSW Ports also engaged suppliers based in Israel, Netherlands, New Zealand, Republic of Ireland, Singapore, UK and USA. Having assessed the risk environment in these jurisdictions based on the Global Slavery Index, these countries have a comparable prevalence of modern slavery to Australia. Based on geographic location of suppliers alone, NSW Ports considers that the risk of modern slavery in our procurement supply chain is low.

Having considered the types of goods and services procured by NSW Ports in FY23, security services, construction services, solar technology, information technology and personal protective equipment (PPE) were identified as goods and services with a higher inherent risk of modern slavery. NSW Ports purchased an immaterial amount of PPE in FY23, but made significant investments in security and construction.

NSW Ports engages two labour hire companies to provide security services. Although labour hire can present an increased inherent risk of modern slavery due to lack of visibility of contracting arrangements, both of NSW Ports' contracted labour hire companies have given contractual commitments to comply with all applicable laws and to provide skilled and licensed security guards.

NSW Ports conducts an annual review and risk-assessment of our existing supplier base and issues 'Modern Slavery Compliance Declarations' (**Declarations**) to selected suppliers. Completing a Declaration requires the identified suppliers to self-assess their compliance with the Act and to verify the responses provided as true and correct. The Declarations also raise awareness about modern slavery risks generally. Our two labour hire security service providers and our largest suppliers (including construction and solar technology service providers) were selected to complete Declarations for FY23.

By way of our 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. On the basis of our review for FY23, no instances of modern slavery were detected, and NSW Ports considers that the risks of modern slavery practices in our procurement supply chains remains low.

Addressing Modern Slavery Risks

In addition to the actions outlined in the above sections, 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 has also 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 approach to modern slavery through our new starter induction process run by Human Resources; and
- all leadership roles, and those personnel involved in procurement activities on behalf of NSW Ports, have received 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.

During FY23, NSW Ports entered into an agreement with an online training company to deliver modern slavery compliance training to all NSW Ports staff. The training will be implemented during the current financial year.

In FY23, Audit and Risk Committee members also engaged in continuing professional development in relation to modern slavery, with receiving an update on the statutory review of the Modern Slavery Act 2018 (Cth).

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 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 Board and/or Audit and Risk Committee.

Assessing the Effectiveness of our Actions

NSW Ports will continue to monitor the effectiveness of the processes and procedures we have implemented to address the modern slavery risks that exist in our operations and supply chains. In this regard, each of the Modern Slavery Compliance Declarations 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 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 Board 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.



This statement was approved by the boards of each of the five reporting entities covered by this statement on 26 October 2023. This statement is signed by Patricia McKenzie in her role as Chair and Director of the boards of the reporting entities.

Name: Patricia McKenzie

Position: Chair and Director

Date: 26 October 2023