

Modern Slavery Statement 2022-23



1. Introduction

The *Modern Slavery Act 2018 (Cth) (Modern Slavery Act)* was introduced on 1 January 2019 as an important measure to address modern slavery, and provides the increased transparency and accountability required to protect workers and ensure the enforcement of ethical labour standards.

As a government trading enterprise in Western Australia, Fremantle Port Authority (trading as 'Fremantle Ports', ABN 78 187 229 472) is required to report under the *Modern Slavery Act*. This statement for the 2022-23 financial year is issued on behalf of Fremantle Ports and was approved by the Fremantle Ports Board by way of resolution on 20 October 2023.

Fundamentally, modern slavery is about people. 'Modern slavery' is an umbrella term that is used to describe slavery and slavery-like practices including:

- human trafficking
- slavery
- servitude
- forced labour
- forced marriage
- debt bondage
- child labour
- deceptive recruiting for labour or services.

Fremantle Ports is committed to improving the understanding of modern slavery across its workforce, suppliers and contractors, and

operations, as well as taking steps to mitigate modern slavery risks. This responsibility is reflected in our systems and processes, as well as our organisational values.

Preparing this statement provides an opportunity for us to reflect on our efforts, share our progress and identify where we can continue to improve.

I am pleased to present our Modern Slavery Statement for 2022-23 and welcome any feedback.



Michael Parker

Chief Executive Officer
23 October 2023





2. Our Values

Fremantle Ports' Values are simple, but they drive everything we do and guide our behaviours and decisions. They are the essence of what is important to us, as we work together to deliver our goals.

Our Values are:

- **Collaboration** - we work together, building trusting relationships and consider the impact of our actions. We look for ways to contribute to a better future for our people, the communities and the environment
- **Accountability** - no matter where we work, our role or where we are from, we have standards to which we hold ourselves and each other accountable. We strive to make the right choices every time. We do what we say we are going to do and take responsibility for our actions
- **Respect** - we value each other and create an environment where everyone's voice is heard and respected
- **Excellence** - we strive for excellence in everything we do, to optimise performance and productivity. In doing so, we deliver for our teams, our customers, our organisation and ourselves. We learn from the past while embracing innovation and change.

The first letter of each value forms the word CARE, a fitting acronym for the Values that drive everything we do at Fremantle Ports.

3. Structure, operations and supply chain of the reporting entity

3.1 Structure

Fremantle Ports is a government trading enterprise and its sole shareholder is the Government of Western Australia. It is established under the *Port Authorities Act 1999 (WA)* and is the strategic manager of the Port of Fremantle. Our purpose is to facilitate trade for a more prosperous Western Australia.

Our governing body is a Board of Directors appointed by, and responsible to, the Minister for Ports. The Board sets the strategic direction for Fremantle Ports, agrees on goals for management and monitors the achievement of those goals. The Chief Executive Officer is appointed by the Board and is responsible for day-to-day management of Fremantle Ports.

3.2 Operations

The Port of Fremantle consists of the Inner Harbour, at the entrance to the Swan River in Fremantle, and the Outer Harbour, in Cockburn Sound at Kwinana.

The Inner Harbour handles more than 99 per cent of Western Australia's container trade. It also facilitates vehicle imports, cruise ships, non-containerised cargo including machinery and heavy equipment, steel, livestock, and scrap metal trade. It also accommodates research, naval and specialist vessels or ships that are laid up.



Kwinana Bulk Jetty (KBJ) and Kwinana Bulk Terminal (KBT) in the Outer Harbour in Cockburn Sound handle bulk commodities including clinker cement, petroleum products, silica sand, bitumen, fertiliser and sulphur. KBJ and KBT are owned and operated by Fremantle Ports, while separate facilities in Cockburn Sound are privately operated by Alcoa, bp and CBH Group.

Fremantle Ports provides and maintains shipping channels in Gage Roads and Cockburn Sound, navigational aids, seawalls and road and rail infrastructure within the port environs which allow port users to conduct their operations effectively.

Other services provided by Fremantle Ports include ship monitoring and scheduling, berth allocation, mooring, port communications, security, pilot transfer, hazardous cargo services, quarantine and waste disposal, property management services, stevedoring and bulk terminal receipt and dispatch.

We operate predominantly according to a landlord port model that is common worldwide, and work hand in hand with private sector partners in the overall provision of port services. Private sector partners provide the following services pursuant to contractual arrangements and/or statutory licences issued by Fremantle Ports:

- containerised stevedoring
- non-containerised and bulk cargo stevedoring
- towage
- pilotage
- lines boats
- bunkering
- ship provisioning
- road and rail transport
- freight forwarding
- customs clearance and fumigation.

A 24/7 operation, Fremantle Ports is administered from its headquarters on Victoria Quay in Fremantle. It has a direct workforce of 373 people, however, the number employed in the wider Port of Fremantle is in the thousands, creating significant employment and economic contributions locally.

3.3 Supply Chains

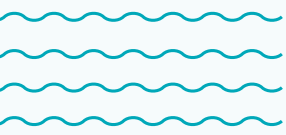
The main types of goods and services procured by Fremantle Ports in the reporting period fall within the following categories:

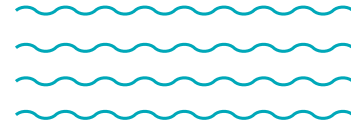
- port infrastructure
- industrial equipment and fleet
- facilities services
- business advisory services
- technology and data management.

Given the range of goods and services procured, Fremantle Ports has a variety of commercial arrangements with its suppliers. The most common arrangements in place are:

- service provider licences
- standing offer agreements
- one-off contracts.

During the 2022-23 reporting period 97.23 per cent of Fremantle Ports' pre-qualified suppliers were Australian-registered entities. We acknowledge that, although a supplier may be based in Australia, the majority of their goods or commodities may be sourced from overseas.





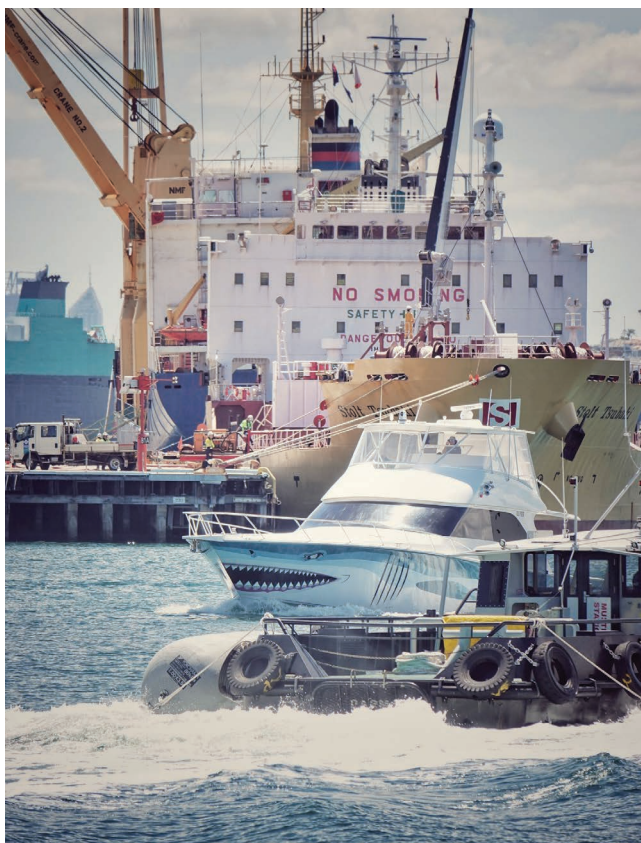
4. Risks of modern slavery in global operations and supply chains

4.1 Risks

A Modern Slavery Risk Assessment was undertaken in the 2019-20 reporting period. The purpose of the risk assessment was to identify how Fremantle Ports may cause, contribute to, or be directly linked to modern slavery practices through our operations and supply chain. The objectives of the risk assessment were to:

- Reduce modern slavery in Fremantle Ports' supply chain and areas of influence
- Identify opportunities to improve Fremantle Ports' policies, practices, and procedures in respect of modern slavery.

The overall risk of modern slavery at a tier one level of Fremantle Ports' supply chain is low (tier one suppliers are those that deal directly with Fremantle Ports). With 97.23 per cent of our total expenditure made through companies based in Australia, where strong regulation and good business governance prevails, the likelihood of forced labour or other means of slavery at a tier one level is extremely low.



The following modern slavery risks were identified:

- 1 Seafarers are exposed to modern slavery because of the actions of shipping lines and vessel owners, as well as by Fremantle Ports' own actions
- 2 Fremantle Ports is linked to modern slavery by procuring goods and/or services from suppliers, service providers and their subcontractors who may employ modern slavery practices
- 3 Fremantle Ports is linked to modern slavery due to inadequate monitoring of compliance of suppliers, service providers and tenants
- 4 Fremantle Ports is indirectly linked to modern slavery via the actions of stakeholders and service providers.

4.2 Actions taken

The reporting period was used to progress actions to address identified modern slavery risks in our operations and supply chains.

Procurement and contracting

During the reporting period, tender documents were updated to request information regarding procedures used to mitigate against the risk of modern slavery. Further work will be undertaken in the next reporting period to embed this as part of qualitative criteria scoring.

Resources from external agencies, such as the *Australian Border Force Modern Slavery Procurement Toolkit*, were shared within the organisation for consideration.

Work continued on determining the best approach to obtain more detailed information (i.e., questionnaires) from our high-risk suppliers on their approach to modern slavery. Investigations are continuing as to how Fremantle Ports' recently implemented Oracle system can be leveraged as part of this.

Modern slavery related clauses have been added to procurement contract templates, as well as operating agreements, as they are renewed or negotiated. This will continue into the next reporting period as service provider arrangements are updated.

Fremantle Ports has implemented a major solar array on the roof of the Fremantle Passenger Terminal, which will help power Victoria Quay. The system is one of the biggest rooftop solar arrays in the Perth metropolitan area and the photovoltaic system will generate approximately 836MWh of electricity every year. Over the 25-year expected lifespan of the system, it will offset 15,000 tonnes of CO₂, the equivalent of planting 85,000 trees.

During the tender exercise for the project, we became aware of the potential supply chain risk inherent in the upstream sourcing of polysilicon for photovoltaic panels. The risk revolved around potential supply chain exposure to forced labour in Xinjiang province, where Uyghur are interned, for polysilicon production. Fremantle Ports, in line with our modern slavery mitigation commitments, performed a supply chain review to ensure that these risks were mitigated by procuring from a verified low risk source.

Communication and training

During the reporting period there was discussion at the Board level regarding Fremantle Ports' modern slavery commitments. Whole of organisation communications (including short videos) were also released during the year. This included an acknowledgement by the CEO of International Day of the Abolition of Slavery. Fremantle Ports acknowledges there is a need for regular communication to our workforce to increase awareness of modern slavery risks and this will be a focus in the next reporting period.

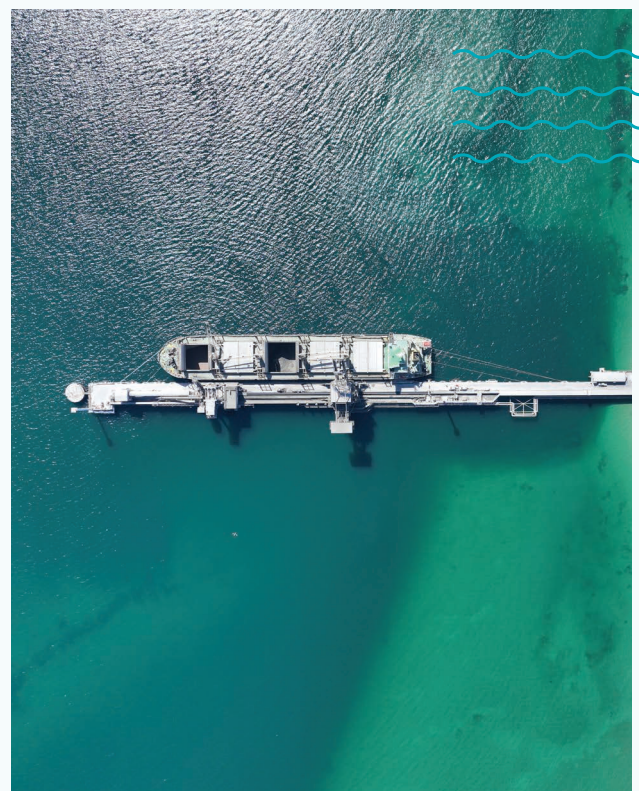
Potential training options were explored with a number of service providers to identify appropriate content. An initial offering was identified in the reporting period and has been rolled out to our personnel. It is anticipated that the training offering will then be refined over time.

Seafarer welfare

Following COVID-19, we re-affirmed our commitment to seafarers by increasing our direct financial support of the Flying Angels. A not-for-profit organisation, Flying Angels facilitates controlled shore leave by providing bus services to the Inner and Outer Harbour, as well as accommodation, social events, a chapel, chaplain services and phone cards to ship gangways to enable crew to keep in touch with family and friends while at sea.

Fremantle Ports has also established an avenue for employees to make donations to the Flying Angels through our online employee rewards and benefits portal, The Quay.

During the reporting period, Fremantle Ports continued to work with its pilotage service provider, Fremantle Pilots, in respect of a voluntary initiative whereby the pilot informs the ship's captain that shore leave is available in the Inner and Outer Harbours. If the pilot discerns a reluctance by the captain or company to allow crew ashore, the matter is brought to AMSA's attention for follow up and intervention. During the reporting period, this monitoring process led to eleven crew members of a vessel obtaining the opportunity to avail themselves of shore leave.



Complaints management

Fremantle Ports is conscious of the need to ensure there are various avenues available for concerns or complaints to be made about any matter (including but not limited to potential modern slavery concerns). We take complaints management seriously and know that our social licence depends on us responding effectively and quickly to stakeholder and public concerns. During the reporting period we further improved our complaints capability, via the development of a new Corporate Governance and Risk electronic system, that incorporates the handling of complaints, feedback and suggestions. The new system, which went live on 18 July 2023, enables public responders to make complaints, suggestions or give feedback through our external website. Complaints can be made anonymously.

5. Ongoing commitment

In addition to completing the actions outlined above, the Board of Fremantle Ports remains committed to the following:

- If Fremantle Ports becomes aware of allegations of cases where seafarers are subjected to modern slavery, we will work with federal regulators, the International Transport Workers Federation, the Flying Angel Club and Stella Maris to address those cases
- If Fremantle Ports identifies modern slavery in our supply chains, we will cease using those suppliers.



Fremantle Ports has also established an avenue for employees to make donations to the Flying Angels through our online employee rewards and benefits portal, The Quay.

6. Assessing the effectiveness of our actions and ongoing focus areas

Fremantle Ports' risk assessment process includes assessment of the effectiveness of the proposed actions and monitoring their implementation.

Staff within the Governance and Assurance division assess the effectiveness of agreed actions through action monitoring and assurance activities. In the case of modern slavery related risks, this involves partnering with the Procurement and Contract Management team to improve modern slavery outcomes through contract drafting and contract management practices.

Fremantle Ports has an online Governance Risk and Compliance platform (CGR) which supports establishing the context for, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with our business activities to reduce the likelihood of negative impacts and to maximise opportunities.

Fremantle Ports acknowledges there will always be more to do in relation to managing the risks of modern slavery. During the next reporting period, areas of focus will be:

- refining training content beyond the roll out of an initial training offering to draw out content on specific focus areas
- embedding appropriate means of obtaining information from suppliers, particularly high-risk suppliers, in relation to human rights and modern slavery compliance
- building employee awareness of modern-slavery topics
- continuing Fremantle Ports' efforts to improve seafarer welfare.

