



# MODERN SLAVERY STATEMENT

FINANCIAL YEAR 2021-2022

**WA RETURN RECYCLE RENEW LIMITED**



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## Introduction

Western Australia Return Recycle Renew Limited (WARRRL) is a not-for-profit organisation appointed by the State Government of Western Australia to coordinate WA's container deposit scheme (CDS), Containers for Change.

As a socially responsible organisation, we adopt the highest professional standards and comply with all laws, regulations and codes applicable to the Company. In addition, it is expected those companies within our supply chain to do the same, as set out in our *Supplier Code of Conduct*.

WARRRL is committed to running an ethical and responsible business. As part of the Company's governance and ethical sourcing practices, steps are taken to continuously improve practices in identifying and addressing modern slavery where it may occur within the Company's business or supply chain.

### **In this FY21-22 Modern Slavery Statement:**

The term 'modern slavery' is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom.

Modern slavery is only used to describe serious exploitation. It does not include practices like dangerous or sub-standard working conditions which can be inclusive of underpayment of workers, working excessive hours and/or unsafe workplaces. However, it should be noted that these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed. WARRRL does not support these practices. We also acknowledge that modern slavery does not occur in isolation. It forms part of other complex challenges such as forms of discrimination and low wages.

### **Our statement**

WARRRL opposes slavery in all its forms and will not tolerate modern slavery in connection with its operations. Our *Code of Conduct* and Company policies support our commitment to respecting human rights.

As the appointed Coordinator of the CDS in Western Australia, WARRRL is aware of its responsibilities when working and interacting with customers, clients, partners, employees, contractors, and those with agreements to carry out certain tasks associated with Containers for Change.

WARRRL is committed to providing and contributing to workspaces that ensure workers' rights are respected, workers are paid fairly, and the workplace operates in a safe manner. We are aware that

forced labour and human trafficking in our supply chain is a risk for our business . We are committed to playing a role to eradicate modern slavery.

WARRRL will consider the impact of any person that is a victim of modern slavery who is working for WARRRL or on its behalf. WARRRL will support the person in reporting the concern to the appropriate authority.

WARRRL also reiterates that it recognises COVID-19 may have increased modern slavery risks in parts of its operations and supply chains. This has meant that the focus for WARRRL was heightened to the Australian supply chain to keep employees, contractors and visitors safe onsite whilst engaged in Containers for Change. WARRRL recognises that although our reviews of operations to date may have only been focused on the Australian supply chain, it did allow adequately risk assessment of those operations, and understand that the risk of modern slavery was relatively low. It also meant that WARRRL could review an internal inspection criteria to ensure the Company understands the signs of modern slavery within its business.

### Reporting criteria

Modern Slavery Act Reporting Criteria	Relevant Section in this Modern Slavery Statement
a) Identify the reporting entity.	Introduction, pg 3
b) Describe the reporting entity's structure, operations and supply chains.	Our operations, pg 5 Our reach, pg 7
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Our operations pg 5 Our reach, pg 8 Our risks, pg 11
d) 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 processes.	Our risks, pg 12
e) Describe how the reporting entity assesses the effectiveness of these actions.	Our policies and procedures, pg 10 Our risks, pg 12 Review, reflection and future commitments, pg 13
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	Do not own or control any other entities

g) Any other information that the reporting entity, or the entity giving the statement, considers relevant

Our statement, pg 3

### Our operations

The Western Australian CDS commenced on 1 October 2020. The Scheme provides an incentive for members of the public to collect and return containers for recycling, in exchange for a refund amount.

WARRRL is responsible for the governance and administration of the Scheme on a day-to-day basis. To support the delivery of the Scheme Coordinator function, WARRRL has engaged several third parties to leverage specialist expertise, external efficiencies and to support the Board and Executive management in meeting our obligations.

The Western Australian CDS is the most diverse in the country, with the largest number of social enterprises and not for profit organisations and a comparatively lower number of large major corporations approved as Refund Point Operators (RPO). RPOs are a key ‘front facing’ component of the Scheme that provides the opportunity for members of public to redeem their containers.

The geographical spread of the network involves a high number of refund points to service the State, with the highest ratio of refund points to population for any jurisdiction in Australia.

Further to this, the focus on maximising community benefit from the Scheme across indigenous engagement, employment of people who live with a disability and long term unemployed is a key focus for WARRRL. Local participation in the Scheme requires a higher level of support. To ensure optimal outcomes across the entire network the operations team have several functions, including:

- overseeing the refund point collection network to ensure Scheme objectives are met consistent with their obligations under the refund point agreement;
- managing the transportation, processing, and recycling of Scheme materials post redemption at refund points as well as management of the material recycling facility stream for eligible containers consistent with Scheme objectives;
- overseeing and ensuring product stewardship for the Scheme, including risk management oversight and compliance; and
- auditing Scheme participants, beverage suppliers, RPOs, material recovery facilities, exporters and other contracted parties.

## Our values



### RESPECT FOR COMMUNITY

Community is core to the scheme; we value and respect community engagement.



### ACCOUNTABILITY, TRANSPARENCY AND INTEGRITY

We build trust and work to a high ethical standard to ensure an ongoing commitment to the scheme.



### CREATING OPPORTUNITY

We are committed to supporting scheme participant aspirations.



### SUSTAINABILITY

We will ensure our economic, environmental, and social dimensions are not compromised throughout the implementation and operation of the scheme to ensure it is available for future generations and creating long-term value.



### PARTNERSHIP AND INNOVATION

We will enable creativity, innovation, and growth through constructive engagement with all scheme participants and stakeholders.



### INCLUSIVENESS AND DIVERSITY

We will overcome exclusion and promote opportunities for participation to everyone.

### Our reach

Although WARRRL is a relatively small entity with only thirty-seven (37) employees, WARRRL has a broad footprint throughout Western Australia with a diverse array of business partners. These partnerships range from large corporations to small sole proprietor businesses and not for profit entities.

WARRRL recognises the risk of modern slavery can be found in any size entity and steps have been undertaken to understand high risk businesses within the first tier supply chain.

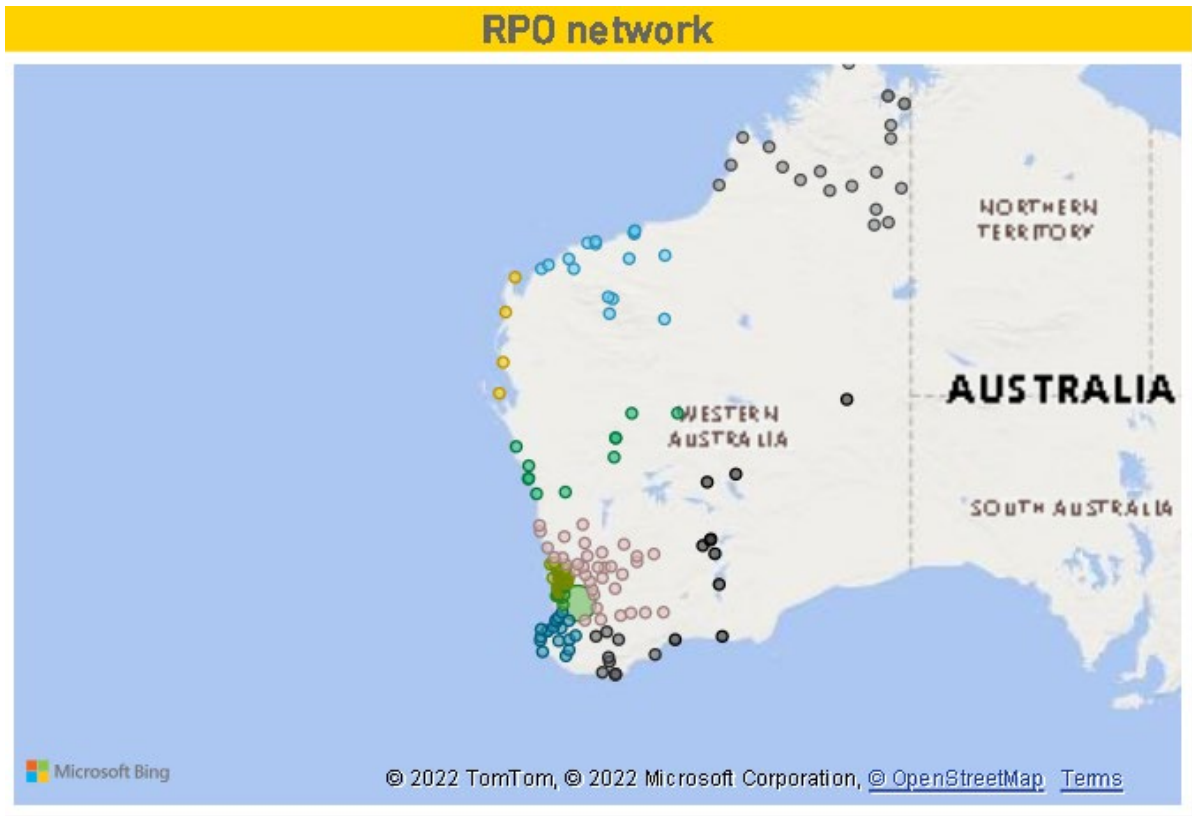
The composition of many businesses WARRRL conducts business with are WA sole owned and operated. This provides some mitigation against the presence of modern slavery as their footprint does not extend overseas into identified at risk countries and they do not have extensive supply chains. WARRRL is however committed to further understanding the risks of modern slavery within its operations and tier two supply chains.

WARRRL has conducted a risk review of contracts and ensured that all commercial agreements have a clause to mitigate modern slavery and place obligations upon those business to act ethically and responsibly. Below is a summary of the agreements that exist with WARRRL, of which all are standard template agreements that include a clause relating to the mitigation, identification and reporting of modern slavery. A copy of these standard agreements can be found on our website at <https://warrl.com.au/reporting-agreements/>.

	Agreement Type	Number of Agreements	Section of Agreement	Risk of Modern Slavery
WARRRL	First Responsible Suppliers	560 agreements	Section 8	Medium / High Risk
	Refund Point Operators	75 Agreements	Section 14.4	Low risk
	Logistics Providers	7 Agreements	Section 13	Low Risk
	Processors	4 agreements	Section 16	Low Risk
	Material Recovery Facilities	7 Agreements	Section 15	Low Risk
	Recyclers	31 Agreements	Section 9	Medium Risk
	Exporters	14 agreements	Section 15	Medium Risk

### Refund Point Operators (our core business)

The RPOs who WARRRL oversee comprise of two-hundred and sixty-three (263) sites of which ninety-seven (97) are operated by social enterprises.



Region	Number of Sites
Perth Metro Area	120
Wheatbelt	35
Kimberley	21
South West	20
Pilbara	17
Peel	15
Mid West	11
Goldfields - Esperance	10
Great Southern	10
Gascoyne	4
<b>Total</b>	<b>263</b>



The following table depicts the breakdown of employees within those entities and in which region they perform their duties.

	Gascoyne	Goldfields- Esperance	Great Southern	Kimberley	Midwest	Peel	Perth	Pilbara	Southwest	Wheatbelt	Total
<b>Employees</b>	7	16	50	35	21	9	503.5	58	81.5	40	<b>821</b>
<b>Apprentices or Trainees</b>			1	3	2	2	6			1	<b>15</b>
<b>Volunteers</b>	5	15	24		20		5	12	28	37	<b>146</b>

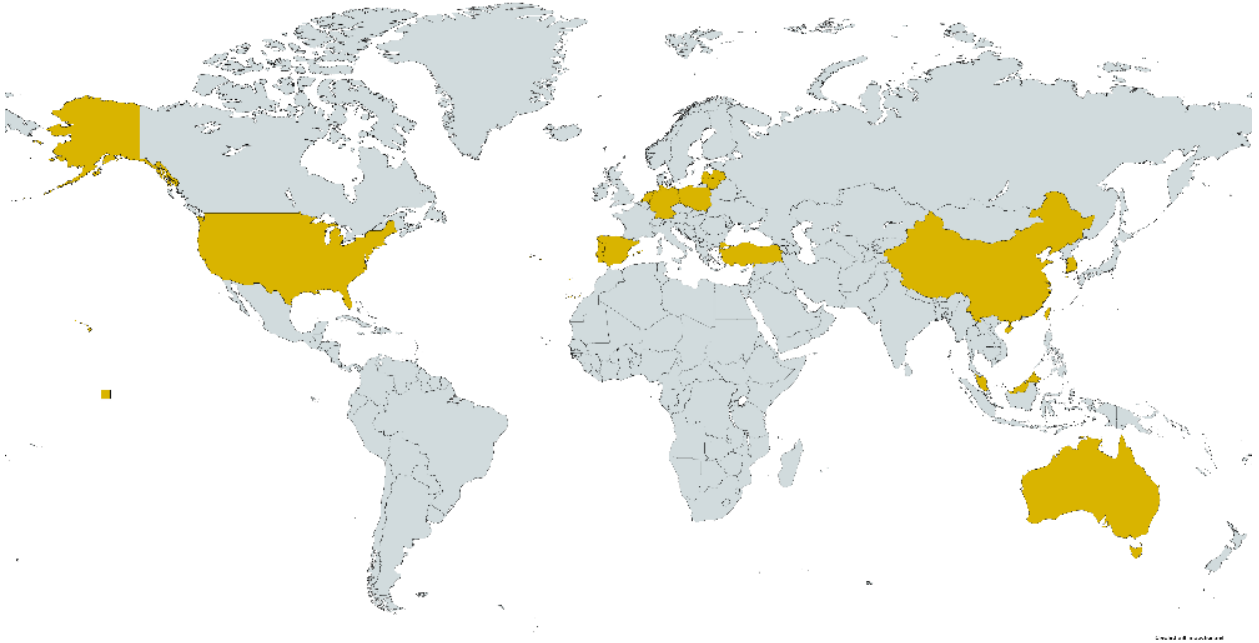
### First Responsible Suppliers and Exporters

The Western Australian CDS is a product stewardship initiative, therefore the bulk of agreements that WARRRL are entered into are with first responsible suppliers (predominantly beverage manufacturers). These suppliers and exporters range in size and geographical reach, significantly from organisations that supply beverages or other products worldwide to smaller, niche beverage suppliers that only supply to their local area within Western Australia.

In addition to modern slavery clauses within their agreements with WARRRL, the larger first responsible suppliers are also subject to modern slavery reporting, which WARRRL has reviewed.

### Approved Recyclers

Although moderate in numbers, the Western Australian CDS provides a supply chain for Approved Recyclers to access several different container material types. These products are recycled and shipped to a variety of locations across the globe to be made into new products and as such this increases the risk of products ending up in higher risk for modern slavery locations. To access CDS material, an organisation first needs to go through an application and approval process with WARRRL and the Department of Water and Environmental Regulation to become a recycler. This process involves a number of due diligence checks including checking the Department of Foreign Affairs and Trade sanctions register.



*Final destination countries - WA CDS 2021-2022.*



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### Our policies and procedures

WARRRL is committed to high standards of corporate governance. We promote sustainable business practices. Our Board, Committees and leadership provide the direction to implement sound governance across the Company so that all decisions and actions are based on transparency, integrity and responsibility. Therefore, the employees, contractors and volunteers engaged with WARRRL are expected to always uphold the highest ethical standards in line with all laws that apply to the Company.

WARRRL recognises that modern slavery is a worldwide issue. We also recognise that to address the challenges of modern slavery, collaboration with our business partners is needed. We have committed to ensuring when developing our policies, we consider risk mitigation and compliance with regulatory requirements around modern slavery, as far as reasonably practicable.

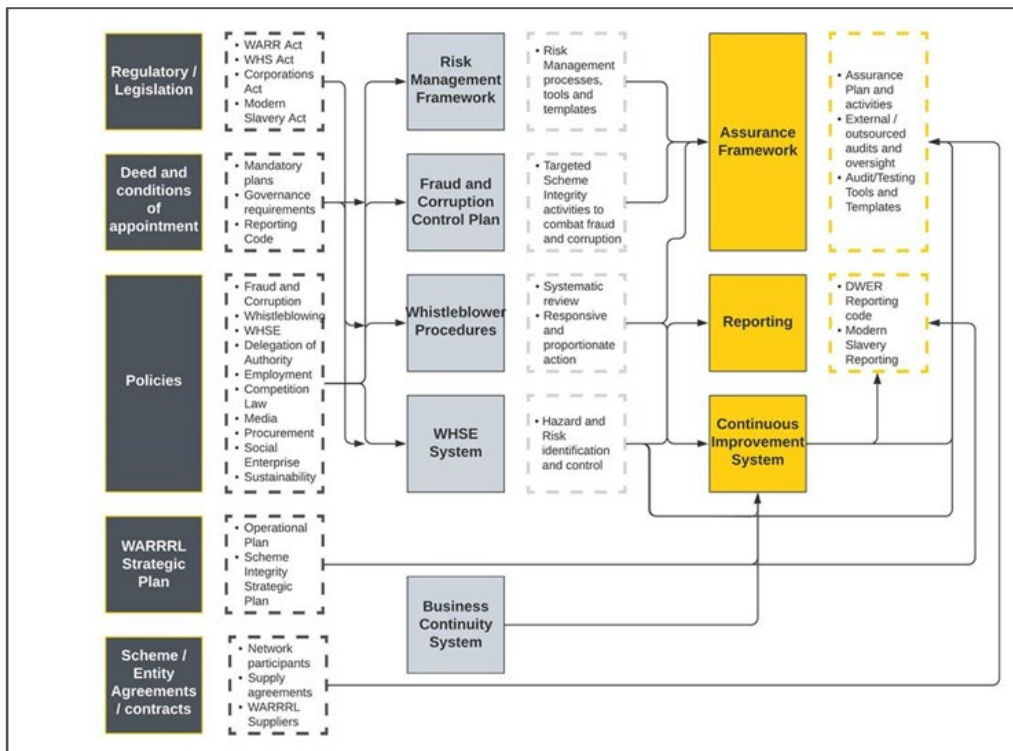
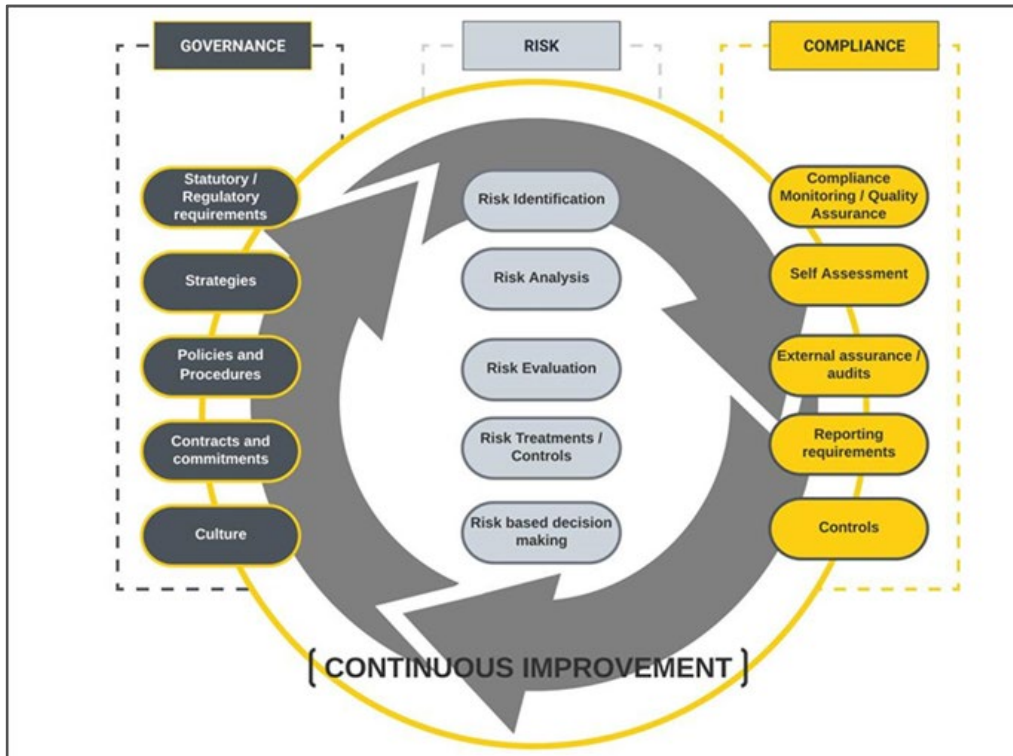
WARRRL has in place several policies that assist in protecting the human rights of our employees, contractors and volunteers within our operations. These policies include:

- Company Code of Conduct Policy
- Whistleblower Policy
- Procurement Policy
- Employment Policy
- Fraud Corruption and Control Plan

WARRRL provides mechanisms for employees, contractors and third parties to raise grievances. The Whistleblower Policy sets out the process for confidential reporting without fear of retaliation. Grievances reported under this policy are reviewed and investigations are undertaken to identify appropriate actions are taken.

### Our risks

WARRRL have an integrated and comprehensive approach to governance, risk and compliance obligations, underpinned by a strong commitment to continuous improvement as depicted below.



Throughout the financial year, WARRRL has continued a commitment to risk assessment with respect to modern slavery. When considering all forms of modern slavery, WARRRL understands that there is the potential for vulnerable populations to be taken advantage of due to the nature of the services provided within the Scheme. WARRRL has identified the following categories of risks and current control measures in place to lower the risk of exploitation regarding modern slavery.

Type of Exploitation	Risk Area	Risk Level	Current Mitigation Measures
Trafficking in persons  Slavery  Servitude  Forced Labour	<ul style="list-style-type: none"> <li>Poor unsafe working conditions</li> <li>Excessive hours of work</li> <li>Restricted movement</li> <li>Substandard accommodation</li> <li>Withholding identity and travel documents</li> </ul>	Low	<ul style="list-style-type: none"> <li>Modern Awards in place</li> <li>Individuals are free to apply for work, free to turn down work and offer to work and free to leave work at any time</li> <li>Sound WHS system and practices in place</li> <li>Identification papers not retained</li> </ul>
Debt Bondage	<ul style="list-style-type: none"> <li>Unauthorised payroll deductions, fees or debt recovery</li> <li>Underpayment of wages</li> </ul>	Low	<ul style="list-style-type: none"> <li>We will not charge any fees to individuals for the sourcing of their employment they are offered</li> </ul>
The worst forms of child labour	<ul style="list-style-type: none"> <li>Underage employees</li> </ul>	Low	<ul style="list-style-type: none"> <li>Age of employee is verified via photo ID prior to commencement of work</li> </ul>
Deceptive recruiting for labour services	<ul style="list-style-type: none"> <li>Deceptive or coercive recruiting</li> <li>High risk industry plus migrant or disadvantaged workers</li> </ul>	Low	<ul style="list-style-type: none"> <li>Every worker is provided with a copy of the terms and conditions of employment, which is inclusive of rates of pay, hours worked and entitlements.</li> </ul>

Utilising resources such as 'Tackling Modern Slavery in Supply Chains Guide 1.0', WARRRL has designated the following risk profiles.



From this profiling, WARRRL engages with minimal high-risk businesses. Those that are in this category already complete mandatory modern slavery reporting in line with the legislative requirements set out by the Australian Government. WARRRL is committed to continuous improvement and to learn from the assessments that these organisations already have conducted.

### Review, reflection, and future commitments

WARRRL continues to develop processes to assess risks associated with modern slavery and implement relevant control actions. In seeking to understanding the risks of modern slavery in the Company's business and supply chain there is a need to firstly understand the risk profile with respect to the tier one suppliers.

It is noted that at the time of this submission, WARRRL has not identified any instance of modern slavery in connection to the Company or with respect to the Scheme, however, there remains a commitment to continuing to refine the ways the risk of modern slavery is assessed.

From the learnings to date, we have understood that WARRRL still needs to do more to assist with ensuring that modern slavery is not occurring within the Company's supply chain. WARRRL commits to the following actions for the next twelve months:

- commission a comprehensive risk review of the Company's modern slavery reach, exposures and controls by an independent third party;
- develop accessible training for our RPO on modern slavery to be able to identify, prevent and report occurrences;
- review medium and low risk tier one supply chain businesses for modern slavery within their operations;

- identify and risk assess tier two supply chain businesses for modern slavery within their operations;
- further refine existing audit tools for deep diving into modern slavery risks on a periodic basis as part of our assurance work; and,
- review current remediation strategy to ensure business continuity if modern slavery is detected within WARRRL's supply chain.

### Approval

This statement was approved by the Board of Directors for WA Return Recycle Renew Limited on 22nd December 2022.



**Tim Cusack, Chief Executive Officer: WA Return Recycle Renew Limited**