



Modern Slavery Statement **Reporting Period: 1 January to 31 December 2021**

1. Introduction

With the enactment of the *Modern Slavery Act* (2018) (the “Act”), the Australian Government is demonstrating a global leadership role in the ongoing fight against modern slavery in international supply chain practices. The Act focuses on problems associated with modern slavery such as human trafficking, forced labour, child labour and slavery-like practices in global supply chains. At its core, the Act follows the growing expectations placed on businesses globally, especially large corporations, to publicly report on and manage their human rights risks and impacts.

This statement is made pursuant to the Act by **ANL Container Line Pty Ltd** (“ANL CL”), headquartered in Melbourne, Australia for the financial year 1 January to 31 December 2021, for itself and on behalf of its fully owned subsidiaries including ANL Singapore Pte Ltd, and also its Australian agency services provider company CMA CGM Group Agencies Australia Pty Ltd (all entities collectively referred to as “ANL”).

ANL is ultimately owned by the French shipping line - CMA CGM S.A. (“CMA CGM”), the world’s third largest shipping company based in Marseille, France. ANL is an integral part of the global operations of the CMA CGM Group.

Within the CMA CGM Group, policies, strategies, and actions are centralised and harmonised for effective and aligned implementation globally and regionally. The aim is not only to tackle human rights, fundamental freedom, labour, health, and safety issues, but also to achieve the United Nations’ Sustainable Development Goals (“SDGs”), which underpin the overall CMA CGM Group’s ethics and compliance commitments.

As part of the CMA CGM Group, we at ANL are committed to maintaining the highest standards of business ethics, personal integrity and compliance in all our business activities and we have zero-tolerance of any form of modern slavery within our worldwide operations and supply chains.

ANL follows and implements in its own business operations and supply chains the business ethics and compliance policies, processes and actions mandated and implemented by the CMA CGM Group.

This statement will be the second Anti Modern Slavery Statement submission by ANL CL focusing on the reporting period from 1 January 2021 to 31 December 2021.

2. Structure, Operations and Supply Chains

Structure and Operations

ANL is the largest ocean shipping container carrier based in Australia. Formally known as the Australian National Line Limited, ANL was established in 1956 by the Australian Government to operate shipping services around the Australian coast. Over many decades ANL became the



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backbone of maritime activity in Australia carrying goods around the Australian coast and to many ports around the world.

In 1998 ANL was privatised and became part of the CMA CGM Group. ANL Singapore Pte Ltd, a 100% owned subsidiary of ANL, is an ocean container carrier based in Singapore and is responsible for Asian ocean carriage services operated under the ANL brand.

Today ANL has 33 chartered vessels in operation for 22 dedicated services at 331 ports of call. With more than 300 employees, ANL offers connections to 420 ports via the CMA CGM Group network. The scope of ANL's operations consists of:

- a. **Maritime / Shipping:** Liner container shipping is ANL's core business with growing expansion into intermodal, break-bulk and value-added services. In 2021 ANL carried 1.29 million containers, consolidating its role as a leading ocean carrier in the Oceania region.
- b. **Container Park operations:** ANL repairs and manages its extensive container fleet through a fully owned container park in Melbourne, Australia – CCIS ANL Australia Pty Ltd.
- c. **Shipping Agencies:** To support ANL's shipping services in the Oceania region ANL relies on a number of CMA CGM owned agencies as well as two main subsidiary agencies owned by ANL - ANL Timor Unipessoal Lda in Timor Leste, and ANL Agencies PNG Limited in Papua New Guinea.

Supply Chains of ANL

Noting the extensive operations and activities undertaken by ANL, we collaborate with a large network of suppliers and sub-contractors globally. These include suppliers of products and services to facilitate ANL's business operations as outlined above, including chartering of vessels, equipment leasing, terminal services, bunkering supplies, feeding services, intermodal service providers, IT equipment purchase and IT services, office leasing and office support services.

In 2021, ANL continued to strive towards cementing long term relations with its suppliers who share the same values of excellence, exemplarity, imagination and boldness, because we want our shipping business to be a model of sustainable prosperity, not just for our customers but for all our stakeholders.

3. Risks of Modern Slavery in ANL's Operations and Supply Chains

Risks in Operations for ANL

In ANL's 2020 Anti Modern Slavery Statement, it was noted that ANL is aware that there are innate modern slavery risks present in certain geographic regions in which we operate. These risks are heightened in certain vulnerable workforces such as seafarers. It was noted that while a significant portion of our employees are based in countries that are of low risk for Modern Slavery, the constant



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expansion of our business and operations into new regions requires ANL to maintain dynamic systems for monitoring and addressing the risk of Modern Slavery.

Risks in Supply Chains for ANL

As a result of the 2020 Sustainability risk mapping exercise, the following sustainability related risks were identified for ANL including: human rights and working conditions, as well as partnerships with our suppliers and subcontractors. As such, in 2020 ANL put in place appropriate measures to address such vulnerable areas. The progress of the implementation of these measures is set out below.

ANL in the Oceania Region

Within the Oceania region, in 2021 ANL's Legal Department continued to hold a number of meetings with key ANL departments to monitor the most vulnerable aspects of our supply chain operations. In our view, it is important that these meetings are ongoing, as new risks continue to evolve, especially within the dynamic Covid – 19 landscape. ANL continues to utilise two main starting points to ascertain potential modern slavery risks in our business based on either the area of services/goods to be supplied / sourced or the geographic locations of our operations.

- **Services/Goods of High Risk:** ANL charters vessels for its commercial ocean carriage operations. Therefore, ANL is not directly responsible for crew management on its chartered vessels; this being the responsibility of the vessel owners and its crew managers. ANL does; however, only work with reputable ship owners and ship brokers in our industry, and we continue to engage only with vessel owners who are of good standing.

Notwithstanding our best endeavours; however, we acknowledge that the International Transport Workers' Federation ("ITF") has expressed concern at some vessel charterers' levels of due diligence concerning the working conditions aboard the ships they charter. Similarly, some government agencies have recorded examples of vessel owners and crew managers of practices having slavery like attributes including: withholding crew pay, restrictions on crew movement and mistreatment of crews. Whilst ANL has not identified any instances of this nature on our chartered vessels, clearly this is one key area of focus for ANL to develop appropriate strategies and controls to ensure good crew working conditions on our chartered vessels.

In this statement, it is also pertinent to note that as of 2022, ANL will become an owner of vessels, and as such, ANL will become responsible for crew management on board its own vessels, even if this involves engaging a third-party agency to manage the vessel's crew. We recognise that the risk burden shifts to ANL, and it is important that we implement strong practices now to ensure ANL is ready to assume responsibility for safe working conditions of the crew devoid of any Modern Slavery practices on any ANL owned or chartered vessels.

- **Geographic Locations of High Risk:** Within the Oceania region, ANL considers some countries may have higher modern slavery risks than others in the region due to political, economic, cultural



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and social conditions. ANL endeavours to provide effective awareness-raising training across all business areas and geographic regions of our operations, so that our local staff are empowered to make sustainable procurement choices to the best of their abilities.

Impact of COVID-19 in 2021

The impact of the COVID-19 pandemic continued in 2021 and continues today. In addition to the impact of vessel crew members becoming ill with COVID-19 and the associated challenges presented by the very nature of being on a vessel at sea, the shipping industry was also impacted by the individual measures adopted by sovereign states in their response to COVID-19. These resulted in prolonged and stringent border closures and travel restrictions, delays due to port and quarantine requirements, and logistics shortages. Consequently, the pandemic presented obstacles to seafarer wellbeing including but not limited to difficulties in crew changes and repatriation of seafarers at the expiry of their contracts, access by foreign maritime workers to medical needs ashore, vaccination of seafarers, and even cases of abandonment of seafarers.

ANL understands the risks that the abovementioned challenges pose to seafarer wellbeing and their rights. Undeniably, seafarers as a collective are some of the most vulnerable workers due to the nature of their employment being onboard a vessel at sea. Delays due to compliance with COVID-19 measures, quarantine requirements, and travel restrictions, place seafarers at risk of being trapped onboard vessels working beyond their standard term of employment and possibly without such changes reflected in their employment contract or remuneration. This increases the risk that seafarers may become subject to forced labour, servitude, and slavery within the meaning of the Modern Slavery Act.

Additionally, the financial impact of COVID-19 on some employer's places seafarers at risk of having their wages withheld or unpaid, or even abandonment if the employer cannot meet its financial obligations and winds up their business. In this regard, the ITF has highlighted the vulnerable position of seafarers who fear that expression of their concerns over any underpayment or non-payment of wages will result in their employer's delay or denial of their repatriation as punishment.

In response to the global pandemic, ANL made the protection and wellbeing of seafarers on its chartered vessels a top priority and implemented various measures to do its part to maintain seafarer wellbeing. Although ANL is not directly responsible for crew management on its chartered vessels, it places significant importance in engaging only with reputable shipowners and suppliers who are contractually bound to comply with ethics clauses in their business relations with ANL.

4. Actions Taken to Assess and Address the Risk of Modern Slavery

ANL understands that each department and the operational and business challenges they face raise unique Modern Slavery risks. In 2021, ANL focused on collaborations with Operations, Procurement and Strategic Global Accounts departments and continued to include our communications department



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in ongoing discussions. It is recognised that through each individual challenge or risk faced by a specific department comes a different contribution and commitment that they can make towards guarding against Modern Slavery.

OPERATIONS

ANL's Operations department monitors all our chartered vessels to ensure that they continue to comply with, and hold, a valid Maritime Labour Certificate (**MLC**). MLC certificates are valid for five (5) years, subject to an annual audit which involves a thorough inspection of the vessel by authorised officers and confidential interviews with each individual seafarer. ANL recognises that when a vessel holds this certificate, it is compliant with the relevant international regulations enforcing Anti Modern Slavery practices on board the vessels.

ANL Operations recognises that holding an MLC alone may not be enough to counter all potential Modern Slavery risks, particularly in 2021 when the unprecedented COVID 19 pandemic and all associated Modern Slavery risks were at a height. As such, in 2021 ANL continued to build on the Anti-Modern Slavery frameworks laid out in ANL's 2020 Statement to monitor the situation on all vessels and ensure ANL could act in a timely fashion should any issues in this area arise.

ANL's Anti-Modern Slavery Officer

One of these frameworks laid out in ANL's 2020 Anti Modern Slavery Statement was the appointment of an Anti-Modern Slavery Officer within ANL.

As of 2020, the role of the Anti-Modern Slavery Officer included responsibility for liaising with relevant Australian maritime regulators and vessel owners and operators to observe, report, and manage any potential modern slavery risks on board any ANL chartered vessels.

In 2021 ANL's Anti Modern Slavery Officer acted as a point of contact for the crews on board our chartered vessels. Through this point of contact, crews had an avenue to voice concerns regarding any management practices onboard the vessel, whether minor or major issues. Our Anti Modern Slavery Officer was also responsible for liaising with crews to ensure that compliance with the Labour Convention was enforced and that crews that have been on board our vessels for eleven months were removed from the vessel for the minimum mandatory period of one month. The CMA CGM Group also continues to operate a Whistle-blowers Ethics and Compliance Hotline in addition to the ANL Anti-Modern Slavery Officer's point of contact.

ANL acknowledges that maritime workers may be reluctant to use a grievance hotline for fear of negative repercussions resulting from reporting problems on board a vessel. ANL aimed to set up this dedicated point of contact as a regular communication method that interacts with its maritime workers and seeks to build trust, so that should a problem on board an ANL owned or chartered vessel arise, the crew feel safe to report this immediately so that ANL can take action.



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Each vessel that ANL operates is also supplied with the contact details for AMSA and the local ITF Union Officials.

Our Anti Modern Slavery Officer also maintains regular contact with the Australian Maritime Safety Authority (**AMSA**) Operations department and their Victorian and Tasmanian State Managers in order to communicate to AMSA any potential issues, as well as so that AMSA can inform us of any practices that we should be made aware of. ANL commits to continue this open line of communication with AMSA.

ANL's Anti Modern Slavery Officer and Operations Departments were also heavily involved in ANL's response to COVID – 19 and ensuring compliance with all regulations and processes in light of the unprecedented challenges still very much at their height for our Industry in 2021.

AMSA Inspections

ANL is aware that AMSA regularly undertake “spot inspections” of vessels. This could include inspecting all crew areas, such as the laundry, kitchen, crew bunks etc to ensure crews have access to food and other basic essentials.

Response to COVID–19

- Employees of ANL

The COVID-19 pandemic and its legacy continued throughout 2021 and continue today. The protection and wellbeing of ANL's employees remains a priority for ANL. In 2021 ANL facilitated a staggered return to work programme for its office-based employees in Australia and has implemented a Flexible Working Arrangements Policy. Prior to the implementation of this policy an employee engagement survey was conducted across the Oceania region in order to better understand what is important to ANL's employees. This feedback was utilised when constructing the Flexible Working Arrangement Policy.

With proactive communications, ANL employees in the Oceania region are regularly updated on operational developments and have been given support and encouragement to maintain their motivation and wellbeing when working from home. Initiatives have included regular online “Town Hall” updates from ANL senior management and team-based development workshops (on resilience, time management, effective communication and social connecting).

- Actions to Address Vessel Crew Change Issues

In ANL's 2020 Anti Modern Slavery Statement the core of ANL's Covid 19 response was focused on managing the crew change issue. ANL continued to manage this issue throughout 2021 by facilitating crew changes primarily in Brisbane, Manilla and Hong Kong. If the normal rotation of the service did



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not call one of these “crew change” ports then Vessels would be diverted from their usual rotations to allow the crew changes to occur.

In 2021 ANL engaged in discussions with the State Governments of New South Wales and Victoria on the acknowledgement of “Seafarers as Key Workers” initiative. The goal was to assist the State Governments in reviewing the current procedures that were in place for Seafarers and reduce restrictions for maritime crew arriving/departing the country. This would include reduced quarantine time and accepting alternate vaccines which crew member would have received in their country.

In January 2021 the CMA CGM Group signed the Global Maritime Forum's *Neptune Declaration on Seafarer Well-being and Crew Change*, which is designed to alleviate the ongoing crew-change problem due to COVID-19. In signing the Neptune Declaration, the CMA CGM Group and ANL have committed, alongside 300 other maritime organizations and companies, to implement four major actions in response to COVID-19:

- a. Recognize seafarers as key workers and give them priority access to COVID-19 vaccines;
- b. Establish and implement gold standard health protocols based on existing best practice;
- c. Increase collaboration between ship operators and charterers to facilitate crew changes;
- d. Ensure air connectivity between key maritime hubs for seafarers.

As such, ANL pledged to deliver on a “shared responsibility” to resolve the crew change issues through strengthened collaboration between ship owners, operators, and charterers, in particular:

- a. Share relevant information transparently and collaborate to ensure that necessary crew changes can be carried out with the least impact possible in terms of cost and delays. The vessel owner is to provide the vessel charterer with as much notice as possible on intended crew changes, while the vessel charterer will make all reasonable efforts to accommodate crew changes including when the vessel is required to make a reasonable deviation.
- b. No vessel charter contracts should contain clauses preventing necessary crew changes from being carried out.
- c. By implementing high-quality health protocols, vessel owners can reduce the risk of trade disruption which creates benefits to vessel charterers. These benefits should be reflected in chartering decisions to create incentives for shipowners to implement high-quality health protocols and be transparent about actions taken as well as costs incurred.

Following the signing by the CMA CGM Group of the Neptune Declaration in January 2021, ANL became involved in a project in 2021, in conjunction with Port Botany, New South Wales to ensure that vessel crews had priority access to COVID-19 vaccinations. The program faced a great number of problems initially due to backlash in Australia as crews were not registered under the Medicare



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scheme resulting in procedural issues in getting them access to the vaccine. In order for the crews to be vaccinated in Australia, NSW Ports worked in conjunction with NSW Health which involved a large amount of administration. As NSW Ports had limited resources to handle this volume of paperwork, ANL's Australian agency services provider company: CMA CGM Group Agencies Australia Pty Ltd, took responsibility for some of this administrative work for the first vessels that were part of this project. Crew vaccinations were then carried out alongside berth. This initiative has been a great success and continues today. ANL also took initiative to fund and provide further vaccination programs for seafarers in Darwin with the assistance of a local clinic.

SUSTAINABLE PROCUREMENT

Third Party Code of Conduct

Considering the vision and mission of being an exemplary leader in international shipping business and the "Acting for Fair Trade" commitment, ANL aims to develop structured, systemic, and long-term relationships, partnerships and support for suppliers and subcontractors. In 2020, ANL recognised the Third-Party Code of Conduct that applies to all contractual relationships between ANL and its business partners and suppliers. This Code sets out non-negotiable minimum standards that ANL expects from our partners, especially our suppliers, their employees and subcontractors. ANL has a dedicated procurement team that administers ANL's major contracts with third parties such as terminals and other service providers and this team ensures that every new contract, or existing contract that is renegotiated, is compliant with this Third-Party Code of Conduct.

Model Business and Ethics Contractual Clauses

At the formation of any new contract or at the contract review stage, ANL procurement will ensure that ANL's contractual business and ethics clauses are inserted into the contract. This creates a contractual obligation on the supplier to comply with ANL's sustainable procurement policies and demonstrate responsible and ethical behaviours.

Quickbase

ANL Procurement utilises a program called "Quickbase" through which all ANL's major supplier contracts can be monitored. This system also records any past and current negotiations done assisting in tracking the businesses and individuals ANL engages with.

This centralisation of access to our contract databases results in improved contract management and therefore assists our Anti Modern Slavery monitoring as contracts can quickly be identified and compared for compliance with our third-party code of conduct and model business and ethics contractual clauses. One of the actions ANL will take in 2022 is to audit our contracts for these clauses and discover and remedy any discrepancies. This platform is a common place listing all ANL's contracts and their statuses and will streamline an audit process.



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Policies and processes

ANL continues to hold a fundamental respect and commitment to human rights and labour standards. This is supported and implemented through a framework of policies and standards, which are designed to mitigate potential risks of modern slavery, human trafficking and human rights breaches in our core business operations and in our international supply chains.

ANL continues to strictly adhere to our key business ethics policies as set out in our key documents including our:

- a. Code of Ethics;
- b. Third-Party Code of Conduct;
- c. Sustainable Procurement Policy;
- d. Whistle-blowers Ethics Hotline;
- e. Ethics Charter.

STRATEGIC GLOBAL ACCOUNTS

Attendance of Anti-Modern Slavery Working Group Member at Customer Meetings

During 2021 ANL identified a renewed interest by some of our biggest customers in the Oceania region on the issue of Modern Slavery and our policies in place to manage such risks in our industry. Since ocean carriers sit squarely in the supply chains of our customers, we believe that it is important for ANL to establish an ongoing and regular communication with our key customers on this issue to ensure that our practices are consistent with the expectations of our customers as well as the high standards with which we wish to conduct our operations.

In 2021 a representative from the ANL Anti Modern Slavery Working Committee attended key meetings with Officeworks, to specifically address ANL's Anti Modern Slavery Policy. This approach affords us the opportunity to question our customer on their Anti-Modern Slavery Policies and build that two-way relationship.

GENERAL

Awareness and Training

As part of the awareness and training component of our Anti Modern Slavery Policy, in 2021 ANL broadened the scope of this initiative to increase the outreach of the information throughout ANL.



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While we continue to mandate training as a key component of ANL's compliance policy, we understand that this training should be continuously updated and to meet this objective. To this end ANL has introduced webinars to engage staff on an annual basis regarding this issue. Through the webinars, ANL has been able to engage individuals and businesses we consider key stakeholders in our Anti Modern Slavery compliance policy.

- a. All ANL employees must complete annual E-learning training modules, which cover ethics and compliance training.
- b. All new ANL employees are required to complete a detailed training course on ethics and compliance. They must also read and sign that they agree with and will abide by the Code of Ethics before starting their employment contract.
- c. Employees then receive a reminder email concerning all the e-learning modules on compliance that they are required to complete.

Webinars and directed training are now available to all members of ANL Group. During 2021, in a joint effort by ANL Legal and the Sustainability Committee an internal "Modern Slavery in Shipping" webinar was held for all staff. The purpose of the webinar was to educate our staff on this important issue facing the shipping industry. The formation of the panel was designed to allow us to delve into this issue from three different perspectives: ocean carrier, customer and regulator. We invited speakers from the AMSA and Officeworks, one of our major customers in the APAC region, to join our in-house Modern Slavery Officer in hosting a panel that answered specific questions from each of their standpoints. This was not only an important opportunity for our staff to gain insight and to ask questions on the issue of Modern Slavery in the shipping industry, but also a valuable chance to collaborate with individuals from two different backgrounds and to learn from them and their insights. While more than 120 staff attended this webinar, our aim is to achieve over 50% attendance when holding these information sessions going forward.

Grievances and Reporting - Ethics and Compliance Hotline

In order to provide easy and clear avenues for reporting any concerns including modern slavery risks, CMA CGM Group has an Ethics Hotline which covers ANL. This Hotline can be accessed by all ANL employees as well as third parties (suppliers, subcontractors, etc.). It operates 24/7 and can take calls in several languages.

Further in line with CMA CGM's Non-Retaliation Policy, ANL undertakes to protect anyone who reports in good faith a potential breach of the law or internal policies from any form of reprisal. For persons who raise such issues in good faith, whether through management channels, the Ethics Hotline or other means, there are no adverse professional or other consequences.

5. Assessment and Effectiveness of Actions Taken

Feedback from ANL's Stakeholders



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In 2021, a key focus in relation to ANL's anti-modern day slavery actions was the health and wellbeing of the crew aboard our chartered vessels. ANL's Operations Department was successful in actively adapting to the COVID-19 impacts as discussed above and remain responsive to any feedback from the master and/or crew onboard.

In relation to contracts with suppliers and other third parties, there have been no opposition to ANL's insertion of the third-party code of conduct or ethics clauses. ANL notes this is not only due to our commitment to undertake due diligence to ensure we are only contracting with reputable suppliers and third-parties, but that these third parties similarly appreciate the importance of anti-modern day slavery principles.

Likewise, some of our customers have expressed interest in wanting to collaborate with ANL in discovering better ways to identify and discuss slavery issues, especially following our joint webinar with Officeworks and AMSA.

In relation to ANL employees, we intend to grow the presence of our Anti-Modern Day Slavery Committee as a key contact point for any employee to raise issues and ideas on improvement. The CMA CGM Group conducts overall employee surveys to seek insight into future developments and trends, which enables ANL to share good practices and inspires proposals on sustainable changes in transport and logistics activities.

- Membership and Assessment by External Rating Platforms SEDEX (www.sedex.com) – ANL in Oceania

ANL has maintained its membership with SEDEX throughout 2021. By maintaining ANL's membership with SEDEX, ANL can provide more transparency to its customers, many of whom are also corporate members of SEDEX, via the online capability and visibility, to share ANL's compliance and procurement data in an efficient and effective manner.

In 2021 ANL continued working on enhancing our company profile in conjunction with ANL's Human Resources Department and Communications Departments to ensure more information about our business is available to our customers via SEDEX.

Conclusion

This Modern Slavery Statement was prepared by ANL Legal Department in consultation with various key departments within ANL, such as the Human Resources Department, Operations Department, Procurement Department and Communications and Sustainability Department. As mentioned above, ANL will become an owner of vessels as of 2022. ANL believes the teamwork and collaboration across our departments, spearheaded by the Anti-Modern Day Slavery Committee, will assist ANL in identifying new risks and managing the responsibilities associated with being vessel owners.



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ANL is committed to further developing its anti-modern slavery systems and procedures on an ongoing basis. ANL considers this a key requirement of its successful business operations into the future and it is fully committed to maintaining the highest standards of business ethics, personal integrity, and compliance in all of our business activities. ANL has a zero-tolerance of any form of modern slavery with any of its business operations, employment practices or supply chain partners.

This statement has been approved by the Board of directors of ANL Container Line and is hereby signed by a member of the Board.

A handwritten signature in black ink, appearing to read 'Shane Walden', written over a horizontal line.

Shane Walden
Managing Director
ANL Container Line Pty Ltd