



Australian Terminal Operations Management Modern Slavery Statement 2023

1 Introduction

This Modern Slavery Statement (**Statement**) has been prepared by Australian Terminal Operations Management Pty Ltd (**ATOM**) pursuant to the *Modern Slavery Act 2018* (Cth) (**MSA**) in relation to the financial year ended 31 December 2023 (**Reporting Period**). This Statement describes the risks of modern slavery in our operations and supply chains, the actions we have taken to assess and address those risks in the Reporting Period, and how we seek to assess the effectiveness of our actions moving forward.

In this Statement, where we use the term “modern slavery risks”, we refer to the risk of harm to people arising from situations of exploitation such as forced labour, human trafficking, debt bondage, slavery and slavery-like practices (including the worst forms of child labour).

2 Our structure and operations

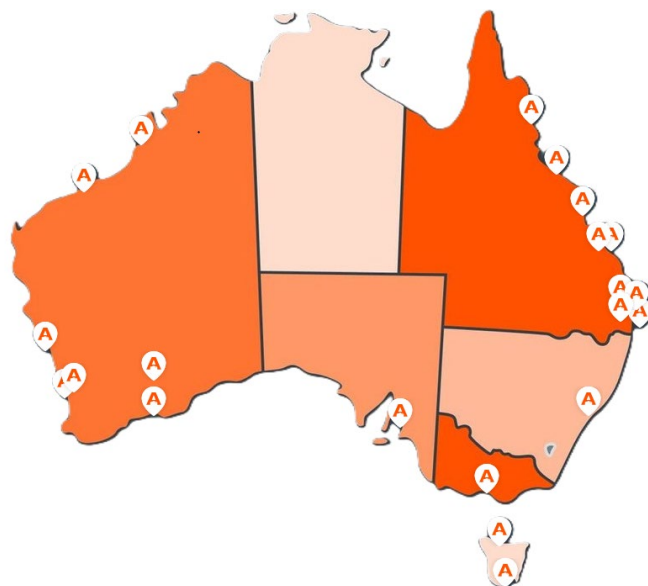
2.1 Company structure

ATOM (ABN 70 606 006 866) is an Australian proprietary company headquartered in Melbourne, Australia. We are a joint venture company, established in 2015 by bp Australia Pty Ltd (**BP Australia**) and UGL Operations and Maintenance Pty Ltd (**UGL**). BP Australia and UGL each hold 50% of shares in ATOM. ATOM does not own or control any subsidiaries.

BP Australia is one of the largest oil and gas companies in the world with operations spanning oil and gas exploration, production, refining, and marketing. UGL is a subsidiary of UGL Limited, specialising in end-to-end outsourced engineering, asset management, and maintenance services in Australia.

2.2 Overview of operations and activities

We are a terminal facilities operations company specialising in the operation and maintenance of fuel and energy terminals. We provide comprehensive services to BP Australia, to ensure safe, efficient, and environmentally responsible bulk fuel storage and handling solutions. We operate across 20 bulk fuel storage terminals in Australia.





Our Services

An overview of our services is set out below:

- **Terminal operations:** We provide services that handle all aspects of terminal operation including loading and unloading of products on behalf of our customer, providing storage tanks for various types of fuel, providing our expertise in managing and maintaining bulk fuel facilities, managing pipelines activities and ensuring quality control of stored products through regular testing and monitoring.
- **Asset management:** We offer maintenance services to optimise asset performance in hydrocarbon terminal operations. We provide services such as facility and equipment maintenance, undertaking due diligence services, providing advisory services in relation to increasing optimal facility performance, and undertaking risk-based inspection assessment for our customer to assess asset integrity and reliability.
- **Training:** We offer comprehensive training in fuel terminal operations and best practices for efficient terminal management to our customer.
- **Consulting and auditing:** We offer our expertise in fuel terminal operations and maintenance as consulting services to our customer who are looking to optimise processes, elevate safety standards and drive sustainability performance.
- **Capital project:** Our services include customised capital project solutions to enhance customer hydrocarbon terminal operations. We plan and manage infrastructure projects tailored to our customer's specific needs to drive efficiency, scalability, and sustainable growth.
- **Ship discharging and bunkering:** Leveraging our experience, we offer safe and reliable ship discharging and bunkering services to ensure secure and efficient marine operations.



Consulting and Auditing



Capital Projects



Ship Discharging and Bunkering



Terminal Operations



Asset Management



Training

Our Workforce

During the Reporting Period, ATOM employed approximately 179 people. Our employees perform roles across Australia, both operationally on-site and in desk-based roles in our head office.



The majority of our site workforce in our terminal facilities perform operational roles such as terminal managers and operators, shift operators, maintenance staff, permit coordinators, shift supervisors, health and safety, and customer support advisors.

Employees in our head office comprise corporate and management executives, engineering, human resources, finance, procurement, IT, business and project managers, data analyst, health and safety, as well as administrative staff.

Due to the specialised nature of our operations, the majority of our employees hold skills, training, and qualifications. Most of our workforce are employed by individual contracts with the exception of our workforce at our Kwinana terminal where most of our staff are covered by the ATOM Kwinana Terminal Operators Enterprise Agreement 2003 (the Agreement).¹ The Australia Workers' Union (AWU) was the bargaining representative for its members in the negotiation of the Agreement which came into effect from 9 October 2023.

During the Reporting Period, approximately 1.6% of our workforce was on a working visa. All of our employees are over the age of 18 years old.



2.3 Our supply chain

During the Reporting Period, ATOM procured goods and services from close to 400 active direct suppliers.

UGL, as our engineering and maintenance partner, was in receipt of the largest proportion of our procurement spend during the Reporting Period. This was followed by professional services, consultants, and labour providers providing personnel in roles such as rail operators, office administration, engineers, terminal administrators and operators, wharf attendants, tankship discharge and engineering project managers for onsite related activities as well as accountants, HSSE, and legal services providers supporting our office operations.

Other areas of procurement include:

- building leases, utilities, maintenance, gardening, security, removalists, pest control, waste management
- bund upgrades, fabrication of external pipe cross-overs and tank aprons, walkway installations
- vehicles, machinery, equipment
- cleaning, food services, laundry services

¹ <https://www.fwc.gov.au/document-search/view/3/aHR0cHM6Ly9zYXNyY2RhdGFwcmRhdWVhYS5ibG9iLmNvcuUud2luZG93cy5uZXQvZW50ZXJwcmVzZWFnemVibWVudHMvMjAyMy8xMC9hZTUyMTY5OC5wZGY1?sid=&q=australian%20terminals>



- Office supplies and furniture, first aid supplies and equipment, PPE, corporate travel and hospitality
- freight and logistics

ATOM's relationship with its suppliers (approximately 89%) is predominantly long-term and ongoing in nature.

Although the majority of our direct suppliers are located in Australia, their respective supply chains likely have global reach, particularly those that procure goods or services from the manufacturing and mining sectors.

3 Modern slavery risks in our operations and supply chains

3.1 In our operations

Modern slavery describes situations where coercion, threats, or deception are used to exploit victims and undermine or deprive them of their freedom. We have considered the potential for our operations to have caused or contributed to modern slavery in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

ATOM's operations are only in Australia, which is considered to have a lower prevalence of, and vulnerability to, modern slavery according to the Global Slavery Index. However, we recognise that modern slavery still occurs even in lower-risk jurisdictions like Australia, particularly in industries where there are low barriers to entry and reliance on workers on temporary visas or with limited working rights. The risks may also be heightened in regional and remote areas.

However, the predominately skilled nature of our workforce combined with our compliance with Australia's industrial relations laws and regulations and the wage levels within our business, means that there is a low risk of our operations causing or contributing to employees being enslaved and deprived of their freedom to terminate their employment.

3.2 In our supply chain

The risks of modern slavery are heightened in the sub-tiers of the supply chain of goods and services provided to us by our direct suppliers. In conjunction with our external subject matter experts, we have assessed the inherent risks of modern slavery in our supply chain by virtue of the following higher-risk categories:

Types of modern slavery	Driving factors	At-risk supply chain categories
Forced labour Debt bondage Human trafficking Deceptive recruiting for labour or services	<ul style="list-style-type: none"> • Vulnerable workers in price-competitive industries • Low barriers to entry • Workers on temporary visas, limited English proficiency and low awareness of workplace rights • Sham subcontracting, pyramid subcontracting, and labour hire arrangements • Reduced union access • High casual turnover 	Cleaning services Laundry services Security services Contingent labour Waste management Food services Pest control Property maintenance Freight and logistics



	<ul style="list-style-type: none"> • Power imbalances under employer-sponsored visa programs • Improper wage deductions and excessive working hours 	Construction materials sourced by engineers and contractors
<p>Forced labour</p> <p>Debt bondage</p> <p>Human trafficking</p> <p>Worst forms of child labour</p> <p>Deceptive recruiting for labour or services</p>	<ul style="list-style-type: none"> • Raw materials such as cotton, rubber, leather and silk are potentially produced by forced labour, including children • Lack of visibility in the provenance of raw materials • Vulnerable workers in price-competitive industries • Low barriers to entry • Complex subcontracting • Impediments to conducting social auditing • Limitations on worker voice • Recruitment fees, document retention, indebtedness, and restrictions on workers' freedom of movement 	<p>Personal Protective Equipment (PPE) and clothing</p> <p>Office consumables</p> <p>Furniture</p> <p>Industrial equipment</p> <p>IT hardware</p> <p>Construction materials sourced by engineers and contractors</p> <p>Vehicles, equipment and heavy machinery</p>

Looking beyond tier 1: Construction supply chain in our procurement of engineering and maintenance services

As our main area of procurement, we sought to better understand the supply chain of UGL by reviewing the description of their supply chain, risks and actions in their modern slavery statement. By doing so, we gained insight into the risks beyond the first tier of our supply chain. UGL’s own supply chain is described as including materials such as concrete, steel, piping and asphalt, industrial/engineering consumables such as fuel, lubricants, abrasives, adhesives and sealants, major plant and equipment, PPE, subcontractors and labour hire. UGL recognises the risks of modern slavery in industries such as construction by virtue of the high percentage of migrant workers including temporary work visa holders with risks including individuals experiencing underpayment, non-payment of entitlements, sub-standard accommodation, withholding of passports, excessive working hours, low wages and restrictions on their movement.

To mitigate these risks, UGL’s parent company screened over 48,000 suppliers, including those of UGL, for modern slavery risks and implemented their onboarding processes and modern slavery due diligence requirements. Suppliers to UGL are required to “permit the operating company to conduct an independent audit of indirect suppliers to ensure, amongst other things, that they are conducting their business in a proper manner and in accordance with applicable codes of conduct and generally accepted business ethics”.

4 Actions taken to assess and address modern slavery risks in our operations and supply chains

4.1 In our operations

In order to assess the risks of modern slavery in our direct employment of workers, we conducted a review of the roles performed by all staff and considered the lowest paid role within the business. The lowest paid role within the business was paid well above the minimum wage in Australia. The skilled nature of our workforce and the payment of salaries in accordance with relevant enterprise



agreements, in excess of the minimum wage, confirmed our view of the risk being low. Furthermore, by virtue of our 50/50 ownership by BP Australia and UGL, we are monitored for our compliance with their respective modern slavery/human rights policies.

As outlined in our 2022 modern slavery statement, our Code of Conduct and Health and Safety Policy continued to apply during the Reporting Period.

4.2 In our supply chains

ATOM engaged an external subject matter expert to undertake a high-level review of the modern slavery risks within our supply chain based on our 2023 procurement spend. The review considered the inherent industry risks of our direct suppliers, the potential drivers of risk in the supply chain of our suppliers based on the materials and services they procure from their own suppliers, and the proportion of our suppliers who are reporting entities pursuant to modern slavery legislation. Moving forward, we will be deploying a third-party supplier due diligence platform to assist with the assessment of modern slavery risks within our supply chain.

In addition to the above, we continued to incorporate ATOM's standard conditions of purchase where appropriate, which includes an obligation on our suppliers to take reasonable steps to identify, assess, and address risks of modern slavery practices in their own operations and supply chains.

4.3 Remediation

ATOM's Whistleblower Policy outlines the procedures to report actual or suspected instances of wrongdoing and sets out what disclosures may qualify for protection. The policy applies to any person associated with ATOM, such as a director, manager, employee, or contractor, as well as third-party individuals who supply goods or services to the organisation (and their employees), associates of the organisation, and relatives/dependents of these people.

ATOM treats whistleblower disclosures seriously. Our response to each disclosure is situation-specific. Where a disclosure requires an investigation, ATOM aims to do so promptly and thoroughly. We do not tolerate any acts of retaliation or detrimental conduct against anyone who makes a report or participates in an investigation of possible misconduct. Whistleblowers can make a report by contacting disclosure@australianterminals.com or using other reporting channels listed in the policy. ATOM's Contracts and Procurement Manager is responsible for the investigation of concerns raised concerning modern slavery in our supply chain and remediation processes. The response will be informed by the UNGPs and our connection to the adverse human rights impact.

5 Assessing the effectiveness of our actions

We seek to assess the effectiveness of our actions by maturing our capabilities to assess modern slavery risks and expanding our goals for the next reporting period, as set out below.

Goals for 2023	Status as at the end of the 2023 ⌚ in progress ☑ completed 🔄 ongoing	Goals for 2024
Training will be provided to all staff about modern slavery risks, how ATOM manages modern slavery risks occurring in operations and supply chains and what to do if they have concerns about modern slavery risks.	🔄	Provide bespoke training to personnel with a procurement function on the utilisation of the supplier due diligence platform.



Provide modern slavery training as part of the new staff induction process.		
Finalise the supplier assessment of suppliers providing high-risk services or products where additional information is required from suppliers		Roll out the third-party due diligence platform and issue the modern slavery questionnaire (MSQ) to suppliers. Develop a supplier code of conduct.
Annual independent review of checks performed over suppliers.		Assess the results of the MSQ and identify the suppliers requiring further due diligence and engage with them on the identified risks and how they are managing those risks.
Establish key performance metrics for reporting to the Board to assess and address modern slavery risks including compliance with supplier screening and completion of staff training and provide reporting for management of any incidents identified and remediation action taken.		Provide updates to the board on our progress against the 2024 goals.
Publicly communicate what we are doing by publishing our Modern Slavery Statement on our website.	<input checked="" type="checkbox"/>	Publish our supplier code of conduct in addition to a modern slavery statement extract on our website.

6 Approval

This statement has been approved by the Board of Australian Terminal Operations Management Pty Ltd on 23/6/2024 and signed by Michael Degotardi in his capacity as the chair of the board.

Signed by

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Michael Degotardi
 Chair of Australian Terminal Operations Pty Ltd
 Date: 23/6/2024



Modern Slavery Act 2018 (Cth) Reporting criteria

Reporting criterion	Part
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	Part 2
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Part 3
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Part 4
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Part 5
6. Describe the process of consultation with any entities the reporting entity owns or controls	N/A
7. Any other relevant information	N/A