

Patrick Terminals Modern Slavery Statement 2024

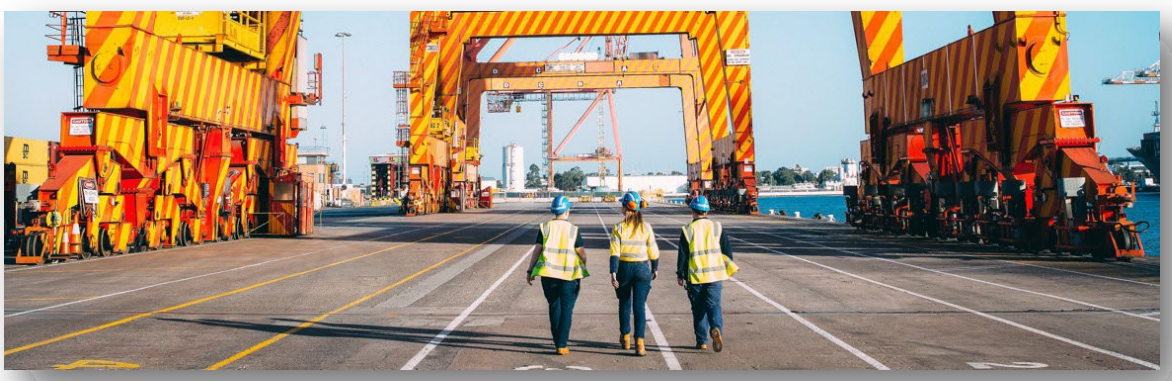


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1. About this Statement

Patrick Terminals continues to demonstrate its commitment to mitigating the risk of modern slavery practices both in its operations and supply chain. This Statement details how Patrick works towards this goal by regularly improving its internal procedures and building strong partnerships with suppliers.

This Modern Slavery Statement is Patrick Terminals' fourth statement and has been prepared in accordance with the requirements of the Modern Slavery Act 2018 (Cth) (the 'Modern Slavery Act'). It sets out the actions taken by Patrick Terminals to assess and address modern slavery risks in its operations and supply chains during the financial year ended 30 June 2024.

The reporting entity is PTH No 1 Pty Ltd (ACN 611 116 155), an Australian private company registered at Gate B105a Penrhyn Road Port Botany.

In this Modern Slavery Statement, a reference to "Patrick", "Patrick Terminals", "Group", "we" and "our" includes those entities (as defined in the Corporations Act 2001 (Cth)) in which PTH No 1 Pty Ltd (ACN 611 116 155) has an equity interest (direct or indirect) of more than 50%.

All entities within the Patrick Group are subject to consistent risk management and governance practices, including with respect to addressing modern slavery and human rights risks. In developing this statement, we have actively consulted with all entities we control, with a particular focus on entities with high levels of procurement activities. Senior executives from all entities within the Patrick Group have been consulted to inform and contribute to the development of this statement.

Over the financial year, Patrick Terminals continued to improve measures used to identify, assess and respond to potential modern slavery risks in our operations and supply chains.

2. Our Structure, Operations and Supply Chains

Our Structure

Patrick Terminals is a leading container terminal operator with operations wholly in Australia. Patrick's head office is located in Port Botany, New South Wales.

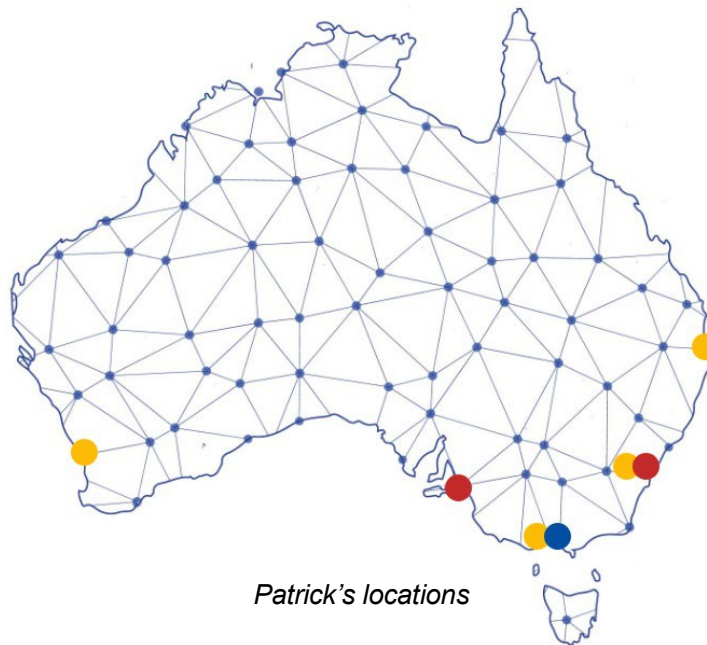
Patrick Terminals is jointly owned by Qube Logistics (Australia) Pty Ltd (Qube) and Nitro TC No 1 Pty Ltd as trustee for Nitro Holdings Trust No 1 (Brookfield Consortium).

Our Operations

● Patrick operates some of Australia's most technologically advanced container terminals at four strategically located ports around the Australian coast. Patrick's terminal network includes the Brisbane AutoStrad™ Terminal, Sydney AutoStrad™ Terminal, East Swanson Dock Terminal (Melbourne) and Fremantle Terminal.

● Patrick's National Operations Centre is a 24-hour nationwide vessel planning, vessel scheduling and customer support centre based in Melbourne. Patrick's corporate head office is in Port Botany.

● The Patrick Sydney AutoRail Terminal is a state of the art fully automated rail terminal jointly funded by NSW Ports that has increased rail capacity at Patrick Terminals – Sydney AutoStrad from 250,000 TEU to over 1 million TEU per annum when fully operational. Patrick's Adelaide Rail specialises in providing import and export rail access to the three major Melbourne terminals.



Patrick handled more than 40% of container volumes at its ports of operation in the reporting period.

Patrick employs approximately 1,350 people around Australia and is compliant with all applicable State and Federal workplace legislation. Patrick's operational workforce is covered by an enterprise agreement. Patrick's management and corporate workforce are employed in accordance with applicable laws (including the Fair Work Act 2009 (Cth) and the Fair Work Regulations 2009 (Cth)) and industrial instruments, where relevant.

More information about Patrick Terminals can be obtained from our website at www.patrick.com.au.

Our Supply Chains

Patrick obtains goods and services from a range of suppliers across a range of sectors including property, utilities, construction and design, equipment and parts supply, cleaning and maintenance services, information technology, consulting services, office supplies, uniforms and PPE.

The bulk of Patrick's suppliers continued to be based in or sourced from low-risk countries in terms of modern slavery prevalence (e.g. Australia, Finland, New Zealand, Ireland, Singapore, Germany) and the majority of goods and services we procure are not associated with elevated risks of modern slavery. Patrick has identified a small number of suppliers with higher inherent risk of modern slavery based on either the nature or source of goods they supply as set out in part 4 below. These suppliers are managed and monitored according to their risks in accordance with part 5 below.

Our Values

Patrick seeks at all times to do business with suppliers that have similar values and sustainable business practices, including in relation to human rights

Take Ownership: Patrick expects its employees to own the choices they make and the results that follow. It expects the same of its suppliers.

Lead Change: Patrick leads by example in reducing its modern slavery by sharing its methods with suppliers. It looks for suppliers who are open to improve.

Tireless Pursuit of Outcomes: In the same way Patrick does itself, it expects its suppliers to work hard to reduce the risk of modern slavery.

Everyone Home Safely Everyday: Patrick expects its suppliers to care about their workers' physical and mental safety, just as it does.

3. Patrick's Risk Based Approach

The Modern Slavery Act defines modern slavery as trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour.

Our understanding of modern slavery risks in our operations and supply chains is based on the gold-standard 'continuum of involvement' set out in the United Nations' Guiding Principles on Business and Human Rights. The continuum establishes that companies can be involved in modern slavery in three ways: by causing, contributing to, or being directly linked to the harm.

Type of potential involvement	Cause	Contribute to	Directly Linked
What it means	Causing harm through our own actions	Contributing to harm through our own acts or omissions	Harm that we are directly linked to by a business relationship

Patrick's operations

Patrick prevents the risk of directly causing, or contributing to, harm by acting in line with clear policies which create a safe work environment. These policies include Patrick's Modern Slavery Policy, Human Rights Policy and Code of Conduct. All of our operations and employees are based in Australia.

Patrick's Supply Chains

Patrick recognises the risk that it could be tied to modern slavery through our supply chains. As a large procurer of goods and services, we have a significant role to play in increasing transparency and improving awareness of modern slavery risks in our supply chains and in paving the way for continued improvement in addressing those risks. In particular, Patrick has sought to support our smaller suppliers to uplift their approach to managing and addressing modern slavery risks and we are committed to supporting their efforts to mitigate those risks where possible.

Patrick has continued to adopt a risk management-based approach to supplier engagements, recognising that the modern slavery risks relating to specific suppliers will vary depending on four key risk factors:

KEY RISK FACTORS

- ❖ Country of origin of direct operations,
- ❖ Nature of the goods produced or services provided,
- ❖ Combined nature and country of origin of material inputs, and
- ❖ Workforce characteristics and business structures.

Essential to this risk-based approach is our supplier due diligence program which is designed to identify those suppliers that may have higher inherent risk of to modern slavery by reference to the above risk factors, engage with those suppliers to better understand the nature of those risks and how they are identified and mitigated and finally monitor potential risk areas for ongoing improvements and if appropriate, provide support.

During the reporting period Patrick further enhanced its due diligence processes by:

- Increasing the number of suppliers it assessed via questionnaire;
- Refreshing the supplier questionnaire to assess more practical measures put in place by suppliers (e.g. asking how a modern policy can be accessed by employees, rather than simply whether one exists); and
- Drafting and adopting a new modern slavery checklist for compliance site visits by Patrick personnel.

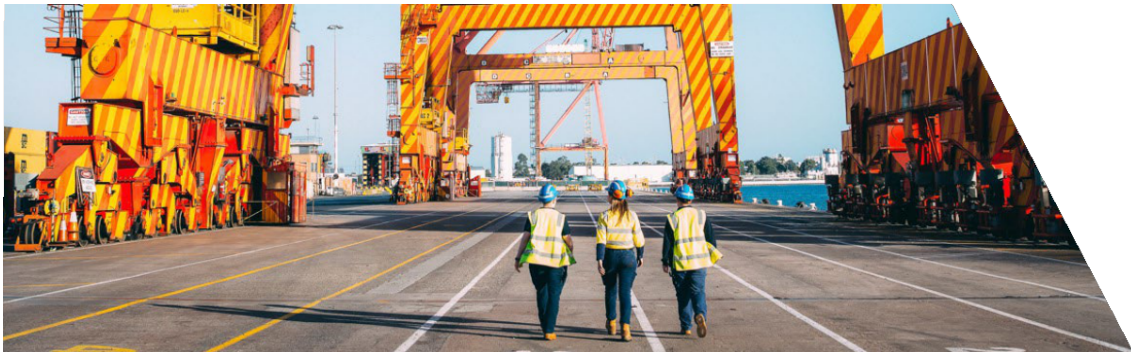


4. Assessment of Modern Slavery Risks

Patrick's operations

Patrick's operations are wholly domestic and focussed on servicing customers at its four container terminal facilities in Melbourne, Sydney, Brisbane and Fremantle. Patrick's workforce is either covered by enterprise agreement or contracted in accordance with applicable laws and (where relevant) industrial instruments. This structure is supported by Patrick's comprehensive training programs, which include modules related to modern slavery and human rights, a well socialised whistleblower policy and the availability of multiple internal reporting channels, as well as through an external hotline with an option for anonymity.

Patrick continues to assess the risk of modern slavery practices occurring in its own operations as low



Patrick's supply chain

In line with the requirement to continually evolve its due diligence processes, Patrick has this year expanded its assessment of modern slavery risks in its supply chain as set out in part 3 above.

Consistent with prior reporting periods, there are a small number of key suppliers identified as having a higher inherent risk by reference to the four key risk factors mentioned in part 3 above. These include:

- Electronics (computers and related devices) supplied from China, Turkey and India;
- Garments (uniforms and PPE) supplied from Fiji, China, Singapore and New Zealand;
- Cleaning Services and Products – (terminal cleaning services) suppliers in each of Patrick's terminals and cleaning products supplied from China, India, Malaysia, Taiwan, Vietnam);
- Construction services and products – (minor and major works) undertaken at all terminals);

- Motor vehicles servicing and repair – for motor vehicles in use at all terminals; and
- Major Equipment – supplied from China.

In respect of these key suppliers, Patrick takes additional steps to address the elevated inherent risk, including close assessment of a supplier's policy and training programs as well as its compliance with these policies, the inclusion of compliance with laws commitments in supply agreements, and spot audits conducted through site visits using Patrick's newly prepared Site Visit Checklist.

The balance of Patrick's top 100 suppliers are either:

- suppliers based in or sourcing from low risk countries; or
- suppliers based in higher risk locations but employing highly skilled labour only.

Further details of the approach used to assess these risks is found in part 3 above and further detail on the actions taken or being taken by Patrick to mitigate risks are set out in part 5 below.

Patrick continues to assess the risk of modern slavery practices occurring in its supply chain as low



5. Actions Taken to Address Modern Slavery Risks

Patrick Terminals is committed to playing a meaningful role in addressing modern slavery risks through:

- ❖ **Policies - strong and well-articulated policies including established reporting mechanisms and procedures**
- ❖ **Training - tailored training and awareness sessions**
- ❖ **Contractual commitments - clear contractual obligations for suppliers in relation to modern slavery compliance and reporting**
- ❖ **Targeted Risk Assessment - targeted risk assessments and supplier due diligence**
- ❖ **Strong Supplier Engagement - strong engagement with our suppliers to support their responses to modern slavery.**

Policies

Patrick's Modern Slavery Policy and Human Rights Policy, Procurement Policy and Code of Conduct are clearly communicated to all employees, form part of compulsory training and are updated periodically. These policies are supported by the Patrick Whistleblower Policy which sets out clear processes and mechanisms for reporting issues of concern, including through external and anonymous reporting channels.

During this reporting period, Patrick augmented its *Guidance for Patrick Personnel visiting Sites and Suppliers* with a new Site Visit Checklist for use by Patrick personnel when visiting supplier sites.

Training

Over the reporting period, Patrick again included modern slavery and human rights awareness as core elements of its code of conduct training with more than 1,000 people completing the modules during the period. The training also provides guidance on the range of mechanisms available for reporting issues of concern, including through external reporting services.

In addition to this targeted training, Patrick has highlighted the requirements of the Modern Slavery Policy as part of face-to-face training completed during the reporting period by all eligible recipients of whistleblower reports. This training aims to ensure all reports of serious misconduct (including potential modern slavery or human rights violations) are handled in accordance with Patrick's Whistleblower policy and applicable laws.

Contractual commitments

Patrick procures goods and services either under Patrick's standard Purchase Order terms and conditions or under tailored procurement contracts with key suppliers. Patrick ensures that both approaches are consistent in terms of requiring compliance with applicable laws and specifically requiring goods to be produced and services to be carried out in compliance with applicable modern slavery legislation. Patrick imposes positive modern slavery obligations on its suppliers in relevant agreements. We are also actively working to update some existing key agreements to include these obligations.

In the case of certain higher inherent risk suppliers, Patrick has supported these compliance commitments with positive reporting obligations to increase transparency.

Targeted Risk Assessments

Patrick reviewed its suppliers in accordance with the risk-based approach enhanced for this reporting period as set out in part 3 above. Suppliers identified as having a higher inherent risk by reference to the four key risk factors were asked to complete a questionnaire and participate in a 1:1 focus session with Patrick personnel to communicate Patrick's modern slavery requirements and to understand the supplier's risk management practices. These 1:1 interviews have proven effective in assessing the risks and risk management practices of these key suppliers as well as communicating any further actions and supporting uplift in practices of smaller suppliers.

INSIGHT: Over 85% of suppliers reported having a Moderate or High awareness of their supply chain

Strong supplier engagement

Additional steps have been and will continue to be taken to address the higher inherent risks with some suppliers. These include close assessment of policy and training programs and monitoring of compliance with the same, where appropriate, the inclusion of positive reporting obligations in supply agreements to support the existing compliance with laws commitments and the implementation of audits conducted during site visits using Patrick's Guidance for Patrick Personnel Visiting Sites and Suppliers and newly prepared Site Visit Checklist.

The 1:1 interviews included analysis of previous responses in order to monitor the progress of any identified areas for continuous improvement. In some instances, Patrick has provided lesser resourced suppliers with training and policy materials to support the development of their own policies and procedures in their operations. A key feature of the current reporting period has been the significant progress made by several of these smaller suppliers due to the previous year's 1:1 interview and Patrick's training and policy development support.

6. Effectiveness of our Efforts

Patrick continues to focus on raising awareness amongst officers, employees, contractors and suppliers to ensure comprehensive understanding of the risk factors associated with modern slavery as well as the requirements of the Modern Slavery Act. We have also sought to provide the tools and support to identify and report potential issues. The adoption of sound procurement practices remains an ongoing priority with a focus on improved support tools for key employees and management. To this end, during the reporting period, Patrick has drafted a Site Visit Checklist which set out a clear list of signs to look for and questions to ask when visiting a supplier site. It has already been employed in multiple site visits abroad.

In this reporting period Patrick has again reiterated the requirements of the Modern Slavery Policy and Human Rights Policy through its Behavioural Expectations training and has highlighted the Whistleblower Policy process as the key reporting channel for issues pertaining to Modern Slavery. Patrick has supported its Whistleblower Policy with face-to-face training for eligible recipients of whistleblower reports during the reporting period to ensure all reports of serious misconduct (including potential modern slavery or human rights violations) are handled in accordance with Patrick's Whistleblower policy and applicable laws.

Patrick is actively seeking to add positive modern slavery obligations to a number of existing supplier agreements. Patrick is continuing to strengthen its understanding of the practices of existing and new suppliers with higher inherent risk and Patrick considers that the continuation of this dialogue grounded in supplier partnership provides enhanced insights and effective opportunities for continuous improvements to be realised.




The table below sets out a summary of Patrick's Action Plan to monitor the progress of its continuing commitment to the Modern Slavery Policy and to further analyse the effectiveness of our actions.

ACCESSING THE EFFECTIVENS OF OUR RESPONSE

Completed In progress / Ongoing To action

Ownership of risk established within the business	Solidify awareness of current modern slavery risks and business ownership of responsibility for managing issues in operations and supply chain (in particular, Management and roles involved in procurement activities)	
Know your suppliers and supply chain risk assessment	Patrick continues to develop an understanding of supplier activities (nature, location, higher domestic risk)	
	Modern slavery risks of top 90% of suppliers assessed	
	Suppliers beyond top 90% who are determined as higher inherent risk also assessed	
New suppliers and contracting terms	Due diligence on all new suppliers to understand risk profile and approach to managing modern slavery risks	
	Policy supports personnel involved in procurement activities to identify and mitigate risks	
	Inclusion in key supplier contracts and PO terms and conditions of requirement to comply with all laws and modern slavery compliance. Positive reporting obligations included in certain higher inherent risk contracts	
Review, Compliance and Supplier Engagement	Assessment of supplier practices to assess compliance with Patrick policy framework	
	Continued 1:1 focus sessions with suppliers assessed as higher inherent risk. Provision of training and policy materials to assist smaller suppliers.	
	Analysis of previous supplier assessments to monitor progress on continuous improvement and support where appropriate to assist supplier uplift	
Training, Business Education and Competency	Continued, and enhanced, training around key policies and the drafting of a new Site Visit Checklist which has already been employed on supplier site visits.	
Grievance mechanism	Visible and accessible grievance mechanism detailed in policies to support reporting of concerns	

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	Formal process for investigating and reporting on issues raised	
Remediation	Patrick is committed to encouraging transparency and working with suppliers to remediate any identified issues	
Annual Review	Annual review of currency and effectiveness of risk management measures	

7. Looking forward

Over the 2024-2025 financial year, Patrick will:

- Continue to ensure a safe and modern slavery-free workplace for Patrick employees, and to train our employees about the risks of modern slavery;
- Continue to scale up our anti-modern slavery due diligence and processes;
- Continue to focus closely on suppliers of high-risk goods and services;
- Continue to help our suppliers to improve their own supply chain due diligence;
- Look at ways to identify risks deeper into our supply chains;
- Review the level of due diligence and oversight of Modern Slavery risks in our standard supplier management processes and, if necessary, amend it; and
- Update our Procurement Policy to incorporate clearer modern slavery prevention principles (in addition to our existing Modern Slavery Policy).

Working hand in hand with our suppliers, we're always looking for better ways to help eradicate modern slavery.

This Modern Slavery Statement has been approved by the Patrick Terminals Board.

A handwritten signature in black ink, appearing to read "Victoria Moore".

Victoria Moore

Company Secretary Patrick Terminals

12 November 2024