



# Port of Melbourne **Modern Slavery Statement**

Financial Year 2021

Port of Melbourne



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# CHAIR'S FOREWORD

**John Stanhope**  
Chair of the Board

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Port of Melbourne is committed to living by our values, both within our own operations and through our engagement with all our stakeholders. We believe that human rights are universal and fundamental rights that preserve the inherent freedom, dignity and equality of all human beings.

Port of Melbourne is committed to operating ethically, and treating all people with dignity and respect. We expect all those in our supply chain to uphold human rights and integrate appropriate labour and human rights policies and practices into their business operations.

This Modern Slavery Statement is made on behalf of the entities as detailed in Section 2 which are a part of the Port of Melbourne Group (referred to as 'PoM' or 'we') and has been prepared in accordance with, and for the purposes of, the *Modern Slavery Act 2018 (Cth)*. It describes the risks of modern slavery in our operations and supply chain during the year ended 30 June 2021 (the '**Reporting Period**') and details the steps that we have continued to take in responding to the risks of modern slavery occurring in our operations and supply chain, along with an assessment of the effectiveness of these steps.

**This Statement includes the following sections:**

- Section 1** Our Vision, Mission and Values;
- Section 2** Our Business and Structure;
- Section 3** Our Operations and Supply Chain;
- Section 4** Modern Slavery Risks;
- Section 5** Actions Taken to Assess and Address Modern Slavery Risks;
- Section 6** Assessing the Effectiveness of Our Actions; and
- Section 7** Other Relevant Information

This Statement was approved by the Board on behalf of each of the Reporting Entities comprising PoM on 18 November 2021 and is correct as of that date.



John Stanhope, Chair of the Board



# 1. Vision, mission and values

We are committed to increasing the level of transparency in our operations and supply chain so as to positively contribute to tackling the issues associated with modern slavery. Our Vision and Mission Statement detailed below, along with our Corporate Values detailed in Figure 1, are consistent with this aim.

## Vision

Our passion for growing trade creates an enduring city port, driving the economy and enriching lives.

## Mission

Working with stakeholders, delivering innovative and sustainable port solutions - creating the future and building on our proud history.

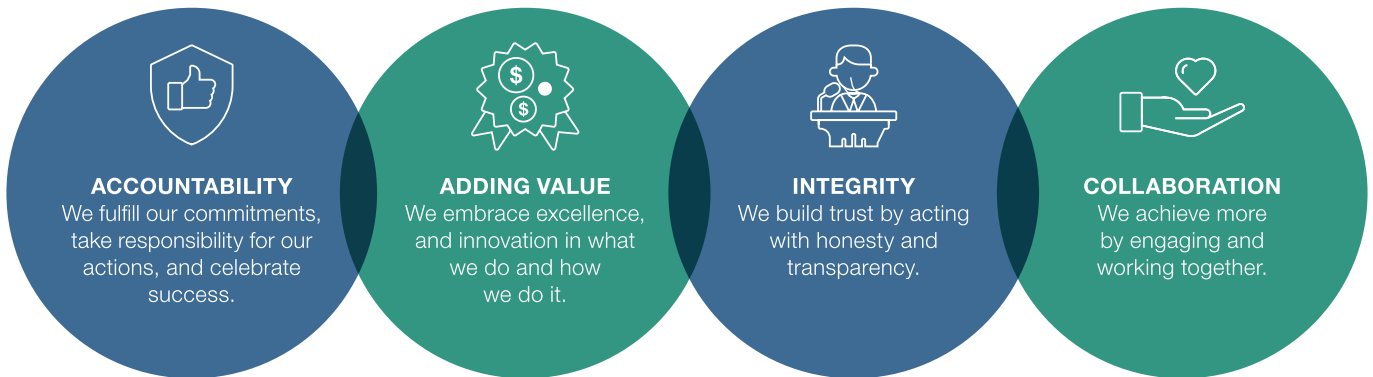


Figure 1: PoM's Corporate Values

# 2. Our business and structure

Port of Melbourne is Australia's largest capital city container and general cargo port, handling more than one-third of the nation's container trade. Port of Melbourne was previously operated by Port of Melbourne Corporation (PoMC), a Victorian Government owned entity. In 2016, PoM was awarded a 50-year lease of the Port of Melbourne by the Victorian Government.

We operate as a landlord port and are responsible for planning, operating and maintaining port land, infrastructure and shipping channels. Our port tenants are responsible for the handling of the import and export trade that flows through the port. The Harbour Master and related functions are undertaken by the Victorian Government entity Ports Victoria.

This Statement is made on behalf of the following entities within PoM which are defined as reporting entities under the Act \$A100 million during the Reporting Period:

- Lonsdale Operations Hold Pty Limited as trustee for Lonsdale Operations Hold Trust;
- Port of Melbourne Operations Pty Ltd as trustee for the Port of Melbourne Unit Trust;
- Lonsdale Asset Hold Pty Limited as trustee for the Lonsdale Asset Hold Trust;

- Lonsdale Asset Property Pty Limited as trustee for Lonsdale Asset Property Trust; and
- Lonsdale Finance Pty Limited, (together, the Reporting Entities).

Port of Melbourne Pty Ltd as trustee for the Port of Melbourne Unit Trust is the operating company of PoM and provides services to the entities within PoM under management agreements. In its role as service provider to the entities within PoM it is informed on all activities undertaken by PoM and employs all staff within PoM.

In this Statement, a reference to the Board is to the board of Port of Melbourne Operations Pty Ltd as trustee for the Port of Melbourne Unit Trust.

PoM's shareholder base includes the following large, well-established Australian and global infrastructure investors and managers:

- Queensland Investment Corporation (QIC);
- Future Fund (Australia's sovereign wealth fund);
- Global Infrastructure Partners (GIP); and
- Ontario Municipal Employees' Retirement System (OMERS).

### 3. Our operations and supply chain

Our operational capability comprises employees and a number of key contractors who support, develop and maintain the assets of the port. In FY21 PoM employed 120 full-time equivalent employees. Key terminal and stevedore operations are undertaken by our tenants who have property lease agreements with us. Our operating model involves stakeholder engagement practices and

commercial activities with the objective of ensuring the port operates in a safe, efficient and sustainable manner. To support in the delivery of our operational activities we engage a number of key suppliers who can be generally categorised into the groups detailed in Table 1 below. In FY21 we engaged more than 480 active suppliers.

|  |   |
|--|---|
| <b>Infrastructure development</b>                | Suppliers engaged to undertake infrastructure development or renewal works to enhance the asset base made available to our tenants, including the procurement of necessary construction materials for asset development and renewal |
| <b>Infrastructure maintenance</b>                | Suppliers engaged to undertake inspections and maintenance works to ensure the safe and efficient operation of our assets   |
| <b>Operational delivery</b>                      | Suppliers and technical consultancies engaged to ensure our assets, IT infrastructure and systems are able to operate in a safe, secure and efficient manner  |
| <b>Utilities</b>                                 | Providers of electricity, water, telecommunications and other utilities to support our day to day operations  |
| <b>Business support services and consumables</b> | Business consultancy, IT, HR, finance and other related service suppliers who are either engaged or provide consumables that support business operations  |

Table 1 – Key Supplier Categories

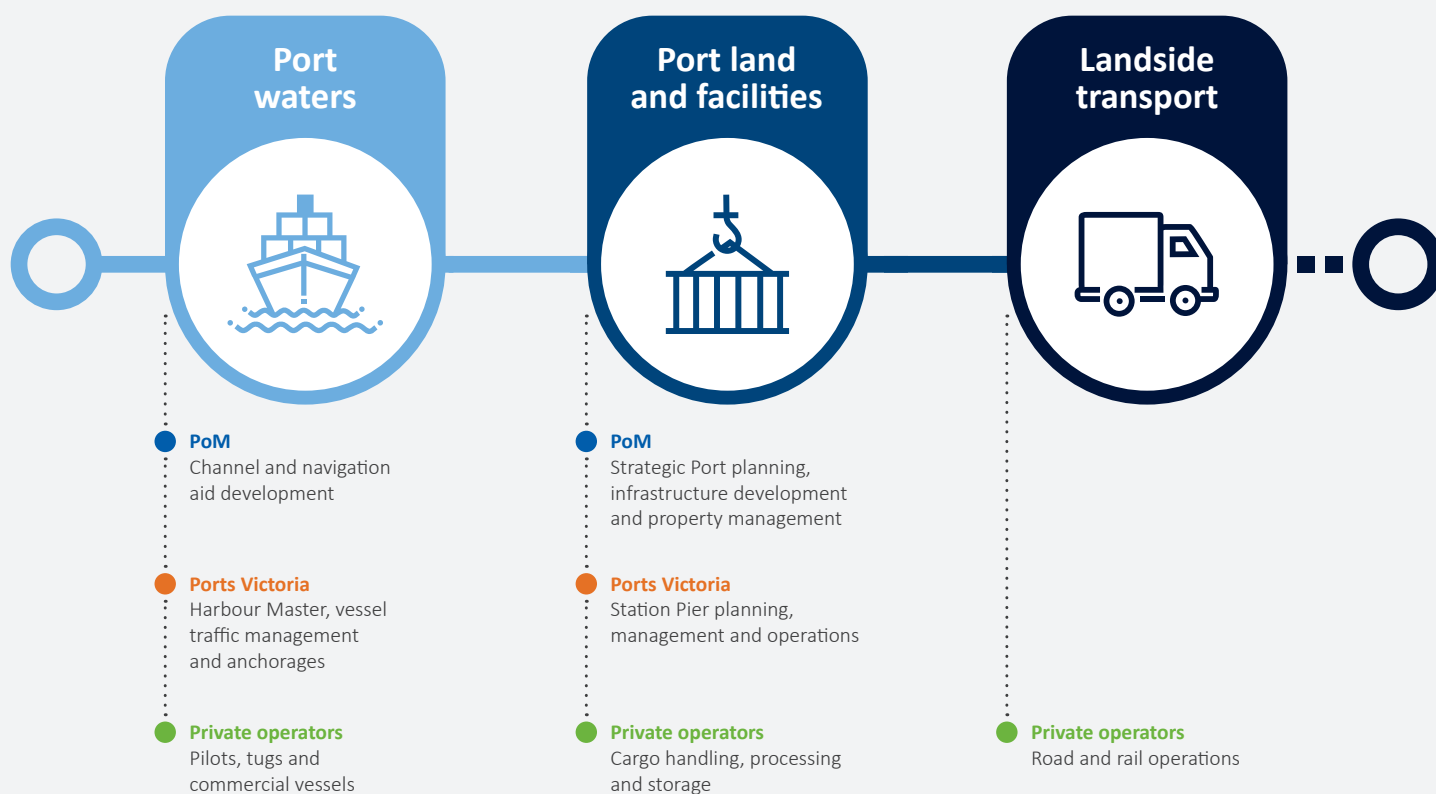


Figure 2: PoM's interaction with other key Port operators

## 4. Modern slavery risks

Due to the geographical location of the port, the majority of suppliers we engage to maintain our assets and support operations are located within Australia and more specifically within the State of Victoria. The Global Slavery Index (GSI) (created by the Minderoo Foundation Pty and published in 2018) ranks countries based on the prevalence, and of vulnerability to modern slavery, along with the actions taken by Government.

Australia’s ranking is considered low with a GSI of 163 (GSI global ranking ranges from 1 to 167). As a result, in the

assessment of risks associated with modern slavery, our primary focus has been high-risk industries. Assessment of high risk industries was supported by various guidance materials prepared in response to the Act, including but not limited to guidance issued by the Minister for Home Affairs.

A review of our supplier base identified a number of suppliers who operate within what are considered industries with an increased risk of the occurrence of modern slavery. A summary of these industries is contained in Table 2 below.

| Sectors and industries at high risk   | Modern Slavery Risk or Indicators of Modern Slavery  |
|---|--|
| <p><b>Supply chain</b></p> <ul style="list-style-type: none"> <li>• Maintenance services</li> <li>• Cleaning services</li> <li>• Security services</li> <li>• Provision of PPE</li> <li>• Supply of construction materials</li> </ul> | <ul style="list-style-type: none"> <li>• Bonded labour</li> <li>• Exploitation of migrant workers</li> <li>• Deceptive recruitment</li> <li>• Underpayment of wages</li> </ul> |

Table 2 - High risk industries associated with PoM’s suppliers

During the Reporting Period, we have progressed the initiatives detailed in our initial Statement as we have matured our response to modern slavery risks in our operations and supply chain. We have increased the level of engagement with PoM’s suppliers within these industries to develop a deeper understanding of the controls and mechanisms in place to manage identified modern slavery risks.

With respect to the employment of staff, we continue to comply with all applicable legislation and rely on recruitment and retention processes, practices and policies to ensure all of our staff are employed in a safe, fair and equitable manner.

An ongoing potential risk exists in the maritime industry with respect of crews on vessels from international jurisdictions that berth at the port’s facilities. Although such international vessel crews are not considered to be within the scope of our operations, should potential instances be found within the port, we are committed to working with the statutory authorities, regulators and stakeholders to positively address any identified issues.

Additionally, we continue to maintain an association with seafarer support agencies in Melbourne; Mission to Seafarers and Stella Maris who provide practical and pastoral care to seafarers on vessels visiting the port.



## 5. Actions taken to assess and address modern slavery risks

### Operations

Our operations occur in Australia and operate in accordance with all applicable Commonwealth and State legislation which supports and protects workers' rights in the workplace. Additionally, all staff are required to conduct their work in a manner consistent with our Board and Management endorsed corporate values. These values are outlined in our Code of Conduct Policy, which is the principal guiding document for employee behaviour. Appropriate workplace behaviour training is also conducted in areas,

including but not limited to Procurement and Contract Management, Audit, Theft and Whistleblowing, to reiterate the expectations of our workforce.

### Supply Chain

We have established three categories to align the actions undertaken to assess and address modern slavery risks associated with our operations and supply chain. These categories and the associated activities are detailed in Table 3 below:

| Category                                  | Activities   |
|---|--|
| <b>Governance and Policy</b>              | Our Modern Slavery Working Group (MSWG) has continued to evolve the Modern Slavery Framework and deliver activities and initiatives that enhance PoM's understanding of modern slavery and its associated risks to the business. The governance structure has been further enhanced through the Board's Safety and Sustainability Committee who have oversight of the work undertaken by the MSWG.   |
|   | Relevant policies and guidelines have continued to be updated to acknowledge modern slavery risks as they relate to our business, such as the Procurement & Contract Management Policy.  |
|   | A Sustainability Policy has also been developed and implemented which sets the standards for decision making and the development and achievement of PoM's sustainability objectives. This includes a commitment to the United Nations Sustainable Development Goals (SDGs) that are relevant to the business. Resultantly SDG Target 8.7 will continue to remain a focus in the business to ensure immediate and effective measures are continued to be undertaken to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour. |
|   | The Whistleblowers Policy has been updated to expressly include modern slavery as a form of Reportable Conduct, and provides a clear understanding of the procedures for receiving, handling and investigating allegations of Reportable Conduct.  |
|   | A Modern Slavery Risk has been included on the Sustainability Risk Register.   |
| <b>Supplier Engagement and Management</b> | PoM's suite of precedent contracts have now been updated to include contractual provisions that acknowledge modern slavery risks in relevant contracts in order to promote continuous dialogue and information sharing with our suppliers and encourage action.  |
|   | PoM's suite of tender templates have now all been updated to include questions that require potential suppliers to detail actions taken to address modern slavery risks in their operations and supplier chain so as to increase the level of due diligence undertaken before contracts are awarded, and provide opportunities for further education, awareness and action.  |
|   | These are now being considered during the tender assessment and evaluation process, with evaluation criteria and scoring modified to assess the responses received to these questions based on their relevance to the specification of the particular procurement.   |
|   | Management reviews were undertaken with a number of suppliers who have previously had modern slavery clauses included in their respective contracts. The intent of the exercise was to increase the visibility over the actions undertaken by our suppliers as these relate to the works they are conducting on behalf of PoM.   |
|   | A preferred suppliers list has continued to be maintained for hospitality services which is a noted high risk industry.  |
| <b>Staff Awareness and Training</b>       | Modern Slavery Awareness Training was rolled out within the business as part of appropriate workplace behaviour training (AWB), with 100% of staff completing the training within the Reporting Period (excluding those staff on extended parental leave). The training module now forms part of staff induction program.  |

Table 3 - Activities undertaken by PoM in FY21

We are committed to continually enhance our interaction with existing suppliers and increasing the level of due diligence in new supplier engagements. This will be driven

by an ongoing enhancement of the applicable internal policies, procedures and supporting artefacts.

## 6. Assessing the effectiveness of our actions

To support ongoing governance and oversight on the effectiveness of the actions undertaken, PoM management has continued providing updates on modern slavery to the Board and its Safety and Sustainability Committee. The response and assessment framework has been established

for responding to modern slavery risks in our operations and supply chain, as well as the actions undertaken and planned for future Reporting Periods. An overview of our Modern Slavery Governance Structure is detailed in Figure 3 below.

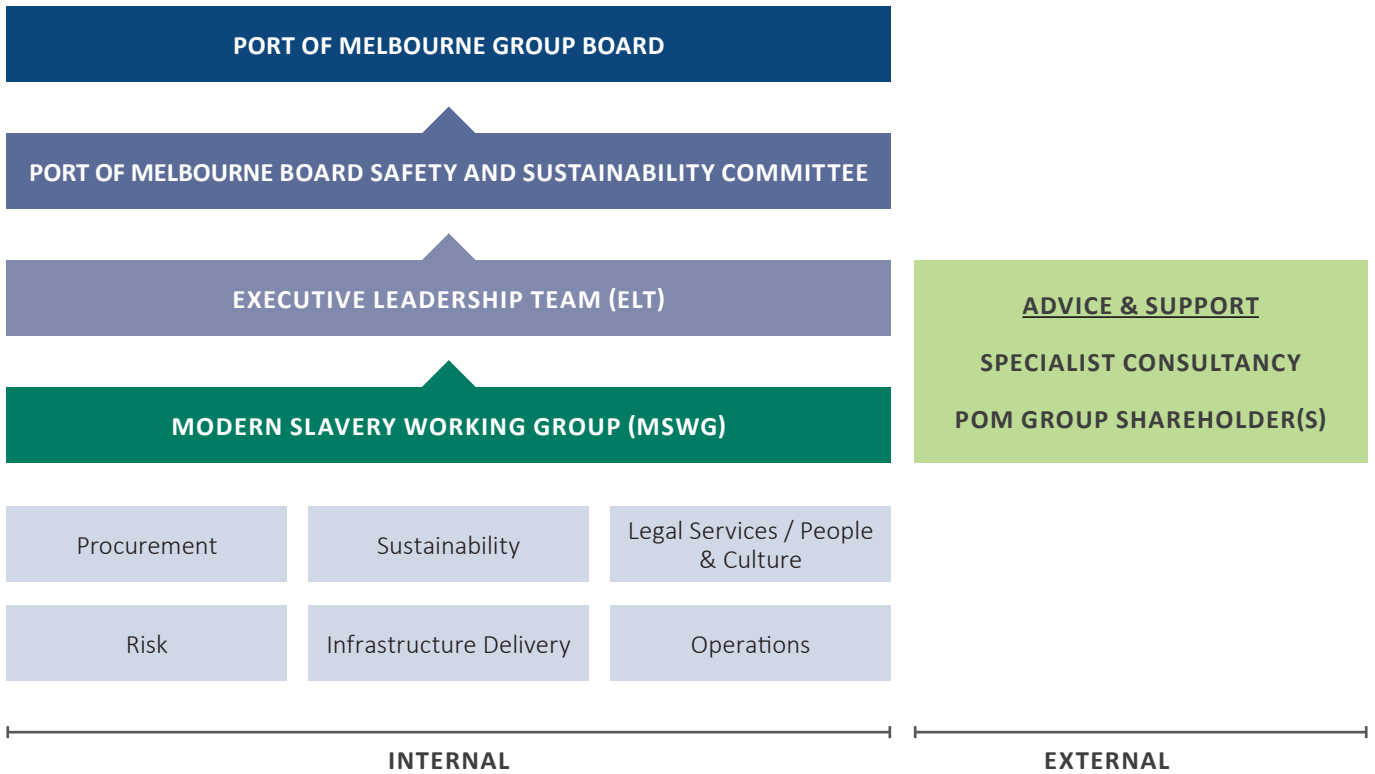


Figure 3 - PoM's Modern Slavery governance structure

The commencement of management reviews of existing contracts during the period has assisted in assessing the effectiveness of measures we've implemented. These reviews will be conducted more broadly in subsequent Reporting

Periods, as new contracts are established with modern slavery contractual provisions. Reviews will be further progressed as we undertake supplier questionnaires and establish a Supplier Code of Conduct.

## 7. Other relevant information

We have developed a sustainability program which incorporates our approach to addressing the risk of modern slavery as it relates to our supply chain and operations. This provides strategic oversight for the future activities of the business as we address the

issues associated with modern slavery and increasing the level of transparency in our operations and supply chain. A key highlight in future Reporting Periods will be the establishment of a Human Rights Statement.

# CONTACT US

We welcome feedback and questions on any element of this Statement, and wider PoM activities.

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