



FREMAN TLE PORTS
Modern Slavery Statement 2021-22

1. INTRODUCTION

The reporting requirements of the Modern Slavery Act 2018 (Cth) apply to the Fremantle Port Authority (operating under the business name Fremantle Ports) (ABN 78 187 229 472) as a government trading enterprise in Australia. This statement for the 2021/22 financial year is prepared on behalf of Fremantle Ports as the reporting entity. It was approved by the Fremantle Ports Board by way of resolution on 16 December 2022.

Fundamentally, modern slavery is about people. It involves the use of coercion, threats or deception to exploit victims and undermine their freedom. It includes conduct that would constitute:

- » human trafficking
- » slavery
- » servitude
- » forced labour
- » forced marriage
- » debt bondage
- » child labour such as slavery or hazardous work
- » deceptive recruiting for labour or services.

Fremantle Ports acknowledges the responsibility and opportunity it has to improve the understanding of modern slavery across its workforce, supplier network, contractors and operations, as well as taking steps to mitigate modern slavery risks. This responsibility is reflected in our systems and processes, as well as our organisational values.

Preparing this statement provides an opportunity for us to reflect on our efforts, share our progress and identify where we can continue to improve.

I am pleased to present and sign our 2021-22 Modern Slavery Statement and I welcome any feedback.



Michael Parker
Chief Executive Officer



2. OUR VALUES

During the reporting period, Fremantle Ports' values were:

- » respect and integrity
- » safety and wellbeing
- » responsiveness and delivery
- » continuous improvement
- » innovation
- » sustainability

Our defining principles complemented these values namely to:

- » deliver with excellence
- » be energetic and optimistic
- » be future-focused
- » be a trusted partner

Subsequent to the reporting period Fremantle Ports has refreshed its values to create a meaningful, memorable set. These refreshed values are:

- » **C**ollaboration
- » **A**ccountability
- » **R**espect
- » **E**xcellence

The first letter of each forms the word **CARE**, a fitting acronym for the values that will drive everything we do at Fremantle Ports. Both sets of values are closely aligned with Fremantle Ports' modern slavery commitments.



Fremantle Ports provides and maintains:

- » shipping channels
- » navigation aids
- » seawalls
- » road and rail infrastructure
- » supporting infrastructure to allow the port, its users and its tenants to conduct their operations.

Other services provided by Fremantle Ports include:

- » ship monitoring and scheduling
- » berth allocation
- » mooring
- » port communications
- » security
- » pilot transfer
- » hazardous cargo services
- » quarantine and waste disposal
- » property management services
- » stevedoring
- » bulk terminal receipt and dispatch.

Fremantle Ports works hand in hand with private sector partners in the overall provision of port services. Private sector partners provide the following services pursuant to contractual agreements and/or statutory licences issued by Fremantle Ports:

- » non-containerised and bulk cargo stevedoring
- » towage
- » line boats
- » bunkering
- » shipping agencies
- » ship provisioning
- » road and rail transport
- » freight forwarding
- » customs clearance and fumigation
- » pilotage.

3. STRUCTURE, OPERATIONS AND SUPPLY CHAIN OF THE REPORTING ENTITY

3.1 STRUCTURE

Fremantle Ports is a government trading enterprise that has the Government of Western Australia as its sole shareholder. It is established under the *Port Authorities Act 1999* (WA) and is the strategic manager of the Port of Fremantle.

Fremantle Ports' governing body is a Board of Directors appointed by, and responsible to, the Minister for Ports. The Board sets the strategic direction for Fremantle Ports, agrees on goals for management and monitors the achievement of those goals. The Chief Executive Officer is appointed by the Board and is responsible for day-to-day management.

3.2 OPERATIONS

The Port of Fremantle consists of the Inner Harbour, at the entrance to the Swan River in Fremantle, and the Outer Harbour, in Cockburn Sound at Kwinana.

The Inner Harbour handles more than 99 per cent of Western Australia's container trade. It also facilitates vehicle imports, cruise ships, non-containerised cargo including machinery and heavy equipment, steel, livestock, and scrap metal trade. It also accommodates research, naval and specialist vessels or ships that are laid up.

Kwinana Bulk Jetty (KBJ) and Kwinana Bulk Terminal (KBT) in the Outer Harbour handle bulk commodities including bauxite, grains, petroleum products, silica

sands, bitumen, fertilisers, and sulphur. KBJ and KBT are owned and operated by Fremantle Ports, while separate facilities in Cockburn Sound are privately operated by Alcoa, BP and CBH Group.

3.3 SUPPLY CHAINS

The main types of goods and services procured by Fremantle Ports in the reporting period fit into the following categories:

- » fixed assets & infrastructure
- » mobile rail & mechanical
- » facilities & marine services
- » professional services
- » technology.

Given the range of goods and services procured, Fremantle Ports has a variety of commercial arrangements with its suppliers. The most common arrangements in place are:

- » service provider licences
- » standing offer agreements
- » one-off contracts.

During the 2021-22 reporting period 96.67 per cent of Fremantle Ports' pre-qualified suppliers were Australian-registered entities. We acknowledge that, although the supplier may be based in Australia, the source of the majority of their goods or commodities is likely to be overseas.

4. RISK OF MODERN SLAVERY IN GLOBAL OPERATIONS AND SUPPLY CHAINS

During the 2019/20 reporting period, Fremantle Ports completed a Modern Slavery Risk Assessment to identify how it may cause, contribute to, or be directly linked to modern slavery practices through its operations and supply chain. The risk assessment is now retained in a new Governance, Risk and Compliance online platform which allows the effective monitoring and tracking of actions.

4.1 MODERN SLAVERY RISK ASSESSMENT

Fremantle Ports' Modern Slavery Risk Assessment informs this Modern Slavery Statement and demonstrates continual improvement in compliance with the Act.

The objectives of the risk assessment were to:

- » Reduce modern slavery in Fremantle Ports' supply chain and areas of influence;
- » Identify opportunities to improve Fremantle Ports' policies, practices, and procedures in respect of modern slavery.

The overall risk of modern slavery at a tier 1 level of Fremantle Ports' supply chain is low (tier 1 suppliers are those that deal directly with Fremantle Ports). With 96.67 per cent of Fremantle Ports' total expenditure made through companies based in Australia, where strong regulation and good business governance prevails, the likelihood of forced labour or other means of slavery at a tier 1 level is extremely low.

The outcome of the risk assessment was an agreed set of modern slavery risks to which Fremantle Ports is exposed:

1. Seafarers are exposed to modern slavery because of the actions of shipping lines and vessel owners, as well as by Fremantle Ports' own actions (low residual risk rating).
2. Fremantle Ports is linked to modern slavery by procuring goods and/or services from suppliers, service providers and their subcontractors who may employ modern slavery practices (low residual risk rating).
3. Fremantle Ports is linked to modern slavery due to inadequate monitoring of compliance of suppliers, service providers and tenants (medium residual risk rating).
4. Fremantle Ports is indirectly linked to modern slavery via the actions of stakeholders and service providers (medium residual risk rating).

4.2 RISK MITIGATION ACTIONS

The risk assessment also outlined a number of actions to address the identified risks. These actions were summarised under the following categories:

- » communication
- » supplier questionnaire
- » procurement documentation and policies
- » training
- » working group.

Key actions during the reporting period

A table outlining each risk mitigation action and implementation progress has been referenced in previous Modern Slavery Statements. The following table sets out the category and status of each action as at the end of the reporting period.

Key achievements during the reporting period include completion of:

- » the update to tender documents to require suppliers to demonstrate procedures to mitigate slavery risks and for such requirements to be evaluated as part of the supplier selection process; and
- » a review of policies and procedures to ensure clear reference to human rights and the risks of modern slavery.

Seafarer welfare

Fremantle Ports continued to actively advocate for the treatment of seafarers during the reporting period. Since the beginning of the COVID-19 pandemic, we have engaged with State and Federal agencies to ensure the ethical treatment of seafarers and provide assistance to infected ship-board crew members and passengers. This strong engagement, combined with robust and timely decision-making, helped in the evacuation and hospitalisation of one critically-ill seafarer. Fremantle Ports also actively promoted with WA Health the availability of COVID-19 vaccinations for international seafarers calling at the port of Fremantle, becoming the first port in Western Australia to do so. Fremantle Ports was also the first port in the State to reinstate seafarer shore leave, effective from May 2022.

In April 2022 Fremantle Ports conducted a successful portable wireless internet modem trial for vessels berthed in the Inner and Outer Harbours. Fremantle Ports is planning for future deployment of wireless internet services to vessels so that crew who do not wish to come ashore may have access to communications.

Fremantle Ports is working with its pilotage service provider, Fremantle Pilots, with respect to a voluntary initiative whereby the pilot informs the ship's captain that shore leave is available in Fremantle. If the Pilot discerns a reluctance by the captain or company to allow crew ashore, the matter is brought to AMSA's attention for follow up and intervention.

Focus areas for 2022/23 Reporting Period

Key areas of focus for Fremantle Ports in the next reporting period will be to:

- » introduce an initial training offering for employees to raise awareness of the existence of modern slavery, why it is a risk in Fremantle Ports' business and how to report any concerns;
- » finalise the review and refresh of procurement contract templates to incorporate obligations regarding respect for human rights and modern slavery compliance;
- » build appropriate modern slavery questionnaires for suppliers and service providers, in order to obtain detailed information about their actions to combat modern slavery; and
- » continue Fremantle Ports' efforts to improve seafarer welfare.

Table 1: Risk mitigation, actions and status

Risk Mitigation	Action	Status
Communication	Communicate the Act's requirements and actions to the Board/Audit and Risk Management Committee/Executive Leadership Team	Initial communication complete, however, this will be an ongoing requirement
	Provide general communication to Fremantle Ports' staff about the requirements of the Act	Initial communication complete, however, this will be an ongoing requirement
Supplier questionnaire	Progressively introduce a questionnaire to Fremantle Ports' high-risk suppliers, seeking more detail on their approach to modern slavery	In progress - consideration is being given to appropriate questions for Fremantle Ports' context
Procurement documentation and policies	Review policies and procedures to ensure clear reference to human rights and the risks of modern slavery	Completed
	Update tender documents to require suppliers to demonstrate they have procedures in place to mitigate modern slavery risks and for such requirements to be evaluated as part of the supplier selection process	Completed
	Review contract templates and documents to ensure companies contracting with Fremantle Ports must identify and mitigate risks in their own organisations and supply chains	In progress - a refresh of Fremantle Ports' suite of procurement agreements is underway
Training and communication	Provide modern slavery risk awareness training to Fremantle Ports' employees. This training will be delivered organisation wide, with annual refreshers for key personnel involved in procurement activities and vendor engagement.	In progress - with consideration being given to content and format
Working group	Consider the development and implementation of an internal working group/committee to oversee compliance with the Act and action implementation. Consider how best to work with industry participants and other organisations to address the risks for seafarers, particularly in relation to the crews of ships that use Fremantle Ports' facilities.	Completed

5. OUR COMMITMENT

In addition to completing the actions outlined above, the Board of Fremantle Ports remains committed to the following:

- » If Fremantle Ports becomes aware of allegations of cases where seafarers are subjected to modern slavery, we will work with federal regulators, the International Transport Workers Federation, the Flying Angel Club and Stella Maris to address those cases.
- » If Fremantle Ports identifies modern slavery in our supply chains, we will cease using those suppliers.

6. EFFECTIVENESS ASSESSED

Fremantle Ports' risk assessment process includes assessment of the effectiveness of the proposed actions and monitoring their implementation, including verifying that:

- » Information and/or training about the risks of modern slavery is provided to relevant staff
- » High-risk suppliers complete a self-assessment questionnaire and "red flag" responses are acted upon by Fremantle Ports
- » Fremantle Ports' own policies and procedures are reviewed to ensure modern slavery compliance
- » Contractual templates are reviewed and controls for modern slavery risks are incorporated;
- » Outcomes from risk assessments, including control effectiveness assessments, are incorporated into Fremantle Ports' systems of internal control to prevent and mitigate the risk of modern slavery practices.

Staff within the Governance and Assurance division and Corporate Services division assess the effectiveness of agreed modern slavery actions through action monitoring and assurance activities, as well as by partnering with the Procurement and Contract Management team to improve modern slavery outcomes through contract drafting and contract management practices.



FREMANTLE PORTS

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