



# FedEx Express Australia

## Australian Modern Slavery Statement

*Reporting Year ending 31 May 2020*

### **Mandatory Criterion 1 - REPORTING ENTITIES**

FedEx Express Australia recognises that it has a responsibility to be alert to the risks of slavery, servitude, forced labour, debt bondage, the worst forms of child labour and human trafficking ('modern slavery'). FedEx Express Australia is committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own businesses or in any of our supply chains.

This is the first annual joint Modern Slavery Statement ('**Joint Modern Slavery Statement**') published by Federal Express (Australia) Pty Ltd (ABN 35 003 100 052), FedEx Express Australia Pty Ltd (ABN 51 624 271 487) and TNT Australia Pty Ltd (ABN 41 000 495 269) (together called '**FedEx Express Australia**') in compliance with the *Modern Slavery Act 2018 (Cth)* ('**Australian Modern Slavery Act**').

This Joint Modern Slavery Statement describes the steps taken by FedEx Express Australia to assess and address each of the mandatory criteria in the Australian Modern Slavery Act and to minimise the risks of modern slavery occurring in our businesses and supply chains. This Joint Modern Slavery Statement covers the FedEx Express Australia financial year ending 31 May 2020 ('**FY20**'). This Joint Modern Slavery Statement also sets out FedEx Express Australia's future plans for the next reporting year ('**FY21**').

### **Mandatory Criterion 2 - STRUCTURE, OPERATIONS AND SUPPLY CHAIN**

#### **Structure**

Federal Express (Australia) Pty Ltd (ABN 35 003 100 052), FedEx Express Australia Pty Ltd (ABN 51 624 271 487) and TNT Australia Pty Ltd (ABN 41 000 495 269) are all Australian companies incorporated pursuant to the *Corporations Act 2001 (Cth)* and together form a consolidated tax group for the purposes of *Australian Accounting Standards Board*. The three companies function as follows:

1. FedEx Express Australia Pty Ltd (ABN 51 624 271 487) is the holding company for Federal Express (Australia) Pty Ltd (ABN 35 003 100 052) and TNT Australia Pty Ltd (ABN 41 000 495 269) and is a non-trading entity.
2. Federal Express (Australia) Pty Ltd (ABN 35 003 100 052) is the trading entity for FedEx Express in Australia. FedEx Express commenced operations in Australia in 1989. Its registered office is 2 Military Road, Matraville NSW.
3. TNT Australia Pty Ltd (ABN 41 000 495 269) is the trading entity for TNT in Australia. TNT was founded in Australia in 1946. In May 2016, TNT Australia Pty Limited was acquired by FedEx. Its registered office is 201 Coward Street, Mascot NSW.

These three companies are part of the FedEx group with FedEx Corporation as the ultimate holding company. FedEx Corporation is listed on the New York stock exchange and has its head office in Memphis, Tennessee, United States.

During FY20, FedEx Express Australia had a combined workforce of just over 5,000 people across Australia.

#### **Operations**

FedEx Express is one of the world's largest express transportation companies, providing delivery to every U.S. address and to more than 220 countries and territories. FedEx Express uses a global air-and-ground network to provide delivery of time-sensitive and express shipments and transportation services.

FedEx Express Australia provides domestic express transportation services through the TNT business and international express services through both the TNT and FedEx Express businesses. Our extensive domestic



express road transportation network operates with over 52 stations, 2,800 vehicles and 1,800 agents nationwide. The Australian domestic express air transportation services are offered through air linehaul suppliers. The international express transportation services are offered through a combination of FedEx owned aircraft and air linehaul suppliers.

### **Supply Chains**

FedEx Express Australia purchases a variety of goods and services from many different suppliers. A summary is set out below:

#### *Operations*

- Air and road linehaul
- Agents, forwarders and outside hire
- Labour hire and subcontractor drivers
- Parcel collection services
- Vehicles
- Fuel
- Material handling equipment and consumable products
- Maintenance service providers
- Uniforms and personal protective equipment
- Property, premises and building maintenance

#### *Corporate*

- IT hardware
- Promotional marketing materials and goods
- Facility management, including cleaning services

Given our large domestic network, the majority of our suppliers are based in Australia. However, as part of the due diligence planned for FY21, FedEx Express plans to extend enquiries to those suppliers to determine the geographic reach of our supply chain.

### **Mandatory Criterion 3 – RISKS OF MODERN SLAVERY IN OUR SUPPLY CHAINS AND OPERATIONS**

FedEx Express Australia conducted an initial scoping assessment on our supply chain during FY20. In doing so, we considered the Australian Government Guidance as well as identified global industry risks of modern slavery in the transportation industry.

We identified the supply of uniforms, personal protective equipment and cleaning of our premises as being higher risk, in accordance with the *Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities* ('**Australian Government Guidance**'). Additionally, there is a potential risk of modern slavery in our use of labour hire, subcontractors and linehaul suppliers, however, the fact that these are predominantly Australian based decreases the geographical risk of modern slavery.

### **Mandatory Criterion 4 - ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES**

#### **Global Approach**

FedEx Express Australia is part of the FedEx group of companies and is therefore subject to applicable FedEx global policies and procedures. Accordingly, FedEx Express Australia has also included actions taken at a global level in this Joint Modern Slavery Statement as well as the steps taken by FedEx Express Australia in compliance with the Australian Modern Slavery Act.



FedEx Express Australia is committed to ensuring there is transparency in our businesses and in our approach to tackling modern slavery throughout our supply chains and fully expects the same high standards from our suppliers and from entities in their supply chains.

### ***Policies and Governance***

FedEx Express Australia is subject to the FedEx Code of Conduct (<https://www.fedex.com/en-us/about/policy/corporate-integrity-and-compliance/code-of-conduct.html>), which applies to all entities globally in the FedEx group of companies. The Code of Conduct set out the expectations required of FedEx to ensure compliance with the law wherever it operates and to always maintain high standards of business and personal ethics. The Code of Conduct sets a high standard for behavioural conduct in areas that include protecting and advancing human rights, including prohibition on modern slavery, workplace health, safety and environment, harassment and discrimination, conflicts of interest and gifts and entertainment. Every team member is familiarized with the Code during onboarding and encouraged to report all suspected violations using our 24-hour FedEx Alert Line service or by contacting management, Legal or Human Resources.

Doing business in an ethical and responsible manner is already enshrined within FedEx Express' current set of policies and procedures. These policies and procedures help minimise the risk that modern slavery occurs within our businesses or supply chains. These policies include:

- FedEx Human Trafficking Policy – including prohibiting trafficking in persons, forced labour, debt bondage (<https://www.fedex.com/en-us/about/policy/corporate-integrity-and-compliance/global.html#human-trafficking>)
- Australian Whistleblowing Policy ([https://www.fedex.com/content/dam/fedex/international/international/images/2020/Q3/FedEx\\_Express\\_and\\_TNT\\_AU\\_Whistleblower\\_Policy\\_January\\_2020\\_606549225.pdf](https://www.fedex.com/content/dam/fedex/international/international/images/2020/Q3/FedEx_Express_and_TNT_AU_Whistleblower_Policy_January_2020_606549225.pdf))

FedEx Express Australia aims to mitigate the risk of modern slavery occurring in our operations and supply chains by prohibiting trafficking-related activities and we also expect our suppliers and contractors to uphold these important principles. We encourage the reporting of any suspected violations through the FedEx Alert Line or as otherwise provided for under the Australian Whistleblowing Policy, and our policies forbid any form of retaliation for making such a report. The Policy Prohibiting Trafficking in Persons has been widely communicated within FedEx Express Australia businesses and supply chains.

### ***Training***

FedEx Express Australia acknowledges that our ability to mitigate and combat modern slavery relies on our employees' awareness of how to identify risks of human rights issues and modern slavery. The Code of Conduct is available in English and 33 other languages. All FedEx Express Australia employees receive annual training on the Code of Conduct to ensure all employees understand the expectations set out in the Code.

We have also provided training on the Australian Modern Slavery Act and Australian modern slavery reporting requirements to our Australian senior management leadership team.

### ***Due Diligence Processes in Relation to Modern Slavery***

FedEx Express Australia has a centrally managed procurement and sourcing function to ensure procurement processes comply with applicable laws, as well as FedEx's global policies, to mitigate any risk in our supply chain and operations of modern slavery occurring.

FedEx Express Australia considers potential modern slavery risks at the outset of our relationships with our suppliers. FedEx Express Australia requires all suppliers to comply with all applicable laws in their places of operation. When FedEx Express Australia engages a new supplier, compliance with FedEx's Code of Conduct is included in the contract between the parties.

Following on from FedEx Express Australia's initial scoping assessment of modern slavery risks in our supply chain, we have commenced planning for due diligence tasks to be undertaken in FY21. We assessed the identified risks by reviewing Australian Government Guidance to gain an understanding of the scope of the due diligence tasks and risk assessment we should consider conducting. FedEx Express Australia's goal for FY21 is to identify suppliers who fall within the categories of potential risks in our supply chain ('**tier one suppliers**'). FedEx Express Australia plans to send out a modern slavery due diligence questionnaire to our tier one suppliers in FY21.

Further, during FY20, FedEx Express Australia finalised new Australian modern slavery compliance clauses for our supplier contracts with a planned roll-out in the FY21 period.

### **Remediation**

#### *Whistleblower Policy and Alert Line*

The FedEx Alert Line is an independent service provider and can be accessed by all FedEx employees globally and any other person who wishes to raise a concern about modern slavery, including victims. FedEx Express encourages our employees and other parties to raise concerns about any issue or suspicion of modern slavery through the Alert Line. All reports received through the Alert Line are acted upon in accordance with the Whistleblowing and Alert Line policies and procedures.

FedEx Express employees are also encouraged to report modern slavery issues or concerns to their line-managers or in accordance with FedEx Express Australia's Whistleblowing Policy. The Whistleblowing Policy is available on FedEx Express Australia's website.

FedEx is committed to ensuring the fair treatment of employees and other persons who report or raise a concern, for instance via the Alert Line. FedEx prohibits any form of retaliation against a person who reports in good faith any concern they have about any issue or suspicion of modern slavery. FedEx also prohibits retaliation against anyone who assists in an investigation.

### **Next Steps**

Within FY21, FedEx Express Australia plans the following actions:

- Establish a Modern Slavery Project Team
- Provide training to the Modern Slavery Project Team as well as procurement functions and other relevant Australian based key stakeholders on the Australian Modern Slavery Act, modern slavery key identifiers and Australian modern slavery reporting requirements.
- Conduct supplier mapping of the FedEx Express Australian operations and supply chain, with a focus on identifying tier one suppliers.
- Finalise the due diligence process for the tier one suppliers, including seeking information about compliance with modern slavery laws from our tier one suppliers via a due diligence questionnaire
- Roll out modern slavery compliance clauses in our supplier contracts

### **Mandatory Criterion 5 - ASSESSING EFFECTIVENESS OF ACTIONS TAKEN**

FedEx Express Australia recognises the importance of evaluating the effectiveness of actions taken to deal with risks of modern slavery. As this is the first Joint Modern Slavery Statement of FedEx Express Australia, we plan to assess and address the effectiveness of actions taken in FY20 in our the FY21 statement.

### **Mandatory Criterion 6 – CONSULTATION BETWEEN REPORTING ENTITIES**

FedEx Express Australia functions as a joint operating group, therefore each reporting entity structure reports up to the same senior management team. The statutory Board of Directors for each of the reporting entities also share some common directors.

For this Joint Modern Slavery Statement, consultation between the reporting entities was therefore facilitated through the senior management team. For FY21, consultation and joint activities will be facilitated by a modern slavery project team made up of key stakeholders across from the Australian functional areas of FedEx Express. The project team will meet and communicate to develop a joint approach across the FedEx Express Australia businesses.

### **Mandatory Criterion 7 – OTHER RELEVANT INFORMATION**

#### ***Impacts of COVID-19 On FedEx Express Australia's Supply Chain***

The impact of COVID-19 on potential modern slavery risks in our business will continue to be monitored and actioned if necessary, through the measures outlined in this Joint Modern Slavery Statement.





**Other**

The FedEx Express entities in the United Kingdom also undertake activities to address the risks of modern slavery occurring in their businesses and supply chains in compliance with the *Modern Slavery Act 2015* (UK), including publishing annual modern slavery statements pursuant to that legislation.

**BOARD APPROVAL OF JOINT MODERN SLAVERY STATEMENT**

This statement is made pursuant to sections 14 and 16 of the *Modern Slavery Act 2018 (Cth)* and constitutes FedEx Express Australia Modern Slavery Statement for the FedEx Express financial year ended 31 May 2020.

This statement is approved by and signed on behalf of the Board of Directors of

- Federal Express (Australia) Pty Ltd (ABN 35 003 100 052);
- FedEx Express Australia Pty Ltd (ABN 51 624 271 487); and
- TNT Australia Pty Ltd (ABN 41 000 495 269),

(together called '*FedEx Express Australia*') by:

**Peter Langley**

Regional Vice President Operations

FedEx Express Australasia

Date: 23 / FEB / 2021