



## Modern Slavery Statement

1 January 2025 to 31 December 2025

# Modern Slavery Statement 2025

Reporting period: 1 January 2025 – 31 December 2025



## 1. INTRODUCTION AND COMMITMENT

For the purposes of this Statement, references to 'Watco Australia' include the Australian Watco entities listed below and, where stated, the Intermodal Group (IMG) entities.

Watco Australia is committed to identifying, preventing and addressing modern slavery risks in our operations and supply chains. We recognise modern slavery as a serious violation of human rights and a criminal offence under Australian law.

This statement is made in accordance with the Modern Slavery Act 2018 (Cth) and describes the actions taken during the reporting period to assess and address modern slavery risks across our business and supply chains.

Preventing modern slavery is a shared responsibility across our organisation, supported by our governance framework, policies, and operational practices.

## 2. REPORTING ENTITIES, STRUCTURE AND OPERATIONS

This Statement covers the following Australian entities:

- Watco International Pty Ltd (Principle governing body)
- Watco WA Rail Pty Ltd
- Watco WA Transportation Services Pty Ltd
- Watco Logistics Australia Pty Ltd
- Watco East West Pty Ltd
- Watco East West Logistics Pty Ltd
- Intermodal Group Pty Ltd (IMG)
- Intermodal Link Services Pty Ltd (IMG)
- Intermodal Container Services Pty Ltd (IMG)

Watco Australia is the Australian arm of Watco, a privately owned transportation and supply chain services group headquartered in the United States. Watco Australia operates from its corporate office in Perth, with operations across Western Australia, Queensland and New South Wales.

Our core activities include rail freight operations, train planning and scheduling, rollingstock maintenance, rail safety management, and intermodal logistics services. During the reporting period, we employed approximately 436 people across Australia, with labour primarily engaged directly. Temporary labour is used on a limited basis through licensed labour hire and recruitment agencies.



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## 3. Supply Chains



Our supply chain comprises the goods and services procured to support the delivery of rail freight and intermodal logistics operations, including rail network access, equipment and rollingstock suppliers, maintenance providers, fuel suppliers, professional services, and other operational contractors.

During the reporting period, Watco Australia engaged approximately 1,628 suppliers. Our ten largest suppliers by spend account for approximately 52% of total procurement expenditure. Procurement is largely decentralised and site-based, reflecting the operational nature of the business.

While our operations are based in Australia, some goods and equipment are sourced internationally, creating exposure to offshore supply chain risks.

## 4. MODERN SLAVERY RISK ASSESSMENT

Watco Australia and IMG operate primarily in Australia, a jurisdiction generally considered lower risk due to strong labour laws and regulatory oversight. However, we recognise that modern slavery risks may arise through indirect and upstream supply chains, particularly where goods or services are sourced internationally.

Key risk areas identified include:

- **Manufacturing:** Offshore manufacturing of equipment and components, where visibility over labour practices may be limited.
- **Raw materials:** Inputs such as minerals and materials used in equipment and consumables, which may originate from higher-risk regions.
- **Services:** Labour-intensive services such as cleaning, security, maintenance and construction, where risks may arise from exploitative recruitment or employment practices.

No modern slavery incidents or allegations were identified within Watco Australia or IMG during the reporting period.

## 5. ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

Watco Australia and IMG have implemented a range of actions to assess and address modern slavery risks, including:

### Governance and accountability

- Overall responsibility for modern slavery risk oversight rests with the Board.

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- The recently established Responsible Business & Sustainability (RBS) Committee provides oversight of modern slavery risks and broader human rights matters, supporting the Board through monitoring, policy review, and continuous improvement.
- Management is responsible for implementing policies, controls and reporting mechanisms.

## Policies and procedures

- A Modern Slavery Policy has been adopted, setting minimum standards and expectations for employees, contractors and suppliers.
- Supporting policies include the Code of Conduct, Whistleblower Policy, Recruitment and Selection Policy, Grievance Procedure, WHSE and Risk Management frameworks.

## Due diligence and supplier engagement

- Preference is given to reputable suppliers aligned with our ethical standards.
- Where risks are identified, we seek to engage suppliers and require remediation.
- We reserve the right to terminate supplier relationships where modern slavery risks cannot be adequately addressed.

## Training and awareness

- A modern slavery awareness and training program is under development and will be delivered across the organisation to support risk identification and reporting.

## Remediation

- Where a modern slavery concern is identified, we are committed to investigating and responding appropriately, including providing access to grievance mechanisms and working toward remediation outcomes.

## 6. ASSESSING EFFECTIVENESS

We assess the effectiveness of our approach through:

- Monitoring for allegations or incidents of modern slavery.
- Review of reported concerns, investigations and outcomes.
- Ongoing review of policies, procedures and governance arrangements.

Oversight of these activities is provided by the Responsible Business & Sustainability Committee, which supports the Board by reviewing modern slavery-related matters relevant to this Statement and identifying opportunities for continuous improvement.

Some initiatives were in development during the reporting period and will be further embedded in the next reporting cycle. Although no incidents were identified during the reporting period, we recognise the need for continuous improvement and ongoing monitoring.

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## 7. CONSULTATION

The Responsible Business & Sustainability Committee oversaw the preparation of this Statement, with consultation undertaken across executive management, operations and corporate services, and with owned and controlled entities.

## 8. FUTURE PRIORITIES

During the next reporting period, the Responsible Business & Sustainability Committee will continue to oversee modern slavery risks relevant to this Statement.

Our priorities include:

- Embedding modern slavery oversight within the Committee's ongoing governance, reporting and review processes
- Continuing to build capability through targeted training and awareness across Watco Australia
- Strengthening monitoring and escalation arrangements for supplier-related risks and reported concerns
- Periodically reviewing the effectiveness of policies, controls and remediation processes to support continuous improvement



## 9. APPROVAL

This Statement was approved by the Board of Watco Australia on 31 March 2026 and is signed by a responsible member of the principal governing body.

A handwritten signature in black ink, appearing to read 'G. Bignell'.

**Gavin Bignell**  
Managing Director