



# DHL 2021 MODERN SLAVERY POLICY STATEMENT



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Recommended weight

1= 0.5 kg / 1 lb	5= 10 kg / 20 lb
2= 1 kg / 2 lb	6= 15 kg / 30 lb
3= 2 kg / 4 lb	7= 20 kg / 40 lb
4= 5 kg / 10 lb	8= 25 kg / 50 lb

dhl.com

DHL Express

DHL Express

# Reporting entities

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**This statement is made by DHL Supply Chain (Australia) Pty Ltd, DHL Express (Australia) Pty Ltd, DHL Global Forwarding (Australia) Pty Ltd and Deutsche Post Global Mail (Australia) Pty Ltd (together referred to as “DHL AU”). DHL AU is a part of the Deutsche Post DHL Group (“the DHL Group”).**

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The DHL Group is the world’s leading logistics company with approximately 570,000 employees operating in over 200 countries and territories. The Group connects people and markets and is an enabler of global trade. It aspires to be the first choice for customers, employees and investors worldwide. To this end, Deutsche Post DHL Group is focusing on growth in its profitable core logistics businesses and accelerating the digital transformation in all business divisions. The Group contributes to the world through its commitments to clean operations for climate protection, a great company to work for all and a highly trusted company.

DHL AU provides a range of supply chain services to its customers, including value-add logistic solutions, e-commerce fulfilment, reverse logistics, procurement, co-packaging, distribution, managed transportation and customs brokerage.

As part of the Group, DHL AU is fully aligned with all Group policies and practices in relation to responsible business practice and human rights standards, including those in relation to forced labour, or modern slavery. The Group’s Human Rights Policy statement complements Deutsche Post DHL Group’s Code of Conduct, the basis and benchmark for all guidelines and regulations that ensure responsible and ethically irreproachable conduct within the Group. The policy statement defines its minimum standards for working conditions and human rights in the Group’s employee and partner relations. For our suppliers, Deutsche Post DHL Group’s Supplier Code of Conduct sets out the required Human Rights minimum standards. All policies are regularly reviewed to ensure they are relevant, up to date and supplemented with new topics where necessary.

The DHL AU entities use the same policies and processes and operate in broadly the same sector. DHL AU has therefore provided a single, consolidated description of actions to address modern slavery risks.

This Modern Slavery Policy Statement was approved by the board of DHL Supply Chain (Australia) Pty Ltd on 9 June 2021, by the board of DHL Express (Australia) Pty Ltd on 8 June 2021, by the board of DHL Global Forwarding (Australia) Pty Limited on 10 June 2021 and by the board of Deutsche Post Global Mail (Australia) Pty Limited on 8 June 2021.

# DHL AU structure, operations and supply chain

## Structure

Each of the DHL AU entities are companies incorporated in Australia. The ultimate holding company of the DHL AU companies is Deutsche Post AG. Deutsche Post AG is a company incorporated in Germany. DHL AU employs 4,895 workers at 73 locations around Australia.

## Operations

### DHL Supply Chain

As the world leader in the contract logistics market, our around 168,000 employees worldwide help us support more than 1,400 customers in managing their supply chains in over 50 countries. This is our core business, and includes warehousing and transport as well as value-added services such as e-fulfilment, Lead Logistics Partner (LLP), Real Estate Solutions, Service Logistics and packaging solutions for strategic industrial sectors. We also develop innovative and sustainable solutions. In Australia, DHL Supply Chain operates 49 sites and employs 3,049 workers.



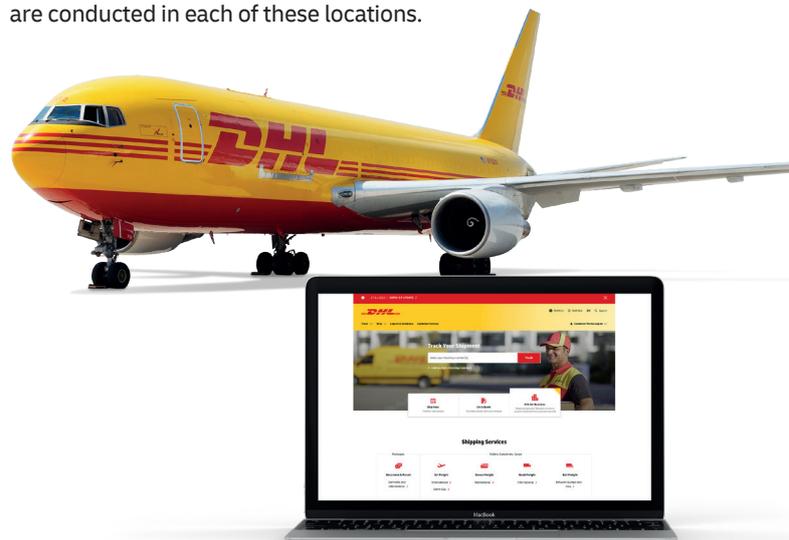
### DHL Express

In the Express division, we transport urgent documents and goods reliably and on time from door to door. Our global network spans more than 220 countries and territories in which some 111,000 employees worldwide provide services to around 2.7 million customers. In Australia, DHL Express operates 18 sites and employs 1,300 workers.



### DHL Global Forwarding (Global Shipping)

Our air, ocean and overland freight forwarding services include standardised transports as well as multimodal and sector-specific solutions, together with customised industrial projects, which our around 43,000 employees in over 150 countries deliver for more than 175,000 customers. Our business is based upon brokering transport services between customers and freight carriers. The global reach of our network allows us to offer efficient routing and multimodal transport options. Compared with the Group's other divisions, our operating business model is asset-light. In Australia, DHL Global Forwarding operates 6 sites and employs 546 workers. DHL Global Forwarding in Australia has a matrix structure based upon functions and geography. The key functional activities include Airfreight, Ocean Freight, Customs Brokerage, Sales, Finance, IT, HR. The geographic structure is based upon branches in Brisbane, Sydney, Melbourne, Hobart, Adelaide and Perth. DHL Global Forwarding's operations are conducted in each of these locations.



### Deutsche Post Global Mail (Australia) Pty Ltd.

Trading as DHL eCommerce Solutions is part of the Deutsche Post DHL Group. DHL eCommerce Solutions Australia offers cross-border, economy parcel delivery and returns solutions to online retailers. Specializing in tailor-made, affordable solutions, offering a choice of postal and commercial products to meet the needs of customers in the e-commerce sector.

## Supply Chain

DHL AU acquires a wide range of goods and services, including:



**58%**

**Transportation services**  
ROAD, AIR, RAIL AND SEA FREIGHT



**12%**

**Temporary labour hire  
and contract workers**



**7%**

**Real estate**



**3%**

**Packaging and  
print materials**



**4%**

**Material handling  
equipment and  
plant deployed  
IN WAREHOUSES AND  
LOGISTICS CENTRES**



**6%**

**Facilities Management  
services**  
INCLUDING CATERING, WASTE  
DISPOSAL, CLEANING, SECURITY  
AND PEST CONTROL



**3%**

**Telco, IT hardware  
and software**



**1%**

**Financial services  
and insurance**

# Risks of modern slavery in DHL AU operations and supply chains

There is a low level of risk in DHL AU's own operations. DHL AU has a robust suite of resources, policies and procedures to monitor and manage human rights issues in their operations. Employees participate in online compliance programmes about the Code of Conduct Policy and its application to everyday scenarios at work and when doing business. This learning also forms an integral part of the employee induction process.

DHL also assesses the risk of modern slavery in its first tier suppliers as generally low. The vast majority of DHL AU's first tier suppliers are based in Australia or in other countries where the risk of modern slavery is low or very low.

The key risk area in the first tier supply chain is in facilities management, including building services, cleaning, and security and maintenance services. These areas involve a relatively high risk of modern slavery associated with low skilled work, migrant workforces, opaque contracting arrangements and poor worker understanding of Australian workplace law and their rights.

Another risk area is temporary labour hire. To help meet variable business demands, third party labour arrangements are operationally beneficial. However, using a third party labour hire company to provide workers introduces complexity into DHL AU's supply chain and increases modern slavery risk by reducing our visibility over recruitment and retention practices.

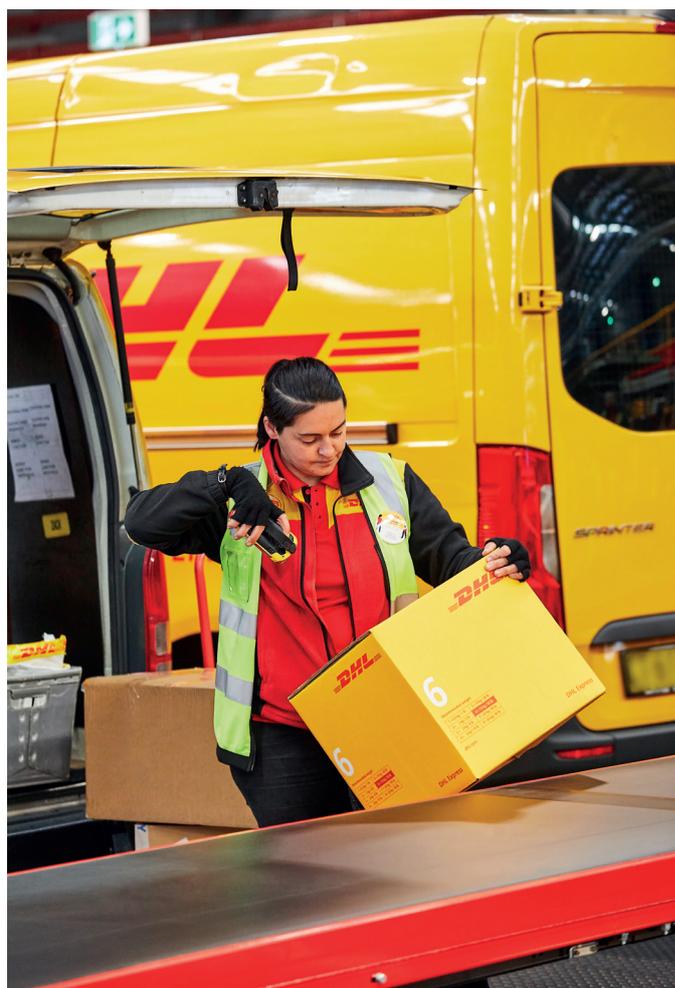
DHL AU's analysis of its extended supply chain is in its early stages. However potential risk areas in the extended supply chain include:

- **Electronics and IT hardware:** The electronics industry is recognised as a high-risk industry for modern slavery and similar mistreatment. Manufacturing often occurs in locations with minimal regulation and oversight. There is also a risk that products are manufactured from raw materials, where production involved workers being subjected to modern slavery.
- **Uniforms and apparel:** apparel is often manufactured in high risk countries, and there have been reports of forced labour in the apparel industry in South East Asia.

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**DHL AU has a robust suite of resources, policies and procedures to monitor and manage human rights issues in their operations.**

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# Actions taken by DHL AU to assess and address risks

## 1. DHL AU Internal Operations:

### Policies and Governance

As an employer, DHL AU as part of Deutsche Post DHL Group leads by example: its human rights policy statement anchors minimum standards for fair working conditions and human rights in employee relations throughout Australia. The Group supports the following globally recognised declarations, principles and goals:

- The Ten principles of the UN Global Compact;
- The Universal Declaration of Human Rights;
- The International Labour Organization's Declaration on the four Fundamental Principles and Rights at Work;
- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights; and
- The UN Sustainable Development Goals.

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**Accountability for the implementation of this human rights policy statement is overseen by the Chief Executive Officers of the respective businesses in Australia. This ensures that every member of the DHL AU business is clear about the responsibility to respect human rights and its day-to-day implementation.**

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### Employee Code of Conduct

Our Code of Conduct reflects DHL AU's corporate values "Respect & Results". The rules and standards outlined in the Code serve as an "ethical compass" that guides all employees worldwide in their day-to-day work. There is no alternative to conducting our business in a responsible, fair and ethically irreproachable way. The Group Board of Management endorses the values outlined in the DHL Group Code of Conduct and expects all employees, executives and managers to be role models in their daily work and to contribute to a corporate culture characterized by respect. Code of Conduct and Supplier Code of Conduct training is provided to employees on an annual basis. The Code of Conduct is binding for all regions and business units of the DHL Group.

### Freedom of Association and Collective Bargaining

We respect our employees' right to join or not to join a trade union or employee representation of their choice, free from threat or intimidation. We recognize and respect the right to collective bargaining in accordance with applicable local law. Employees who act as representatives are neither disadvantaged nor favoured in any way.

### Working Conditions

#### • Remuneration and benefits

We compensate our employees relative to local industry and labour market and minimum wage legislation and in accordance with terms of applicable collective bargaining agreements, where they exist. We pay workers in a timely manner and clearly convey the basis on which workers are being paid.

#### • Working hours

We comply with all applicable local laws regarding working hours including overtime, rest breaks and paid vacation.

#### • Health & Safety

The safety, health and well-being of our employees is of utmost importance. In adherence to the Group's Occupational Health and Safety policy, statutory regulations and industry standards, we provide a work environment that is safe and conducive to good health, in order to preserve the health of employees, safeguard third parties and prevent accidents, injuries and work-related illnesses.

### Diversity and Inclusion

We promote an inclusive work environment that values the diversity of our employees as confirmed in our Diversity and Inclusion Statement. We are committed to equal opportunity and reject any forms of discrimination or harassment based on gender, ethnic origin, nationality, social origin, religion, age, disability, sexual orientation and identity or any other characteristics protected by applicable law. The basis for employee selection and promotion at Deutsche Post DHL Group is qualification, performance, skills and experience.

### Data Privacy

We respect the privacy of all individuals and the confidentiality of any personal data we hold about them. The Group's Data Privacy Policy provides appropriate safeguards for transmission of personal data belonging to its employees, customers and suppliers within the Group. The Group's Data Protection Management safeguards compliance with the respective data protection regulations.

## 2. DHL AU Suppliers:

### Supplier Selection

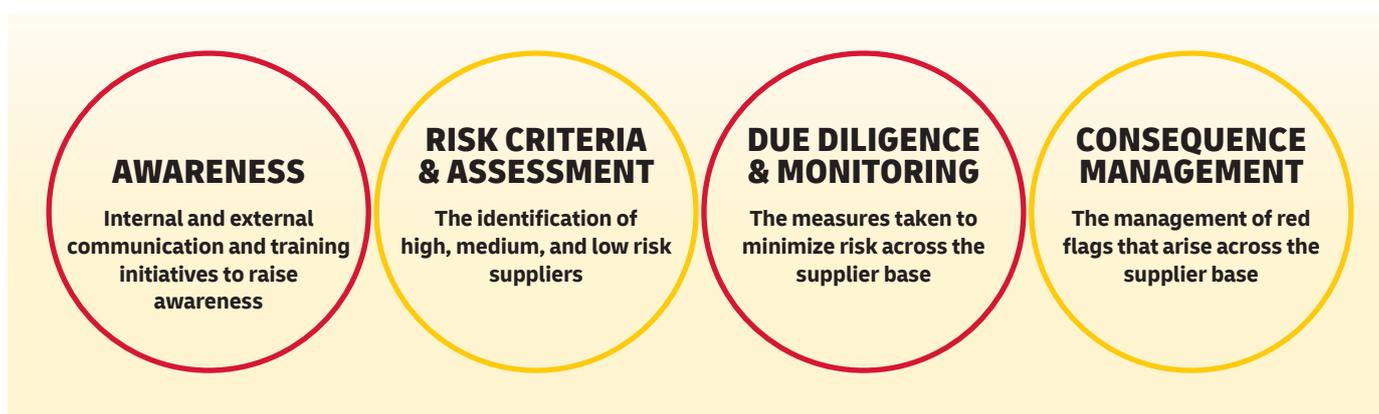
The goal of our standardized, multistep Supplier selection process is to ensure that, right from the tender stage, only bidders who share our values are invited to participate. Suppliers can use our interactive training module on the Supplier Code of Conduct in advance to learn about our requirements. In line with our Corporate Procurement Policy, preference is given to suppliers and transportation service providers with high social standards, particularly around human rights.

A standardized supplier monitoring and evaluation process is an integral component of our procurement platform, which we use to manage all procurement processes throughout the business. Using a risk based approach, consideration is given to factors such as the procurement of goods or services, country of origin and the suppliers past performance. Suppliers are then assigned to certain risk categories in areas such as human rights and modern slavery and are evaluated regularly as part of our due diligence screening. Our activities are also aligned with external standards, such as those defined by the United Nations, in order to take country-specific factors into account more effectively.

The engagement of suppliers requires full compliance with internal company policies, particularly with procurement policies. In addition, before entering into a new business relationship with a supplier, the below criteria of the Third Party Screening Process need to be assessed and applied.

While the Third Party Screening is generally recommended for evaluating all suppliers, it is obligatory in all cases where the supplier provides temporary labour services or 2 of the following 3 criteria are met:

- The supplier provides an important element (i.e. if the annual cash-transaction with the proposed supplier exceeds or is expected to exceed € 2.5 million or local currency)
- The supplier provides an important element (i.e. if the annual cash-transaction with the proposed supplier exceeds or is expected to exceed € 2.5 million or local currency equivalent) of DHL AU's service and for Suppliers providing products/ services to country entities with an annual spend of at least 250 k € being part of grouped companies exceeding 2,5m € annual spend



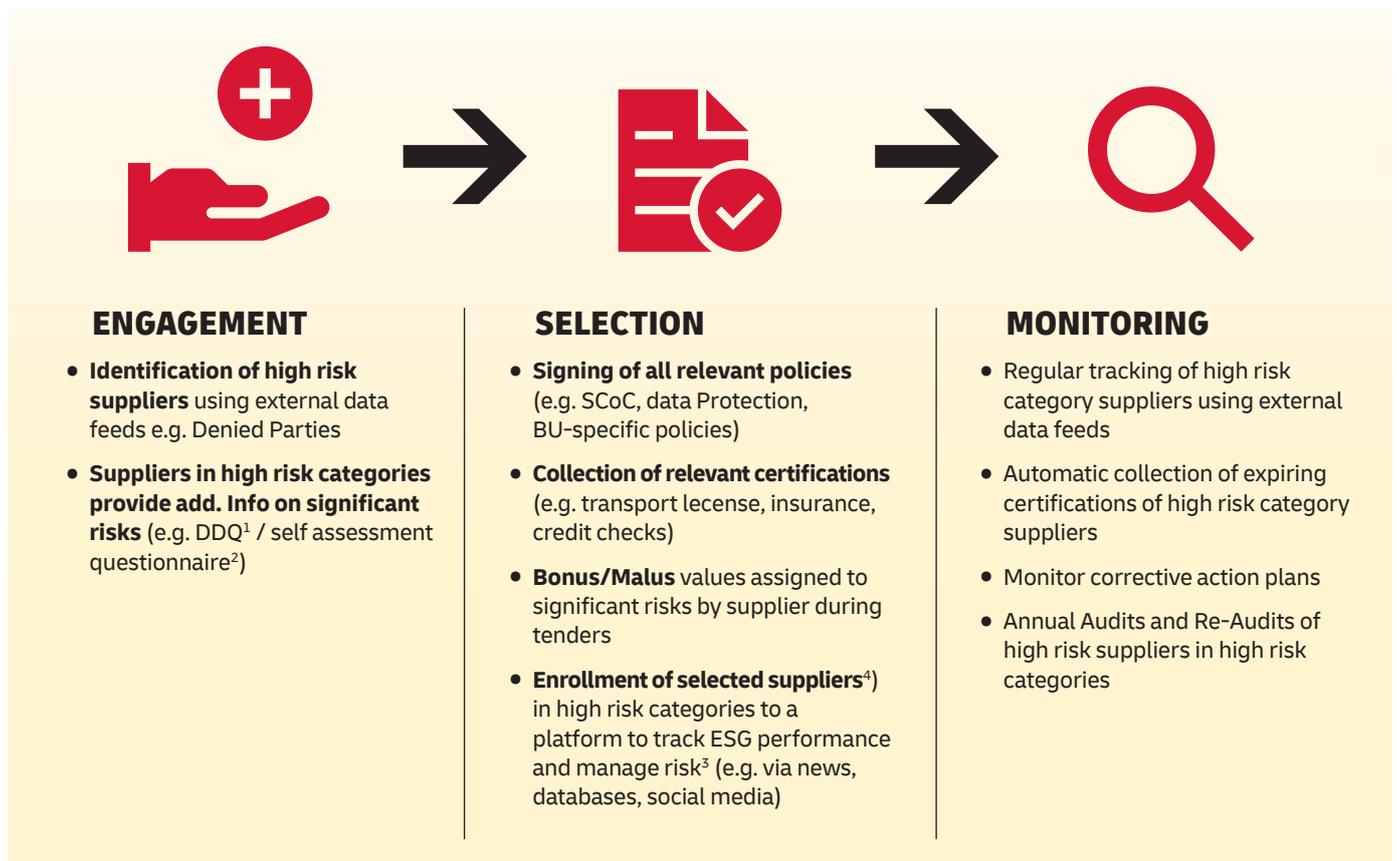
Suppliers are selected after a process where the supplier's capability is assessed to ensure that they are meeting the business requirements, as well as their economic significance and risk impact in the supply chain can be identified. This is embedded within the procurement sourcing process.

### Supplier Due Diligence Questionnaire (DDQ)

Furthermore, a "Supplier Due Diligence" policy (establishing minimum criteria for screening, process and a due diligence Questionnaire) is embedded in the Corporate Procurement Policy. This procedure incorporates assessments on our standards in the areas of Human Rights and Fair Labour Practices as well as Health & Safety, Data Protection, Bribery and Corruption, Environment, and Business Continuity Planning, with standards from our Supplier Code of Conduct.

- The relationship will be established and / or the services will be provided in a country with a Transparency International Corruption Perceptions Index score  $\leq 45$  (based on Transparency International's survey);
- The Third Party will be licensed to use any logo of Deutsche Post DHL and/or products / services having a high risk exposure to violation of Health & Safety and Human Relation related aspects (applies for suppliers in Transportation FTL/LTL , Promotional items, Uniforms, Protective Clothing, Security Services, Cleaning / Catering Services)

The Third Party Screening is to be initiated by approaching the supplier with the Due Diligence Questionnaire.



### Supplier Code of Conduct

We expect all of our suppliers, including subcontractors, i.e. all companies who do business with any company or division of DHL AU, to adhere to the same high ethical standards as our internal operations.

For this purpose, the DHL Group has produced a Supplier Code of Conduct (SCoC), which sets the minimum standards for doing business with any Group company or Business Unit. For more detailed information on the Supplier Code of Conduct, please click on the following link: <https://www.dpdhl.com/en/aboutus/code-of-conduct/supplier-code-of-conduct.html>

Suppliers can use the interactive training module on the Supplier Code of Conduct in advance to learn about the requested requirements.

DHL AU ensure that our suppliers and other third parties are well aware and bound by these standards and take their responsibility towards employees, society, the environment and governance standards seriously. DHL AU are required to only buy products and services from suppliers and subcontractors that have accepted and signed our Supplier Code of Conduct.

Further to this, Deutsche Post DHL Group has recently released the Sustainability Roadmap, where the Group pursues the aspiration to be a highly trusted company in our industry by building sustainable and resilient supplier relations based on our Supplier Code of Conduct.

For further information on the Sustainability Roadmap, please click on the following link: <https://www.dpdhl.com/en/investors/ir-download-center.html> and download the Sustainability Roadmap Presentation.

## External Supplier Evaluations

In order to enable the highest possible quality and objectivity during the supplier evaluation process, DHL AU utilises external organisations to audit suppliers systems, processes and performance.

To mitigate the risk of unethical practices occurring in our supply chains, DHL AU uses EcoVadis to independently evaluate suppliers against a set of sustainability criteria.

The objective of the EcoVadis Corporate Social Responsibility (CSR) rating methodology is to measure the quality of a company's CSR management system through its policies, actions and results. The EcoVadis assessment is based on 21 CSR Criteria in line with the UN Global Compact principles, which are anchored in 4 main themes, Environment, Labour and Human Rights, Ethics and Sustainable Procurement. EcoVadis requires companies to provide formal, recent, and credible documentation that serves as a reliable element of the company's CSR management system, e.g. CSR reports, policies, procedures, certificates, training materials. A scorecard is then generated for DHL AU and the supplier against these key criteria along with strengths and areas for improvement.

## Modern Slavery Risk Assessment

In 2020, DHL AU commissioned law firm Clayton Utz (CU) to conduct a Modern Slavery risk assessment for the supply chain of the Australian operations. CU's Forensic and Technology Services team undertook a forensic analysis of the Tier 1 supplier

base for each of the DHL AU entities, determining the risk profile based on key criteria including the supplier's jurisdiction and the nature of the category in which they operate. This risk assessment utilised DHL AU spend data along with the 2018 Global Modern Slavery Index (<http://www.globalmodernslaveryindex.org>) which provides scores in three areas:

- **Prevalence measure** which is estimated from the result of modern slavery surveys and socio-economics factors underlying each country;
- **Vulnerability score** which includes variables such as governance issues, lack of basic needs, inequality, disenfranchised groups and effects of conflicts; and
- **Government response index** which includes variables such as identification and support of slavery survivors, criminal justice mechanisms for prevention and government and corporate termination of the sourcing of goods and services produced from forced labour.

The analysis highlighted that 98 % of spend occurred with 2,805 suppliers based in Australia, which ranked 163 of 167 on estimated prevalence of modern slavery in the 2018 Global Slavery Index. The balance of DHL AU spend occurred with 138 international suppliers across 41 countries. These countries have high to low prevalence of and vulnerability to modern slavery.

## 21 CSR CRITERIA

ENVIRONMENT	LABOR & HUMAN RIGHTS	ETHICS	SUSTAINABLE PROCUREMENT
<p><b>Operations</b></p> <ul style="list-style-type: none"> <li>• Energy Consumption &amp; GHGs</li> <li>• Water</li> <li>• Biodiversity</li> <li>• Local &amp; Accidental Pollution</li> <li>• Materials, Chemicals &amp; Waste</li> </ul> <p><b>Products</b></p> <ul style="list-style-type: none"> <li>• Product Use</li> <li>• Product End-of-Life</li> <li>• Customer Health &amp; Safety</li> <li>• Environmental Services &amp; Advocacy external data feeds e.g. Denied Parties</li> </ul>	<p><b>Human Resources</b></p> <ul style="list-style-type: none"> <li>• Employee Health &amp; Safety</li> <li>• Working Conditions</li> <li>• Social Dialogue</li> <li>• Career management &amp; Training</li> </ul> <p><b>Human Rights</b></p> <ul style="list-style-type: none"> <li>• Child labor, Forced Labor &amp; Human Trafficking</li> <li>• Diversity, Discrimination &amp; Harassment</li> <li>• External Stakeholder Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>• Corruption</li> <li>• Anticompetitive Practices</li> <li>• Responsible Information Management</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Environmental Practices</li> <li>• Supplier Social Practices</li> </ul>

## DHL AU Prevalence Risk of Modern Slavery

Figure 1: DHL Supply Chain (Australia) Pty Ltd. Prevalence Risk of Modern Slavery

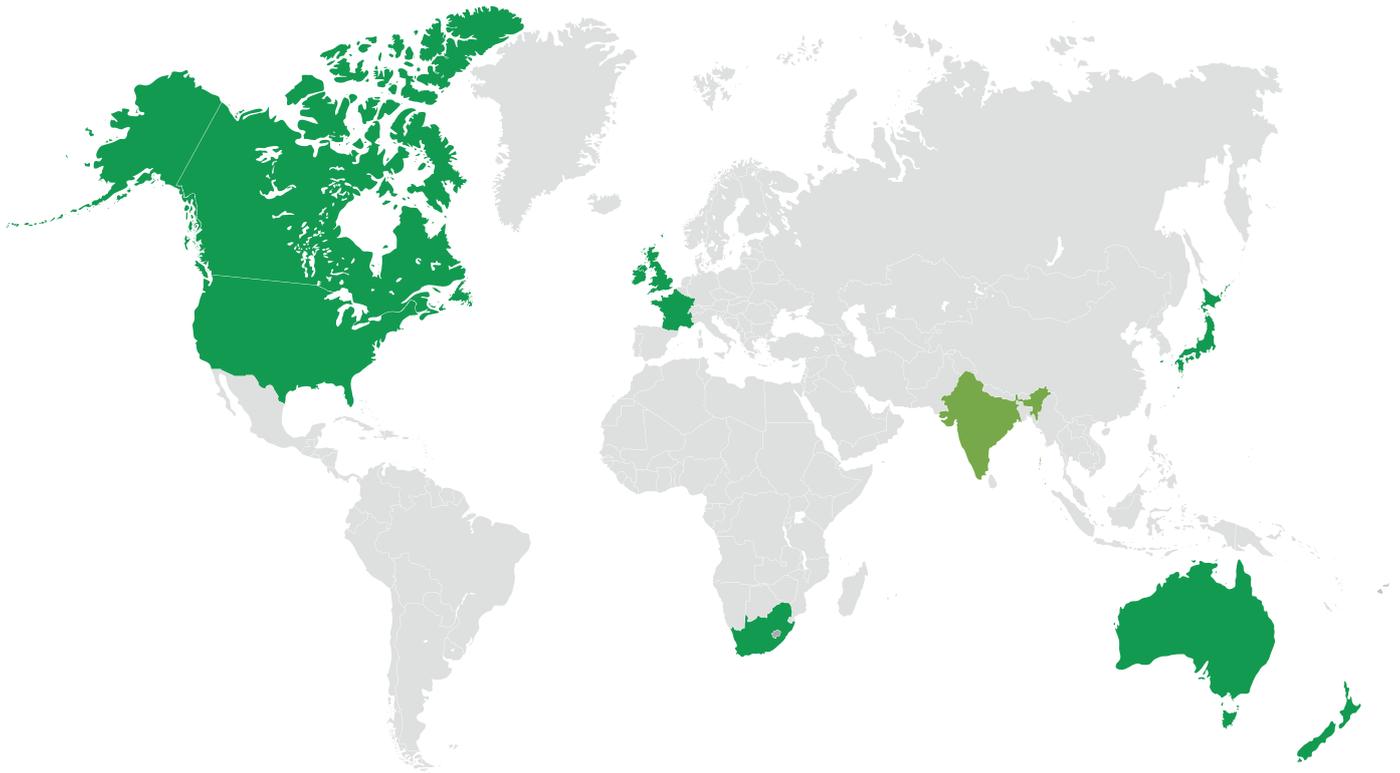
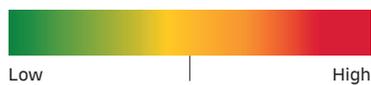
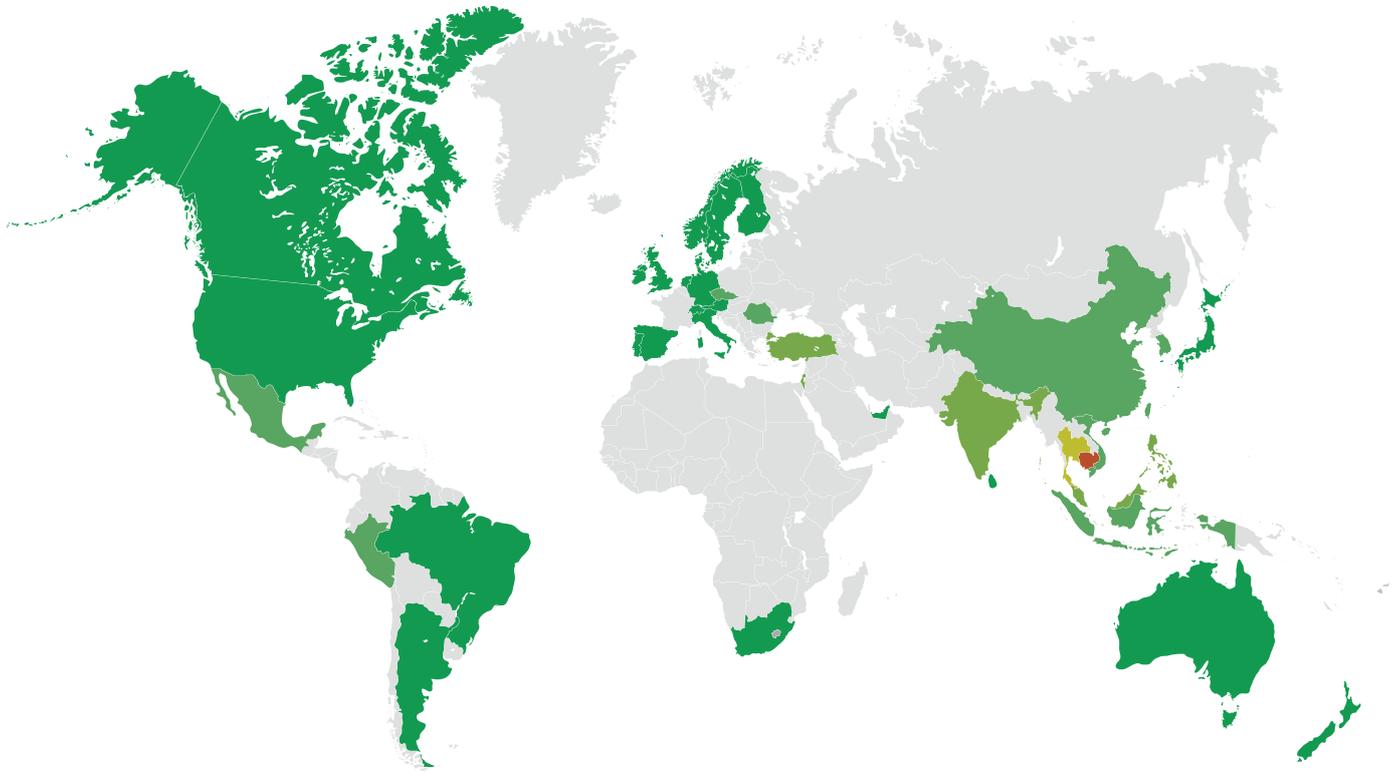
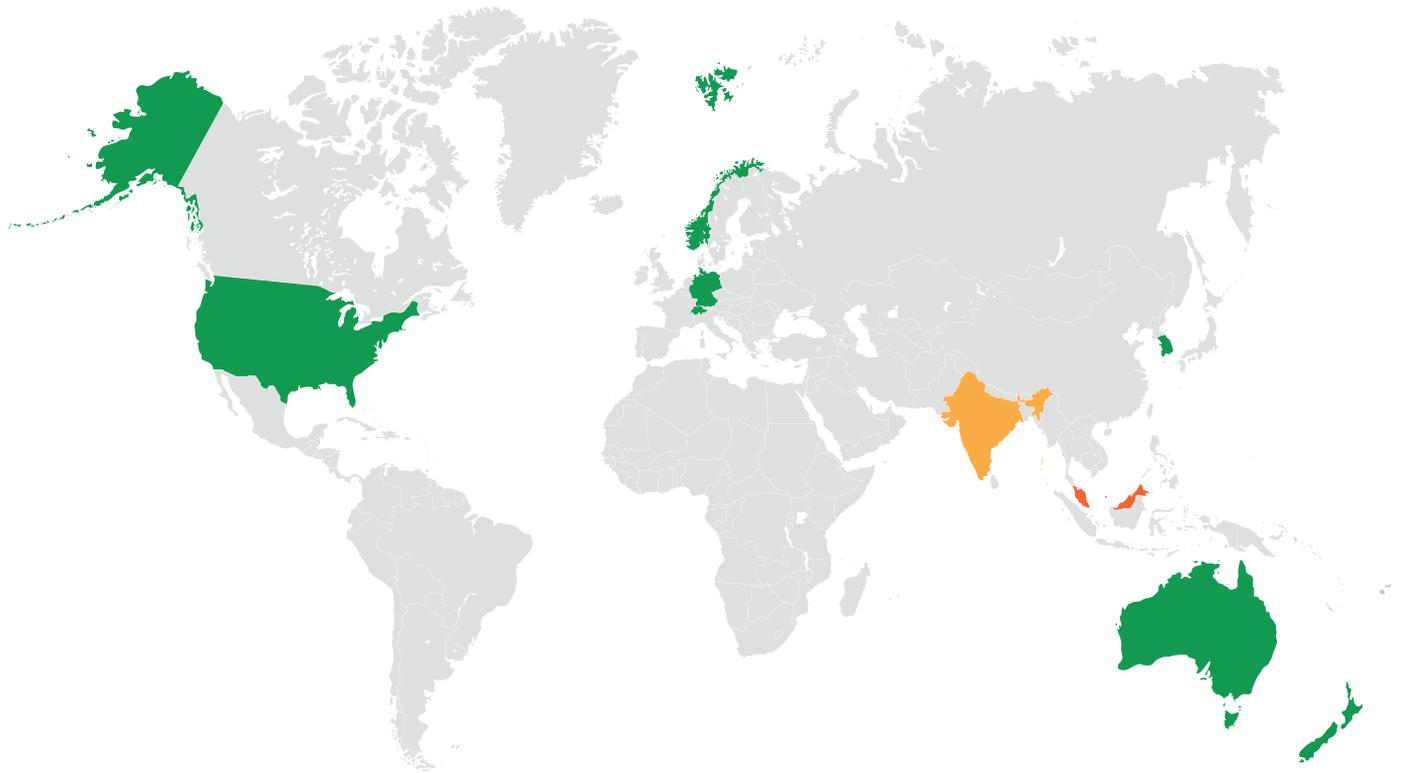


Figure 2: DHL Express (Australia) Pty Ltd. Prevalence Risk of Modern Slavery



**Figure 3:** DHL Global Forwarding (Australia) Pty Ltd. Prevalence Risk of Modern Slavery



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The Modern Slavery Risk Assessment report included recommendations to continue to closely monitor and manage those **suppliers and supply chains from medium to high-risk geographies and categories.**

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### Modern Slavery Risk Assessment Questionnaire

DHL AU conducted a modern slavery risk assessment questionnaire with those suppliers that have not yet completed or are not required to produce a modern slavery statement. This survey was designed to understand our suppliers' approach to managing the risk of modern slavery within their business and in their own supply chains.

## 3. Due Diligence

Our commitment to respect human rights is reflected in DHL AU's policies e.g. Code of Conduct, Supplier Code of Conduct and procedures. In order to comply with international Human Rights standards, national laws and DHL AU's policies we undertake appropriate Human Rights due diligence as a means to identify, assess and address potential and actual adverse human rights impacts in our business activities and supply chain.

## 4. Training & Awareness

We continue to communicate the Group's policies and raise awareness and knowledge amongst our employees and partners. We offer specific training on human rights related matters to our employees and partners.

## 5. Stakeholder Engagement

We recognize that we are part of the communities in which we operate in. We seek to engage with stakeholders e.g. our supply chain through dialogue in order to better understand and take into account their views and expectations regarding human rights and modern slavery as described in our Stakeholder Engagement Guideline.

## 6. Remedy and Grievance Mechanism

If it is determined that there is a risk of adverse human rights impact caused or contributed by our business activities, we have a procedure in place to ensure the activity is assessed, changed, discontinued and/or remediated. We encourage our employees to address suspected violations of this modern slavery policy statement through the established accessible grievance or dispute resolution channels including local management, responsible Human Resources departments or the Compliance Hotline. Our partners and third parties have the opportunity to access web forms at [www.dpdhl.com](http://www.dpdhl.com) to report potential violations of our Human Rights or Modern Slavery Policy Statement.

If we receive specific information that a supplier has violated our agreements or the provisions of the Supplier Code of Conduct, we review the situation and prepare an action plan with specific implementation deadlines. Depending on the severity of the violation, these measures can also include terminating the business relationship.

# Effectiveness of actions being taken to assess and address modern slavery risks

## Corporate Governance and Monitoring

We communicate and report on our human rights related commitments, activities and statements, consistent with modern slavery statement, as part of our Deutsche Post DHL Group's annual reporting. As part of our culture of continuous improvement, DHL AU regularly evaluates and reviews how best to improve and strengthen our approach to addressing human rights in our sphere of influence.

## External Audits Completed

As part of DHL AU's efforts to appropriately document risk-based due diligence pertaining to the hiring and appropriate and regular oversight of suppliers, DHL AU conducted 11 Supplier Due Diligence Screenings in 2020. These 11 Due Diligence Screenings did not highlight any human rights or other risks or adverse findings for these suppliers. No escalations were required to the Regional Compliance or Procurement Governance team.

## Effectiveness of the Compliance Hotline

The Compliance Hotline, which is available 24/7, offers a protected channel employees may use to report compliance violations. Identification and management of non-compliance are essential to support the Group in implementing certain corporate governance principles and standards, specifically provisions on the fight against human rights violations, corruption, and criminal law.

## Internal Awareness and Training Programs

Comprehensive awareness and training at all levels and all locations are the most effective means to mitigate risks and protect DHL AU and its employees. To support this, employees are required to complete Code of Conduct training. In 2020 there were a total of 61 training days for DHL Supply Chain, 3,750 days for DHL Express and 250 days for DHL Global Forwarding.



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**DHL AU regularly evaluates and reviews how best to improve and strengthen our approach to addressing human rights in our sphere of influence.**

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# The process of consultation with other entities

DHL AU adopted a cross-functional approach to risk analysis, reporting and business input in the preparation of this Statement. In particular, a detailed risk analysis was conducted for DHL Express (Australia) Pty Limited, DHL Supply Chain (Australia) Pty Limited and DHL Global Forwarding (Australia) Pty Limited. This statement was prepared by the DHL AU Group procurement and legal team with each DHL AU entity involved in reviewing the Statement and contributing to its preparation. The Directors of each DHL AU entity then reviewed and approved the Statement.



# Signed by

## DHL Supply Chain (Australia) Pty Limited



Signature of Director

**Saul Resnick**

Print Name

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## DHL Express (Australia) Pty Limited



Signature of Director

**Gary Edstein**

Print Name

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## DHL Global Forwarding (Australia) Pty Limited



Signature of Director

**George Lawson**

Print Name

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## Deutsche Post Global Mail (Australia) Pty Limited



Signature of Director

**Denise McGrouther**

Print Name

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