

1. THE REPORTING ENTITY

This modern slavery statement (**Statement**) has been prepared on behalf of the AirRoad group of companies (**AirRoad** or **Group**) for the financial year ending 31 December 2022 in accordance with AirRoad's obligations under the *Modern Slavery Act 2018* (Cth).

The parent company of AirRoad is AirRoad Pty Limited (ABN 81 002 955 419) of 31 Nyrang Street, Lidcombe NSW 2141. Senko Group Holding co. Ltd, Japan is majority shareholder of AirRoad Pty Ltd. The companies within the Group include:

- AirRoad Logistics (ABN 87 071 577 485) of 31 Nyrang Street, Lidcombe NSW 2141
- AirRoad Direct (ABN 46 090 829 333) of 31 Nyrang Street, Lidcombe NSW 2141;
- AirRoad Specialised (ABN 17 117 585 565) of 31 Nyrang Street, Lidcombe NSW 2141 and
- M&M Thorpe Transport Services (99 089 681 498) of 31 Nyrang Street, Lidcombe NSW 2141.

AirRoad is committed to ensuring that all parties involved in its supply chain are aware of its modern slavery risks and take active steps to mitigate such risks. AirRoad has consulted key personnel from our Quality, Human Resources (HR), Safety, Finance, Operations and Legal teams to prepare this statement. The consultation process involved conducting risk assessments for key areas within the business, as well as establishing expectations and standards of behaviour for AirRoad's core suppliers. AirRoad's Senior Leadership Team (SLT) has been briefed on modern slavery risks as well as actions to reduce and eliminate those risks. AirRoad's Board of Directors has reviewed and approved this response.

2. INTRODUCTION

AirRoad has a zero-tolerance for any instance of slavery and trafficking throughout its operations and supply chains. We are committed to improving our practices to combat modern slavery and working with suppliers that are ethical and do not contribute towards slavery, human trafficking, child labour or human rights abuse.

AirRoad also values the health and safety of its workers and is committed to providing a safe workplace.

This Statement provides a framework to ensure that AirRoad, its workers and suppliers act in accordance with their obligations under applicable Modern Slavery legislation and uphold AirRoad's zero-tolerance approach to modern slavery.

The Statement reinforces our commitment to operating ethically to uphold our core values:

Customer centricity

The impact on the customer will always be considered

Diversity

Equal opportunity for all

Respect

Treating others as you would like to be treated

Integrity

Honesty and openness

Flexibility

Embracing change

Initiative

Problem solving and seeking a better way

3. OBJECTIVES

Beyond legislative compliance, AirRoad is committed to identifying, preventing and addressing slavery risks both internally, for example, by training staff to source all materials ethically, and externally, by working with our suppliers. AirRoad plans to accomplish this through both due diligence and mitigation processes.

AirRoad recognises that a commitment to zero-tolerance for slavery may extend beyond monitoring suppliers and will, at times, require collaboration with suppliers to ensure that the goods and services they provide are not contributing to slavery and human trafficking. If the Group identifies instances of non-conformance, we will work with our suppliers to eliminate risks as much as possible.

4. THE GROUP'S STRUCTURE AND OPERATIONS

AirRoad provides premium express road transport and supply chain services throughout Australia. The Group has an annual consolidated revenue of over \$100 million per annum and has over 400 employees and contractors.

AirRoad provides premium services in national road freight distribution, express and specialised transport and supply chain management to blue-chip clients:

- AirRoad Logistics (ABN 87 071 577 485) – provider of warehousing facilities.
- AirRoad Specialised (ABN 17 117 585 565) – provider of specialised delivery services.
- M&M Thorpe Transport Services (99 089 681 498) – provider of interstate heavy vehicle road transport services.
- AirRoad Direct Pty Ltd (ABN 46 090 829 333) – provider of interstate transport services without the requirement to set up an account.

AirRoad's mission is to be the express transportation and logistics service provider of choice to the Australian market and has been providing this service since 1989.

AirRoad has depots in Sydney, Melbourne, Brisbane, Perth and Adelaide and utilises a combination of permanent employees, labour hire contractors and subcontractor drivers to provide its services to customers. The details of each of the depots are:

Sydney – 31 Nyrang Street, Lidcombe NSW 2141

Total employees: 170

Total local subcontractor drivers: 48

Sydney – 2A Basalt Road, Pemulwuy NSW 2145

Total employees: 47

Sydney – 495 Victoria Street, Wetherill Park NSW 2164

Total employees – 4

Melbourne – 41-55 Elgar Road, Derrimut VIC 3031

Total employees: 122

Total local subcontractor drivers: 45

Melbourne – 26 Agosta Drive, Laverton North VIC 3026

Total employees: 12

Melbourne – 60 Fulton Drive, Derrimut VIC 3026

Total employees: 1

Brisbane – 16-24 Nealdon Drive, Meadowbrook QLD 4131

Total employees: 62

Total local subcontractor drivers: 34

Brisbane – 33-35 Nealdon Drive, Meadowbrook QLD 4131

Total employees: 5

Brisbane – Warehouse K, 93 Gosport Street, Hemmant QLD 4174

Total employees: nil – staff shared with Lytton site.

Brisbane – Warehouses C & E, 30 Pritchard Street, Lytton QLD 4178

Total employees: 4

Perth – 24 Miles Road, Kewdale WA 6105

Total employees: 52

Total local subcontractor drivers: 15

Adelaide – 4 Birralea Road, Regency Park SA 5010

Total employees: 4

Total local subcontractor drivers: 16

Adelaide – 7/9 William Street, Mile End SA 5031

Total employees – 3

5. OUR SUPPLY CHAINS

Our supply chains include:

- Local delivery subcontractors – many of whom have been engaged long term.
- Equipment servicing and maintenance providers, such as heavy vehicle servicing, trailer and curtain repairs, forklift and conveyor maintenance.
- Labour hire providers, which are selected based on the criteria listed in item 8.
- Outside hire delivery drivers – only used when volumes exceed what can be managed by the standing subcontractor fleet.
- Cleaning contractors.
- Inter and intrastate delivery agents, many of which have a long-term relationship with AirRoad.
- Property maintenance providers, including gardening services, fire system maintenance, electrical and plumbing works.
- Providers of general office equipment and supplies, such as printing and stationary supplies.
- Suppliers of professional services including lawyers, accountants and tax/insurance advisors.

6. THE RISKS OF MODERN SLAVERY IN OUR OPERATIONS & SUPPLY CHAINS

As part of our compliance with the *Modern Slavery Act 2018* (Cth), AirRoad has identified areas within the Group's operations and supply chains which could be at risk of modern slavery practices.

The nature and context of these risks, as well as the specific risk management strategies implemented by the Group to address them, are set out **below** in the table at **item 8**.

7. ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISK OF MODERN SLAVERY

(A) POLICIES ON SLAVERY

AirRoad is committed to ensuring that there is no modern slavery in its supply chains or in any part of its business. AirRoad currently has the following policies in place which reflect our commitment to acting ethically and with integrity in all our business relationships and to ensuring that our staff, suppliers and customers are treated with dignity and respect:

- AR-QP-0011 – Environmental policy
- AR-HR-QP-1052 - Employee Code of Conduct
- AR-SS-QP-8000 – AirRoad Workplace Health and Safety Policy and Procedure
- AR-HR-QP-1002 – EEO Discrimination, Harassment and Bullying Procedure and Statement
- AR-HR-QP-1082 – Whistleblower policy and procedure

In addition, AirRoad's values and ethical standards for doing business are specified in our mission statement which is publicly available on our website [here](#).

AirRoad maintains a supplier Code of Conduct (AR-QP-0012) (**Supplier Code**) which all AirRoad's suppliers and contractors must comply with. Among other things, the Supplier Code requires that forced, bonded, indentured, involuntary or slave labour must not be used. Suppliers must also not engage their workers under terms which conflict with legal working conditions.

If a Supplier is suspected of contravening the AirRoad Supplier Code of Conduct, AirRoad may cease to engage the Supplier.

(B) PROCESSES TO ENSURE SUPPLIER ADHERENCE TO OUR VALUES

AirRoad seeks to only work with suppliers and other business partners who respect human rights.

As part of our commitment to ensuring that our suppliers comply with our values and zero tolerance approach to modern slavery, AirRoad has in place the following:

- The Supplier Code, which all AirRoad's suppliers and contractors are required to comply with;
- A requirement that AirRoad's suppliers must complete their own statement every 12 months (or as otherwise agreed between AirRoad and a particular supplier) assuring AirRoad that they are taking all reasonable steps to reduce the risk of modern slavery practices in their own supply chains and operations. Local Subcontractor delivery drivers are required to annually complete the AirRoad Subcontractor Statement (document number AR-HR-QF-1086), or for other supplier types a copy of AirRoad's Modern Slavery Statement for Suppliers (AR-HR-QF-1083), which is **attached** at Schedule A;

- Processes for ensuring that our suppliers and contractors can legally work in Australia - these are detailed in the table at **item 8 below**.

(C) ANONYMOUS REPORTING MECHANISM

AirRoad has implemented the Elker reporting system <https://airroad.elker.com> This allows all workers to report issues or concerns securely and anonymously, without fear of repercussion.

Unique user aliases are system generated ensuring complete confidentiality. Nominated appropriate managers within AirRoad have the facility to respond to reports through the portal.

(D) DUE DILIGENCE PROCESSES FOR MODERN SLAVERY RISK AREAS

In addition to the steps mentioned at (A), (B) and (C) above, AirRoad has a due diligence processes in place (detailed in the below table) to mitigate and monitor identified modern slavery risk areas in its business and supply chains.

8. RISK AREAS AND ACTIONS TAKEN TO ASSESS AND ADDRESS THOSE RISKS

Risk area	Description of risk	Process to ensure workers are in Australia legally.	Process to ensure workers can legally work in Australia.	Award or Enterprise Bargaining Agreement payment structure used.	Risk level (High, Medium, Low)	Actions taken to assess and address risks
AirRoad employees	Workers may not always be completely truthful about work status. Independent due diligence completed.	Visa checks completed through MakeSure during application process.	Visa checks completed. Refer: AR-HR-QF-1028 - AUTHORITY TO OBTAIN DETAILS OF WORK RIGHTS STATUS.	<ul style="list-style-type: none"> Federal National Employment Standards (NES). Road Transport and Distribution Award 2020 Clerks – Private Sector Award 2020 Road Transport (Long Distance Operations) Award 2020 Manufacturing and Associated Industries and Occupations Award 2020 	LOW	<ul style="list-style-type: none"> Annual wage review decisions from Fair Work Commission applied. Annual remuneration review conducted for other non-award workers.
Local subcontractor drivers (and their employees)	Subcontractors may not always be completely truthful about work status. Independent due diligence completed. Conformance: A situation that conforms to the requirements of policies, standards, procedures, systems, or regulation(s) applicable to the Transport service Provider	Visa checks completed through MakeSure during application process.	Visa checks completed. Refer: AR-HR-QF-1028 - AUTHORITY TO OBTAIN DETAILS OF WORK RIGHTS STATUS.	<ul style="list-style-type: none"> Transport Industry – General Carriers Contract Determination. NSW – Subcontractors statement regarding Workers Compensation, Payroll Tax and Remuneration Award or Industrial Instrument 	LOW	<p>Industrial instruments reviewed annually. Generally conducted in line with employee reviews. Annual sign off of the AirRoad Subcontractor Statement (AR-HR-QF-1086) required to confirm compliance with legal employment and anti-slavery obligations.</p> <p>Conduct a Contract Carrier Audit to determine the capability and effectiveness of the organization’s management system in ensuring continual compliance</p>

						with customer, statutory and regulatory requirements and in meeting its specified objectives and the conformity of the management system to stated criteria. NOTE: not required for carriers with 10 or less workers.
Interstate linehaul contractors (outside hire)	Conformance: A situation that conforms to the requirements of policies, standards, procedures, systems, or regulation(s) applicable to the Transport service Provider	Approximately 90 linehaul contractors in use at any one time. Due to impracticality of checking every provider, a signed copy of AirRoad’s Modern Slavery Statement for Suppliers (AR-HR-QF-1083) is obtained from each contractor.		Contract Determination or Industrial Instrument	MED	A signed copy of AirRoad’s Modern Slavery Statement for Suppliers (**AR-HR-QF-1083) is obtained from each contractor. Conduct a Contract Carrier Audit (AR-QF-0007) to determine the capability and effectiveness of the organization’s management system in ensuring continual compliance with customer, statutory and regulatory requirements and in meeting its specified objectives and the conformity of the management system to stated criteria. NOTE: not required for carriers with 10 or less workers.
Labour hire providers	Transient workforce	Contract with agency providers states that visa checks must be completed on all	On boarding requirements and contracts managed through the AirRoad Human	Relevant award listed on each invoice submitted for payment.	LOW	A signed copy of AirRoad’s Modern Slavery Statement for Suppliers (**AR-HR-QF-1083) is obtained from each labour hire provider.

		<p>applicants before being submitted to AirRoad as a worker. On boarding requirements and contracts managed through the AirRoad Human Resources department.</p> <p>A signed copy of AirRoad’s Modern Slavery Statement for Suppliers (AR-HR-QF-1083) is also obtained from each labour hire provider.</p>	Resources department.			
Delivery agents	Register of all Contractors engaged by the Service Provider	<p>Approximately 70 delivery agents in use at any one time. Due to impracticality of checking every provider, random Carrier Assessment audits AR-QF-0007 are conducted.</p> <p>Where deemed necessary a signed copy of the AirRoad Modern Slavery Statement for Suppliers (AR-HR-QF-1083) is obtained.</p> <p>NOTE: not required for carriers with 10 or less workers.</p>	N/A		MED	<p>A signed copy of the AirRoad Modern Slavery Statement for Suppliers (**AR-HR-QF-1083) is obtained.</p> <p>Conduct a Contract Carrier Audit AR-QF-0007 on a Random basis to determine the capability and effectiveness of the organization’s management system in ensuring continual compliance with customer, statutory and regulatory requirements</p>
Service/maintenance suppliers		Low frequency/volume of engagement. Checks impractical to complete.			LOW	N/A

****See attached Schedule A – AR-HR-QF-1083 – Modern Slavery Statement for Supplier**

9. OUR EFFECTIVENESS IN COMBATING SLAVERY

We manage risks to our business by maintaining consistent and high standards of due diligence and risk mitigation processes to monitor and avoid modern slavery in our supply chains.

To assess the Group's effectiveness in combatting slavery we regularly review our policies and procedures, particularly around risk mitigation and contractor or supplier engagement. Key personnel are tasked with keeping on top of changes to relevant legislation, and ensuring this information is fed through the key decision makers within the Company. These include the SLT, HR, Quality and Safety departments within the Company.

10. PLANS FOR FUTURE ACTION

AirRoad acknowledges the importance of taking active steps to reduce modern slavery risks as well as monitoring its performance in this area. Our Modern Slavery due diligence process has identified key risk areas to monitor as well as regular actions to take to address those risks.

We will be communicating acceptable standards of behaviour with our core suppliers to ensure that modern slavery risks throughout their supply chain are understood, and that these are in turn cascaded down their own supply chains.

Our Modern Slavery Working Group will regularly review our performance and actions taken in addressing slavery risks. This group is made of members from our Quality, Human Resources, Safety, Finance, Operations and Legal teams.

APPROVAL:

This Statement is endorsed and approved by the AirRoad Board of Directors.

Signed by AirRoad Managing Director on behalf of AirRoad Board of Directors:



28 June 2023

(signature)

(date)

Malcolm Thorpe
Managing Director

Schedule A – AR-HR-QF-1083 – Modern Slavery Statement for Suppliers

1. INTRODUCTION

This Statement has been prepared by [insert supplier company's name] (**Supplier**) at AirRoad's request.

[WHERE APPLICABLE] This Statement is being prepared at AirRoad's request pursuant to the agreement dated [DATE] between the Supplier and AirRoad Pty Ltd.

2. PURPOSE

The purpose of this Statement is to assure AirRoad that the Supplier is taking all reasonable steps to ensure that there are no modern slavery practices in its supply chains or business operations.

This Statement has **not** been prepared for the purpose of meeting the Supplier's obligations (if any) under applicable modern slavery legislation including without limitation the *Modern Slavery Act 2018* (NSW) and the *Modern Slavery Act 2018* (Cth) as amended from time to time (**Slavery Legislation**). The Supplier acknowledges that it may have separate obligations under the Slavery Legislation to prepare additional statements relating to modern slavery.

3. STATEMENT

The Supplier affirms that, for the period of 12 months prior to the date of this Statement, it:

- a) has complied with, and has taken all reasonable steps to ensure that its personnel and the personnel of any subcontractors have complied with all applicable laws, statutes, regulations and codes relating to modern slavery, servitude, forced or compulsory labour and/or human trafficking including but not limited to relevant provisions of the Slavery Legislation as amended from time to time (**Relevant Requirements**);
- b) has complied with, and has taken all reasonable steps to ensure that its personnel and the personnel of any subcontractors have complied with any AirRoad policies and procedures relating to the Relevant Requirements as communicated and amended from time to time;
- c) has maintained and communicated its own policies and procedures to meet the Relevant Requirements and enforced them where appropriate;
- d) has maintained appropriate due diligence procedures for its own suppliers and subcontractors to ensure that there is no modern slavery, servitude, forced or compulsory labour and/or human trafficking in its supply chains or business operations. This includes having systems in place to, amongst other things:
 - i. identify and assess potential risk areas in its supply chains;
 - ii. mitigate the risk of modern slavery occurring in its supply chains; and
 - iii. monitor potential risk areas in its supply chains.
- e) has notified AirRoad of any actual or suspected breaches of any of the Relevant Requirements that it has become aware of in connection with the provision of its goods or services to AirRoad;

- f) has not, and to the best of its knowledge its personnel have not, been convicted of any offence involving a breach of the Relevant Requirements or been the subject of any investigation, inquiry or enforcement proceedings regarding any offence or alleged offence in connection with the Relevant Requirements; and
- g) has taken all other reasonable steps to ensure that there is no modern slavery in its supply chains or any part of its business operations.

4. ACCURACY OF INFORMATION IN STATEMENT

The Supplier affirms that the information in this Statement is true and correct. The Supplier acknowledges that AirRoad is relying on this information to ensure its compliance with the Slavery Legislation.

Signed by: _____
Authorised Representative

Name: [INSERT NAME OF AUTHORISED REPRESENTATIVE]

For and on behalf of [INSERT NAME OF SUPPLIER COMPANY]

Date: _____