



# Modern Slavery Act Statement

FY2021



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# MESSAGE FROM THE MANAGING DIRECTOR AND THE DEPUTY MANAGING DIRECTOR

AAW is extremely proud to report on our ongoing efforts to understand, identify, and address the risk of modern slavery in our operations and supply chain for the reporting period ending June 30, 2021.

We strongly believe our commitment to acting ethically, honestly, and respecting the rights of others, has underpinned our success since we first opened our doors in 1983.

Our values as a company are what drive us to continue learning and improving in every aspect of our business dealings. This Modern Slavery Statement articulates our commitment to doing business in a way that places the greatest value on human rights and dignity, ahead of profits.

This reporting period has presented our business with a great many challenges, giving us the opportunity to reflect on who we are, and the standards we expect from those with whom we do business.

We are pleased to submit the second Modern Slavery Statement on behalf of the AAW Board of Directors and employees for the 2020–21 reporting period, and to participate in the fight against human trafficking and modern-day slavery.



Barry Misiurak  
Managing Director

A handwritten signature in blue ink, appearing to read "Barry Misiurak".



Andrew Maguire  
Deputy Managing Director

A handwritten signature in blue ink, appearing to read "Andrew Maguire".

## PURPOSE OF THE STATEMENT

AAW Global Logistics (AAW) recognises the responsibility of understanding and respecting human rights of all people without any discrimination and are committed to preventing and addressing any risks of adverse human rights impact linked to our operations and supply chain. As part of our commitment to supporting human rights, we take a stand against modern slavery, and we are committed to working with all our stakeholders to reduce and eradicate the practice of modern slavery and human trafficking within our operations and beyond.

This Modern Slavery Statement, made pursuant to Australian Modern Slavery Act 2018 (the Act), aims to articulate the risks of modern slavery within AAW's operations and supply chains, and the steps we have taken, and will take in subsequent reporting periods, to manage and address these risks.

Our Modern Slavery Statement has been prepared in accordance with the mandatory reporting criteria required by the Act, being:

- A description of AAW entity and its structure;
- An outline of our operations and supply chains;
- An assessment of the potential modern slavery risks in those operations and supply chains;
- Actions taken to assess and address those risks in the reporting period;
- Assessment of the effectiveness of such actions and future steps;
- A description of the process of consultation with the entities owned and controlled by AAW in preparing this Modern Slavery Statement.

## UNDERSTANDING MODERN SLAVERY

Modern slavery describes situations where offenders use coercion, threats, or deception to exploit victims and undermine personal freedoms. Practices that constitute modern slavery can include human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour.

It does not include practices like substandard working conditions or underpayment of workers, though these practices are also harmful and may be present in some situations of modern slavery.

Modern slavery can occur in every industry and sector and has severe consequences for victims. Modern slavery also distorts global markets, undercuts responsible businesses, and can pose significant legal and reputational risks to entities.

Entities have a responsibility to respect human rights in their operations and supply chains, as outlined in the *United Nations Guiding Principles on Business and Human Rights*. This includes taking steps to assess and address modern slavery risks.

In committing to take action to combat modern slavery in our operations and supply chains, AAW can protect against harm to our business and our clients' businesses and improve the integrity and quality of our supply chains, and our client's supply chains.

# OUR STRUCTURE AND OPERATIONS

AAW Global Logistics Pty Ltd (AAW) (ABN: 14 007 257 865) was first established in 1983 as an international freight forwarder. With our Head Office in Melbourne, offices in Brisbane, Sydney, Adelaide, Fremantle, Darwin, Auckland, and a warehouse in Brisbane, our company employs almost 90 people. Over the years, our Company has grown to provide a wide range of services under the auspices of its specialist divisions:



## **International Freight Forwarding – Global Coverage: Sea & Air**

AAW Global Logistics (AAW) is a Freight Forwarding company – offering a variety of expertise throughout Australia / New Zealand & Internationally: Freight Forwarding (Export & Import, Sea & Air, Consolidation Products, Reefer Focus), Customs Brokerage, Warehouse & Fulfilment, 3PL Solutions, Supply Chain Solution (Lighthouse)



## **Domestic Australian Coastal Cargo Movements & Road / Rail services**

Coastalbridge specialises in Sea, Road and Rail movements of dry and refrigerated cargo between all major Australian cities. Coastalbridge's service network extends across Australia including North Queensland, Tasmania, and Northwest WA. Coastalbridge can also offer bespoke door-to-door logistics solutions



## **ISO Tanks / Flexi-tanks & Specialised 'Dangerous Goods' Forwarding**

**HOYER Logistics Australia:** provides specialised logistics services to the Australian and New Zealand domestic markets. This includes fleet management, domestic transportation of chemical products, foodstuffs, and cryogenically liquefied gases. Logistics Services are provided in addition to the leasing of ISO Tank Containers and IBCs. Full-service Flexi-tank operations are also provided by the team

**HOYER Global Agency Australia:** provides full end-to-end international services for the movements of ISO Tanks and Flexi-tanks to worldwide destinations



## **Regional Australia Specialisation – Fresh Produce and General Cargo**

Regional Shipping Services (RSS) specialise in servicing the logistics needs of Regional Australia. With dedicated experienced staff, RSS has technical expertise in Cold Chain logistics and understands the unique challenges facing the many industries in key regional areas of Australia



## **Specialised Project forwarding, including full vessel charters**

AAW Project Logistics is a team of highly skilled & experienced project professionals who develop engineered transport solutions for project cargoes to and from all points of the globe, including cross-trade movements. Services include Break & Containerized Cargo, Heavy Lift & Modular Cargo, Transport Engineering, Project Management Door to Door, Part & Full Vessel Chartering, Multimodal Freight Solutions, Turnkey Industrial Projects, and Project Logistics & Consultancy



## **Supply Chain Management & Logistics Services**

PIL Logistics Australia (PILLA) is a boutique Freight Forwarder, with broad reaching global integrated logistics capabilities. PILLA seeks to build long term partnerships delivering customised services and value for Blue Chip Organisations and specialised SME's markets: FMCG, Agriculture, Chemicals, Raw Materials and Commodities Trading

## OUR PEOPLE

In FY2021, AAW's workforce increased to nearly 90 people across our operations.

As part of our HR Policy, we use only reputable recruitment firms and follow all applicable laws and regulations.

We regularly review our recruitment procedures and recruitment providers to ensure a transparent and fair hiring process that can assist HR personnel to select the right candidate based on merit and job fit, as well as to avoid discriminatory behaviour at all stages of the overall recruitment process.

As an employer, AAW takes steps to ensure that all new team members are appropriately qualified and authorised to work in their respective countries. Remuneration is determined by taking into account the skills and experience required to safely perform the role, current market salary data, the applicable Modern Awards, and parity with colleagues performing the same or similar role. Salaries are reviewed on an annual basis to ensure that employees are compensated fairly and appropriately for their time and efforts, as well as their skill development.

AAW recognises that our most valuable asset is our people, so we prioritise employee welfare by encouraging and promoting a supportive work environment, offering well-being programmes and workplace flexibility. Cultivating a culture of continuous learning in our workplace has become a business imperative. Our primary HR goal is to provide people with the skills, tools, and support they need to do their jobs, as well as opportunities to advance their careers.

All our employees have access to grievance channels through which they can express their concerns, through WHS incident reporting, Working Together Policies, and our whistleblowing mechanisms. AAW is committed to protecting employees who report wrongdoing and will ensure that all disclosures made in accordance with whistleblowing procedures are treated confidentially and without fear of retaliation.



# OUR SUPPLY CHAIN

As an international freight forwarder, we have established business relationships with suppliers locally and around the world, in order to provide our customers with access to the highest levels of service and efficiency in the transit of their goods. At AAW, we understand the importance of human rights and dignity, and are committed to working with likeminded businesses, so that we do not intentionally contribute to modern slavery as we carry out our role as a player in the international supply chain. AAW supply chains for this reporting period include:

- Services that contribute to its operations such as the cleaning, catering, security, office equipment maintenance, utilities, IT, telecommunication that service AAW's offices. These service providers are located in Australia, United States, and New Zealand.
- Services that contribute to the services AAW offers to clients, including freight forwarding, transportation via air, sea, road and rail, supply chain management, shipping, customs, and quarantine clearance.
- Suppliers of goods to AAW that are not for resale to our clients, such as suppliers of equipment, packaging materials, office stationery, PPE, promotional products. These suppliers are located in Australia and New Zealand.
- Suppliers of professional services to AAW that are not for resale to our clients, such as suppliers of education and training, consulting, insurance, and financial services. These suppliers are located in Australia, and New Zealand.
- Agents, freight forwarders, carriers, warehousing, logistics, and transportation companies, with 75.47 % based in Australia and 24.53 % based in New Zealand, Pacific Islands, Asia, Americas, Europe, Middle East, South Africa, and West Africa, to manage the company's import and export of our customers' products to and from Australia.

## Location of our Suppliers



# RISKS OF MODERN SLAVERY IN OUR OPERATIONS

## OPERATIONS RISKS

In FY2021, AAW's continued to operate solely in Australia and New Zealand, where there is less of a geographical risk of modern slavery. We acknowledge that modern slavery exists in both countries, particularly in relation to vulnerable workers, migrants, and/or workers in low-skilled positions or in casualized or insecure forms of work.

AAW continues to outsource a small percentage of our operations and accounting functions to the Philippines, which has a high geographic risk of modern slavery according to the Global Slavery Index. Our outsourced operation in the Philippines provides AAW with entry level clerical services. AAW's operations in the Philippines are not in an industry identified by the Global Slavery Index as being an industry with a risk of modern slavery, however AAW is cognisant of the elevated risks in this aspect of our operations. AAW conducts visits to the Philippine office twice a year on average, which enables us to observe workplace conditions. However, our ability to conduct site audits was impacted for the second year in a row due to ongoing closures and severely restricted international borders. As a result, we developed alternative monitoring techniques such as virtual site visits.

## LABOUR RISKS

During this reporting period, AAW continued to engage workers as permanent full time and part time, temporary and casual employees. Our employees are based in Australia and New Zealand and perform office and warehouse duties. In relation to our operations in Australia:

- 5 % of our employees are covered by a Modern Award
- 2.5 % of our employees are engaged as a casual employee
- We engage a total of 4 % workers by way of independent contracts

Whilst we do acknowledge that modern slavery can occur in Australia, 93 % of our employees are professional and skilled workers, which reduces the risks of modern slavery.

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" We all have a clear responsibility, as individuals and as a business, to respect and protect human rights "

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## RECRUITMENT RISKS

In relation to deceptive recruitment practices, we acknowledge that modern slavery risks are prevalent in this area, even in Australia. In FY2021, AAW continued to engage temporary workers through labour hire agencies, but only through agencies who are members of Australian and New Zealand recruitment industry associations such as corporate AHRI and RCSA memberships. Labour hire providers are also required to be licensed in several Australian jurisdictions. Workers engaged through labour hire agencies are engaged in Australia to perform warehousing and administrative support work for AAW. The entitlements for all temporary labour hire appointments are confirmed in writing, regardless of the type of work an individual is engaged to undertake. From FY22 workers engaged through labour hire providers will be provided with a copy of AAWs



Whistleblower Policy, which includes a mechanism for reporting modern slavery, and will be included in upcoming Culture and Pulse Surveys.

AAW uses the services of a reputable recruitment agency on occasion to assist with temporary and permanent appointments, and we are aware of the inherent risks of outsourcing recruitment. The recruitment agency we engage does not charge recruitment fees to prospective or successful employees.

As we only use reputable recruitment agencies, the risk of modern slavery occurring in this element of our operations is low. However, in our aim for continuous improvement, from FY22 we are proposing to formally implement into our recruitment checklist a process to mitigate against recruitment agencies charging recruitment fees to prospective or successful employees.

## RISKS OF MODERN SLAVERY IN OUR SUPPLY CHAINS

AAW utilises cleaning, catering, and security services for our Australian and New Zealand offices through contracting arrangements with companies who supply these services. While the workers are based in Australia and New Zealand, AAW recognises that these industries have a higher risk of modern slavery even within these countries. Workers may come from vulnerable groups, such as low-skilled workers and those from migrant, low-income, or culturally and linguistically diverse backgrounds. If not managed properly, this increases the risk of potential modern slavery practises.

AAW uses IT support services for our operations, which are provided by a contracting arrangement company. While the companies we work with are based in Australia and the United States, their employees may be located in other countries, posing a geographical risk of modern slavery. AAW has limited visibility into this supply chain, which will be looked into further in future reporting periods.

AAW procures giftware promotional products, office supplies and uniforms which may be manufactured in various locations outside Australia, however they are purchased locally in Australia and from reputable office supplies stores and promotional merchandising suppliers. AAW does not have much visibility over this supply chain, however noting that supply chains related to uniforms and branded products may have a high risk of modern slavery, these supply chains will need to be investigated further.

AAW engages freight forwarders and transportation companies based in Australia, New Zealand, Pacific Islands, Asia, Americas, Europe, Middle East, West Africa, and South Africa to manage the importation / exportation of products to and from Australia for the company and its clients. Due to the lengthy and complex nature of international transportation supply chains, there is a risk that modern slavery occurs (or is at a higher risk of occurring) in such supply chains which may not be easily assessed or addressed by AAW.

AAW acknowledges that, as a link in the global transport network, our supply chains are lengthy, and we have limited visibility and minimal ability to exert control, particularly in circumstances where key suppliers are far larger than AAW. Some of these larger suppliers have made public commitments regarding human rights and modern slavery, and many are likely to be reporting entities under the Act. Notwithstanding this, in future AAW will endeavour to leverage its longstanding business relationships with larger entities in this industry with a view to encouraging a similar focus on modern slavery.

# OUR ACTIONS

## POLICY AND STANDARDS

AAW has taken steps to address risks of modern slavery within our business and supply chain through implementation of policies and procedures. AAW will continue to build on this, and any new policies that are implemented will be reported in subsequent reporting periods. The most important policies and procedures that we have in place, as well as the steps we have taken to mitigate the risks of modern slavery, are outlined below:

### BULLYING, HARASSMENT, AND DISCRIMINATION POLICY

AAW is committed to preventing bullying, harassment and discrimination and has implemented policies that reflect the company's commitment to provide a safe and healthy work environment. Workplace bullying and harassment will not be tolerated under any conditions. This policy outlines AAW's commitment to a safe workplace and is intended to ensure, to the greatest extent possible, that employees are not subjected to any form of bullying, harassment, or discrimination while at work. This policy will be updated in the next reporting period to reflect changes to the Fair Work Act.



### WHISTLEBLOWER PROTECTIONS POLICY

We are committed to promoting a culture of open and honest communication, corporate compliance, and governance. As part of that commitment, AAW has developed a Whistleblower Protections Policy, which serves as a grievance mechanism through which people within and outside our business can register concerns or file reports about any suspected misconduct or an improper state of affairs including unethical, illegal, or other inappropriate conduct. The Policy has been made available to all staff via our intranet, and to the general public via our website. We did not receive a Whistleblower report during the reporting period. Following the closure of this reporting period, we updated this policy to include more explicit references to modern slavery and to make it more accessible to the community and employees of our suppliers (and their suppliers) for the purpose of reporting modern slavery risks or concerns directly to AAW so that they can be addressed and remedied. In FY22 AAW will work to raise awareness of the Whistleblower Policy down our supply chains.

#### FLEXIBILITY AT WORK POLICY

To continue to support our employees to better balance work and their family life, we introduced the Flexibility at Work Policy. This initiative builds on our commitment to improve the retention of our staff and their well-being, support diversity and continue to build on our people-first strategy. This year, we began updating the policy and developing a Work from Home checklist to assist us in assessing the risks associated with working from home. The checklist will be rolled out in FY2022.

#### WORKING TOGETHER POLICY

The Company respects every employee's right to be treated with dignity, respect, and courtesy. Employees should be able to come to work in an environment that reflects harmony, safety, and security, and that is free of harassment and discrimination, and the Company will make every effort to ensure that this happens. As part of this commitment, AAW implemented a Working Together Policy to ensure that the Company provides a safe and healthy working environment. The Policy is available to all employees via our intranet.

#### EQUAL EMPLOYMENT OPPORTUNITY (EEO) POLICY

The Company is committed to providing equal opportunities for all applicants and employees of the Company, in all areas of employment, and in the terms and conditions of employment, regardless of sex, race, marital status, political or religious beliefs. Company policy requires that Equal Employment Opportunities will be provided in all aspects of employment including recruitment, promotions, remuneration and other terms and conditions of employment.

#### MODERN SLAVERY POLICY

AAW is committed to protecting our employees' rights and maintaining the highest human rights, ethical, and modern slavery standards. As a result, during this reporting period we developed our Modern Slavery Policy, which affirms the Company's commitment to contributing to the abolition of all forms of modern slavery and outlines our approach to reducing the risk of modern slavery practises within our supply chains and operations. The Modern Slavery Policy was finalised 16 July 2021, and has since been communicated to our employees, our outsourced operations team in the Philippines, and the general public via our website.

#### EMPLOYEE CODE OF CONDUCT POLICY

We began developing an employee code of conduct policy this year. This is an important document that explains to employees the standard of behaviour expected of them, and how the company intends to conduct business. It aids in the avoidance of ambiguity in staff expectations and the prevention of inappropriate behaviour. It also fosters a positive ethical culture in which all employees are treated equally and with respect.

#### EMPLOYEE HANDBOOK

The handbook is a valuable tool for developing, strengthening, and changing our organization's culture, and it reflects our commitment to the promotion and protection of human rights based on the principles of dignity, equality, and mutual respect. It includes standards, policies, and employee expectations, in order to comply with Australian and New Zealand workplace regulations. This year, we have begun updating the Employee Handbook to include information about modern slavery and AAW's commitment to addressing the risks of modern slavery in its operations and supply chains.

## CULTURE AND PULSE SURVEYS

As a result of the pandemic, the implementation of our employee survey, which was scheduled for 2020, has been postponed once more. This programme will be revisited in FY2022 with the same goal of soliciting anonymous feedback from our employees to assist AAW in identifying and addressing risks of gender inequality, harassment, coercion, bullying, control, or exploitation.



## RECRUITMENT

AAW has continued its practice of engaging recruitment providers and employment agencies predominantly in relation to senior or specialist roles. Engagement of recruitment agencies requires prior approval from the Commercial Director (expense approval) and agency selection and commercial relationship is approved and managed by the Senior HR Business Partner. By limiting the use of recruitment agencies to senior, specialist and difficult-to-fill roles that are well remunerated and skilled, this reduces the risk of AAW contributing to modern slavery in its operations through deceptive recruitment practices on the part of recruitment agents. AAW executes an annual salary audit to monitor compliance with employment agreements and ensure all staff are receiving above the National Minimum Wage or Award Wage (where relevant). During this reporting period, we have reviewed all staff remuneration to ensure all staff are paid appropriately.

## INTERNSHIP

AAW has established relationships with several Australian tertiary institutions, periodically offering internships to students, and has historically provided work experience to high school students. In these circumstances, students are engaged under the terms and conditions set by their university or the relevant Education department. Interns who are observing and learning as part of a student or vocational placement are ordinarily not paid, however interns who are undertaking productive work and delivering a commercial benefit are remunerated, consistent with Australia's workplace laws. During the reporting period, AAW did not provide any internships or work experience placements.

## AUSTRALIAN TRUSTED TRADER

AAW is an accredited Australian Trusted Trader, which means we continually take steps to ensure we meet the qualification criteria of the *Customs Amendment (Australian Trusted Trader Program) Rule 2015*, and complete annual declarations to confirm this. Relevantly in the context of modern slavery, we:

- Have physical security measures in place to control access to goods stored, and secure the goods against unauthorised movement, alteration, or interference during movement of the goods into or out of our premises and while goods are stored in those premises; and
- Have measures in place to keep goods secure and prevent alteration or interference during transportation and reconcile goods moved into or out of our premises with commercial or other documentation
- Actively identify and address specific vulnerabilities or risks to our international supply chain and take measures to mitigate and review the vulnerabilities and risks through a security risk assessment.

Our accreditation is central to our business, however the measures it requires also assists with the prevention and identification of illegal imports and exports and human trafficking.

## VISITS TO OUTSOURCED TEAM IN THE PHILIPPINES

Due to Covid and travel restrictions, our team has not been able to travel and conduct site visits in the last two years. As a result, we continue to meet with our outsourced team representatives on a regular basis via online meetings to discuss any issues they may be experiencing. These meetings occur with the entire outsourced team, and cover a wide range of topics, including the impact of lockdowns, the need for IT or other support, and employee well-being. With the easing of restrictions, we anticipate travel and site visits will resume in FY22.

## DUE DILIGENCE

As part of our commitment to maintain AAW's ethics and integrity in business practices, we continue to monitor and review our internal processes and policies.

We follow our responsible recruitment practises, which include stringent pre-employment checks for all employees, such as background checks, employment history, and confirmation of appropriate work rights.

We engage reputable labour hire agencies and follow the same process before engaging new hires, in which we identify the type of work to be outsourced, check against relevant Awards, and ensure individuals are remunerated in accordance with the relevant Award; if the Award is not applicable, we review current market rates to ensure individuals are paid a competitive rate when compared to their peers.

With the assistance of our consultants, we developed a Supplier Risk Assessment process in FY20 to assist us in identifying and managing the risks of modern slavery in our supply chain. During this reporting period, we used the same process to evaluate our Tier 1 Suppliers.

We have begun working on a procurement procedure that will ensure that when we engage these service providers, they have been pre-screened and have undergone due diligence checks. AAW is looking for ways to incorporate ethical sourcing into our procurement practises. During the reporting period, we commenced work in drafting an

Ethical Sourcing Policy and Supplier Code of Conduct, which we expect to implement in FY22.

AAW has agency agreements with overseas agents, strategic partners, and offshore processing services, and prior to entering into these agreements, it conducts financial, human resource, and regulatory due diligence. We began by updating our existing agreement with our offshore processing service providers to include a modern slavery clause, but as a result of continuing impact of the Pandemic, we were unable to continue with updating the agency agreements for our key agents during this reporting period and have postponed this for FY22.

We updated our vendor agreement in FY20 to include specific references that address the vendor(s)' working conditions or concerns about modern slavery, and we implemented this document during this reporting period.

Our vendor agreement requires suppliers to comply with all applicable laws and regulations, and it was updated in FY20 to include specific references to address working conditions and modern slavery of our vendors. This updated document was implemented during this reporting period. All new vendors are provided with this updated form. AAW is working through existing vendors to transition them on to the new vendor agreement, and this process will continue into the next reporting period.

#### TRAINING OF STAFF

This year, we collaborated with our consultants to develop a Modern Slavery Training Programme to raise awareness among our employees. We had planned to implement the training in FY21, but due to Covid-related delays, we are now planning to implement it as a mandatory compliance course for all our employees and our outsourced team in FY22.

#### MONITORING AND REPORTING

Our efforts to combat modern slavery continue, with the working group meeting on a regular basis throughout the reporting period. The initiative is still fully supported by the policy owners, finance team, Group Risk & Compliance Manager, Senior Human Resources Business Partner, and Chief Financial Officer.

AAW has defined a framework that includes metrics that will allow AAW to track the effectiveness of its due diligence actions and report on our impact during the reporting period. The metrics will come into effect in FY22. Furthermore, we've begun including modern slavery reporting as a standing agenda item at every board meeting.

## ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

In FY21 AAW did not receive any reports of modern slavery in our operations or supply chains. We have taken steps since the close of this period to make sure our employees, outsource teams and contractors are aware of our Whistleblower Protection Policy and our Modern Slavery Policy, which are publicly available on our website.

In relation to our operations, we assess the effectiveness of our actions through our Annual Review of our People and Safety policies which is conducted to ensure employees are receiving legal entitlements. During the reporting period, we did not identify any issues in respect of compliance by AAW with Australia's workplace laws.

During this reporting period AAW commenced work to obtain an ISO 9001 certification. It is anticipated this certification process will be finalised in the next reporting period. AAW expects that the processes and procedures implemented as part of our ISO certification will assist AAW in measuring compliance with procurement procedures and other actions to address modern slavery, which will in turn assist in AAW's efforts to measure the effectiveness of its actions to address modern slavery.

Using the framework set out in **Table 1** to assess the effectiveness of our actions to address modern slavery, we have measured our activities in FY21 in relation to our stated objectives from our previous Modern Slavery Statement. We have:

- Commenced the Annual review of our People and Safety Policies.
- Commenced our review of existing agreements to include Modern Slavery clauses.
- Continued to drive enhanced compliance with workplace rights including pre-employment due diligence and labour hire management.
- Begun work on the development of a Procurement Policy, Ethical Sourcing Policy and Code of Conduct for Suppliers Policy. It is anticipated that these policies will be finalised and implemented in FY22.
- Implemented a procurement procedure that will include supplier risk assessment and surveys, development of preferred supplier list.

**TABLE 1 AAW's framework for evaluating the efficiency of our actions**

<b>Governance Framework</b>	<b>Risk Management</b>	<b>Grievance Mechanisms</b>	<b>Monitoring and Reporting</b>
<ul style="list-style-type: none"> <li>• Annual review of our People and Safety policies.</li> <li>• A maturity assessment of our policies, systems, and controls, as well as our grievance mechanisms and remediation processes.</li> <li>• Completion rates for awareness training.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk-based approach to assessing the risks of modern slavery by reviewing our business operations, procurement practises, and Tier 1 Suppliers, taking into account their geographical location, nature of goods and services supplied, and annual spend level.</li> <li>• Total number of suppliers who have incorporated anti-modern slavery practises into their operations.</li> <li>• Analysis of responses to supplier questionnaires.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reporting on the total number of issues raised and resolved.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reporting on the total number of site visits.</li> <li>• Reporting to the Executive Team on a quarterly basis.</li> </ul>

Due to the continuing impact of COVID-19 on our operations, our objective to deliver a Modern Slavery Training Programme to all our staff has been deferred to FY22.

In FY22 as our efforts continue, we will assess our effectiveness by considering:

- The number of our suppliers that are transitioned on to contractual documentation including modern slavery clauses;
- The number of employees who complete Modern Slavery Training;
- Responses to our Culture and Pulse Survey;
- The implementation and response rates in respect of modern slavery questionnaires;
- The percentage of suppliers engaged from our preferred supplier lists;
- Any reports made through channels and remediation activities;
- Compliance with procurement procedures.

We continue to consult with experts in the field to better understand our obligations and to put in place strategies to assess and address the risks of modern slavery, as well as to evaluate the effectiveness of our actions.

## DURING COVID

As the COVID-19 pandemic continues for the second year in a row, a number of preventative measures remain in place to ensure that our employees work in a safe and healthy environment.

- Our Crisis Management Team, comprised of senior business leaders, worked tirelessly to keep our people safe while ensuring business continuity.
- Our Covid Management Plan was reviewed and updated on a regular basis in accordance with the most recent health advice, and any significant changes were communicated to our employees.
- All employees in Australia and New Zealand continued to work from home as per government directives.
- AAW continued to work closely with our offshore partners in the Philippines to support their remote working model.
- Our Paid Pandemic Leave Policy, which was implemented in March 2020, remained in effect for all employees, including casuals, new employees, those with minimal sick leave accrual, and those with pre-agreed work commitments, providing 10 days of paid leave should they or a member of their family require care, become sick with the virus, but have insufficient leave available.

Despite the above precautions, COVID-19 has continued to have a significant impact on our operations and supply chains, as well as the steps AAW was able to take during the reporting period to assess and address modern slavery risks.



## CONSULTATION

AAW is managed as an integrated group with well-structured policies and procedures that are designed to be applied to all entities. In accordance with this model, our consultation process included engagement with:

- our Modern Slavery working group which includes representatives from Finance, Human Resources, Procurement, and Risk and Compliance who are shared resources working across the entities and business groups identified in this statement under the heading "Our Structure and Operations"; and
- each of the entities owned and controlled by AAW.

This statement was prepared in consultation with each subsidiary and controlled entity covered by it, and it was reviewed and approved by the Board of Directors on December 20, 2021.

## CONTINUOUS IMPROVEMENT

AAW is committed to continually improving our approach to reducing the risk of modern slavery practises in our supply chains and operations and has established the following priorities for FY22:

- Continue to review our existing Policy Framework.
- Continue working on our Procurement Policy, Ethical Sourcing Policy and Code of Conduct for Suppliers Policy and look at implementing it in FY2022. Implementation of procurement procedure will include supplier risk assessment and surveys, development of preferred supplier list.
- Deliver the developed modern slavery training to all our staff to increase their understanding and awareness.
- Continue to drive enhanced compliance with workplace rights including pre-employment due diligence and labour hire management, including:
  - updating our induction process for labour hire workers to ensure they are aware of our Whistleblower Policy; and
  - updating our recruitment checklist to include a process to mitigate against the risk of engaging recruitment agencies who charge recruitment fees to prospective or successful employees.
- Continue to review our existing agreements to ensure that modern slavery clauses are included.
- Continue process of transitioning existing vendors to new vendor agreement.
- Publish Modern Slavery Statement by 31st of December each year outlining the steps we have taken to address modern slavery risks.



## **AAW Global Logistics**

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### **Head Office**

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