

Schenker Australia Pty Ltd

Modern Slavery Statement for Financial Year Ending 31 December 2024



Introduction

This Statement is made by Schenker Australia Pty Ltd ('DB Schenker') (ACN 000 410 211) under Section 13 of the *Modern Slavery Act 2018* (Cth) ('MSA') to cover the reporting period of 1 January 2024 to 31 December 2024.

Modern Slavery is a term used to describe a situation or situations where offenders use coercion, threats or deception to exploit victims and undermine their freedoms.

According to the United Nations, there are an estimated 50 million people living in modern slavery around the world¹. Practices that constitute Modern Slavery include:

¹ *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, International Labour Organisation (ILO), September 2022.

- Human trafficking;
- Slavery;
- Servitude;
- Forced labour;
- Debt bondage;
- Forced marriage;
- The worst forms of child labour ('Modern Slavery')

These situations often have severe consequences for the victim and also the entity responsible.

DB Schenker, and the greater Deutsche Bahn Group ('DB Group'), take a zero-tolerance approach to any form of Modern Slavery, unethical labour practices or abuse of human rights within its operations and supply chains.

DB Schenker's Code of Conduct for Business Partners ('COCBP') sets out the requirements and standards for the DB Group and its business dealings, particularly those relating to compliance with ethical standards, applicable laws as well as integrity, including Modern Slavery. and socially responsible actions are interdependent. DB Schenker considers sustainable and responsible business practices to be an important foundation in dealings with its business partners to ensure that all of its suppliers abide by and share the same values.


Leadership


Structure, Operations and Supply Chains


DB Schenker is a wholly owned subsidiary of Schenker AG, a German government owned entity, and part of the DB Group. DB Schenker is a proprietary limited company with no subsidiaries or controlled entities. DB Schenker's registered office is located at 72-80 Bourke Road, Alexandria, New South Wales 2015, Australia. This also serves as the head office for the ANZ Cluster.


DB Schenker's business is in the logistics sector, including the distribution of goods by air and ocean, contract logistics services and services in specialist areas such as fairs, exhibitions and projects. DB Schenker has physical infrastructure throughout Australia with sites located in Sydney, Melbourne, Adelaide, Brisbane, Perth and Darwin (as well as Auckland and Christchurch, New Zealand). The DB Group has a large global footprint, operating in more than 700 locations around the world.


Australia and New Zealand Capabilities
Anytime. Anywhere. Any way.




Ocean Freight
Management of around 75,000 teus/ 51,000 cbms. Operating a strong ocean network across ANZ.


Air Freight
Over 41,000 tonnes moved annually, leveraging our global network for Air Freight solutions.


Contract Logistics
Our largest business unit - offering strong contract logistics and supply chain management, with warehouse space over 291,465sqm and reliable domestic transport services.


Projects and Fairs & Exhibitions
Industry specialists in project logistics and event logistics.

DB Schenker | Australia and New Zealand Cluster | 2024

DB Schenker engages approximately 1,600 staff members of which approximately 80% are employed directly with DB Schenker, and 20% engaged through an external labour agency. DB Schenker also has a limited number of workers who are subject to visa arrangements.

DB Schenker's direct suppliers provide the organisation with a range of goods and services including:

- Transport, freight and logistics services;
- Machinery and equipment;
- Labelling, packaging and storage goods;
- Pest control services;
- Fire and safety services;
- Environmental services;
- Postage and couriers services;
- Legal and accounting services;
- Telecommunications;
- Insurance;

- Food and groceries;
- Cleaning and maintenance services;
- Stationary and furniture; and
- Information and technology hardware and software.

In the 2024 reporting period, DB Schenker continued its efforts to consolidate its DB Schenker's supplier pool and ensure that those long-term partners DB Schenker engage, as well as new suppliers, are subject to a rigorous procurement process in accordance with DB Schenker's internal Statements of Procedure. OP GP01.

DB Schenker acknowledges that DB Schenker's supply chain extends past DB Schenker's direct suppliers. DB Schenker is committed to continuing to extend the reach of DB Schenker's Code of Conduct for Business Partners (COCBP) (last updated November 2023) and updating procurement activities with strong compliance processes with the purpose of understanding and identifying risks within DB Schenker's network of business partners. This includes mandatory compliance checks of ethical standards.

Actions taken to assess and reduce risks in DB Schenker's Operations and Supply Chain

DB Schenker understands that due to the prevalence and nature of Modern Slavery, all entities have risks of Modern Slavery in its operations and supply chains. DB Schenker has not undergone significant operational changes in 2024 and accordingly the risks and levels of risk of Modern Slavery in DB Schenker's own operations remains low. DB Schenker continues to carefully consider the ways in which DB Schenker may have risks of causing, contributing to, or being directly linked to Modern Slavery practices so that DB Schenker can take proactive action to address those potential risks in current and future reporting periods.

DB Schenker is an industry leader in the logistics, contract logistics and freight forwarding sectors. DB Schenker's operations include involvement at ports into and out of Australia – both via air and sea. DB Schenker understands the critical role that ports of entry can play in the practices of Modern Slavery around the world. While DB Schenker does not have control over the management of these ports, DB Schenker understands the importance of working strategically with these global entities across the broad DB Schenker Group – again guided by DB Schenker's COCBP which is consistently applied to all suppliers used by DB Schenker globally. Similarly, DB Schenker is aware of the roles that the Australian Border Force (ABF) and Australian Maritime Safety Authority (AMSA) have at these ports and work with the regulatory authorities as a point of contact at these locations.

DB Schenker acknowledges that DB Schenker's casual employees, and particularly employees on visa arrangements, are more vulnerable than our permanent employees

due to their employment relationships being less secure. With regard to workers on visas, their presence (and sometimes their family's presence) in the country is often tied to their employment. DB Schenker manages this risk closely by partnering with local legal and immigration firms to ensure full awareness of visa rules, regulations and risks are understood by all parties when hiring international candidates.

DB Schenker notes that under the MSA, DB Schenker is not required to report on Modern Slavery risks associated with how our clients use our services but wish to acknowledge this potential risk. DB Schenker does not manufacture or produce goods itself, but a key part of DB Schenker's operations is the transportation of our clients' goods. DB Schenker's clients are involved in a diverse range of sectors and so DB Schenker acknowledges that through the carriage of those goods DB Schenker may be indirectly linked to Modern Slavery. It is based on this understanding that DB Schenker exists as part of global supply chain ecosystem, that in addition to managing our supplier networks in line with the Code of Conduct for Business Partners (COCBP), all our operations globally must align to our high standard of corporate responsibility as articulated in our global compliance framework:

<https://www.deutschebahn.com/en/group/compliance>

In order to address these real and or perceived risks, our internal compliance management practices (as codified in internal SOPS GE23) focus on ensuring that legal and ethical standards are maintained globally and conducted to the highest levels of social standards, ethics and integrity. Further in ensuring suitable due diligence is undertaken on all business partners in order to assign each a risk category with corresponding low/medium/high procedural steps to be followed during selection and onboarding.

Actions to Assess and Address Risks

DB Schenker has continued to take action to assess and address the risks of Modern Slavery. Our aim is to continually improve in DB Schenker's approach over time in order to minimise risks of Modern Slavery as far as reasonably possible.

Risk Based Procurement

As inhouse efforts both domestically and globally have continued within the DB Schenker Group, DB Schenker's local procurement activities guided by in-house legal, compliance and procurement have ensured that increasing focus and attention has been paid to the selection and on-boarding of suppliers within DB Schenker's network.

As noted above, all onboard processes are guided by internal guidelines (GP01) and the COCBP.

Collective Bargaining and Freedom of Association

DB Schenker respects DB Schenker's employee's rights to join or not join a trade union or employee representation of their choice, free from threat or retribution. DB Schenker recognise the right to collective bargaining in accordance with applicable legislation, and employees who act as delegates or representatives are not treated more or less favourably in any way.

Many of DB Schenker's frontline employees are covered by the terms of enterprise agreements approved by the Fair Work Commission. In this reporting period, DB Schenker has renegotiated four enterprise agreements which have been certified by the Fair Work Commission. These agreements are aligned to local legislative requirements and are to be read in conjunction with DB Schenker's policies, including the COCBP.²

DB Schenker's Staff

DB Schenker engages approximately 1,600 staff members of which approximately 80% are employed directly with DB Schenker, and 20% engaged through an external labour agency³. DB Schenker also has a limited number of workers who are subject to visa arrangements.

In addition to relevant enterprise agreements, DB Schenker has clear employment contracts which set out terms and conditions of employment including the various rights and protections employees are entitled to consistent with the *Fair Work Act 2009* (Cth). This avoids any doubt regarding DB Schenker's employees' entitlements including leave, working hours, break times, wages, superannuation and the like. In this reporting period, DB Schenker has conducted a review of its employment contract templates in order to ensure they are aligned to legal requirements as updated from time to time.

In addition, as part of DB Schenker's onboarding process for new employees, DB Schenker requires employees to read and acknowledge that they have read DB Schenker's Modern Slavery Policy and Codes of Conduct. DB Schenker's induction package also requires new employees to undertake training to specifically be aware of Modern Slavery practices in the services which are offered by the company. DB Schenker's training programmes include regular content in relation to compliance and recognising Modern

² These include: Schenker Australia Pty Ltd NSW and VIC Logistics Distribution Centres Enterprise Agreement 2024, (these were two separate agreements which were negotiated into one multi-state agreement in 2024), Schenker Australia Pty Ltd Queensland Distribution Centre Enterprise Agreement 2024, and Schenker Australia Pty Ltd Western Australia Logistics Distribution Centres' Enterprise Agreement 2024-2026.

³ Figures current as at April 2024.

Slavery practices in the supply chain process. Completion of the training is continually monitored by DB Schenker's People and Organisation function.

Working Conditions

DB Schenker complies with all relevant local laws and other regulations regarding working hours including overtime, rest breaks and paid leave.

DB Schenker compensates its employees relative to the local industry and DB Schenker's market, in accordance with minimum wage legislation and the terms of industrial instruments where applicable. DB Schenker ensures that employees are remunerated in a timely fashion and clearly sets out the basis on which workers are to be paid. Throughout the reporting period, DB Schenker continued to take steps to understand and prepare for the implementation of the "Same Job Same Pay" legislation which came into effect on 1 November 2023.⁴ DB Schenker is committed to complying with these legislative requirements with respect to DB Schenker's temporary workforce.

Internal Policies and Procedures

At DB Schenker, we proudly adhere to the ethical business standards that our company has valued for over 150 years. DB Schenker is committed to complying with international and national laws and delivering the highest level of ethical and legal standards in all that DB Schenker does. These include:

- The Universal Declaration of Human Rights;
- The International Labour Organisation (ILO) Core Conventions;
- The UN Sustainable Development Goals;
- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights.

DB Schenker has implemented a holistic Compliance Management System for ensuring ethical conduct and for acting as a fair and reliable partner for DB Schenker's customers. Our DB Group Code of Conduct provides guidance and an internal framework for all DB employees and executives, across all business transactions and customer contacts.

DB Schenker's Code of Conduct provides that the DB Group complies with the internationally recognised human rights and fundamental freedoms in accordance with the principles of the UN Global Compact, and that DB Schenker help to protect and

⁴ Fair Work Legislation Amendment (Closing Loopholes) Act 2023 (Cth)

promote these rights and freedoms within our actions. The Code of Conduct states that DB Schenker rejects child labour and any form of forced labour.

DB Schenker Australia understands that Modern Slavery includes only the most severe forms of exploitation., DB Schenker also knows that the existence of substandard workplace conditions can be a precursor of Modern Slavery. DB Schenker's Code of Conduct also includes requirements and expectations of DB Schenker's staff in relation to Corporate Social Responsibility (CSR), Equal Opportunities, Cooperation, Occupational Health and Safety, Environmental Protection, Behaviour, Confidentiality, Conflicts of Interest, Invitations and Gifts, Corruption, Politics, Donations/Sponsoring, Competition and Cartel Laws, Reporting Insider Trading, Data Protection and Money Laundering.

Social Minimum Standards

In January 2022, DB Schenker released a global policy of Social Minimum Standards (SMS) which derived from the group's purpose, visions and values. The values shape and define how DB Schenker operates, how DB Schenker collaborates and partners with DB Schenker's stakeholders and how DB Schenker as a company behaves in our daily work. In particular, the SMS provides that:

- child labour is not to be used at any point of the value chain with limited exceptions for those under apprenticeship, specific vocational or educational contracts. Where this is the case, it is required that any work carried out needs to be in accordance with conditions prescribed by the respective authority and is an integral part of a course of education and training; and
- prohibits all forms of slavery (including modern slavery) involuntary or forced labour in any form.

The SMS is a strategic directive and follows the formal implementation and monitoring process of the DB Schenker group. Adherence to these standards is subject to internal audits which will identify any non- compliance, and any appropriate corrective measures identified immediately.

Whistle blower Policy

DB Schenker understands that staff play a key role in our due diligence. In January 2022, DB Schenker Australia endorsed by reference in the SMS, the long-standing Whistleblower- policy. This Policy serves as a potential mechanism through which staff can report anonymously breaches of DB Schenker's Code of Conduct or modern slavery. Clause 5 of the policy includes a section on the Deutsche Bahn Business Keeper Monitoring system ("BKMS"). The system is managed at a global level and allows for

anonymous reports to be disclosed in over 22 languages. The policy also permits telephone and written disclosures. This provides a voice to our staff and suppliers.

Supplier Contracts

In DB Schenker's previous reporting period, as part of our ongoing reinforcement of the MSA and all it encompasses, a modern slavery clause was included in DB Schenker's standard terms of agreement used in DB Schenker's supplier approval process.

In 2023, DB Schenker Procurement and People & Organisation team conducted a national tender for all blue collar and white collar, permanent and temporary contracts. Modern Slavery and – as with all our vendor and supplier contracts more broadly, - labour compliance was a key metric in the tender approval process. Our new labour contracts have strong compliance provisions relating to labour standards and a prohibition on Modern Slavery and human rights breaches. Notably to ensure continuing compliance, and not to engage in any activity, practice or conduct that would constitute Modern Slavery.

If DB Schenker finds that a supplier is not compliant with our contractual or policy requirements relating to anti- slavery, or the information they provide is found to be inadequate, depending on the circumstances, DB Schenker can either terminate the arrangement or work with the supplier to ensure their compliance.

DB Schenker's Code of Conduct for Business Partners (COCBP)

All of DB Schenker Australia's suppliers are expected to sign up to and abide by the COCBP. The COCBP requires our suppliers to carry out their business activities with integrity, to comply with all relevant laws, including human rights laws. DB Schenker advises our suppliers that DB Schenker has committed to compliance with the Ten Principles of the UN Global Compact. The COCBP requires our suppliers to respect commonly accepted human rights and to reject child labour and comply with applicable laws on the prohibition of child labour, and to not tolerate any form of forced labour. Through DB Schenker Australia's COCBP, DB Schenker ensures that all its suppliers live and share the same values.

Diversity and Inclusion

DB Schenker strives to foster an inclusive working environment that values the diversity of DB Schenker's employees in line with our core value, Play Fair with People and Planet.

DB Schenker is an equal opportunity employer, and we do not tolerate any forms of inappropriate workplace behaviour, including discrimination or harassment based on any protected attribute or characteristic in line with the relevant local legislation. The basis of candidate selection and/or promotion in at DB Schenker is based on a balance of qualification, performance, skills and experience.

Health, Safety, Environment and Quality

The work, health and safety of employees or third-parties engaging with us is of utmost priority. In line with DB Schenker's Health, Safety, Environment and Quality policies and guidelines, as well as statutory regulations and industry standards, DB Schenker provides a safe working environment in order to support the health and wellbeing of employees, safeguard third parties and prevent work-related incidents.

Assessing the Effectiveness of DB Schenker's Actions

DB Schenker is committed to taking strong steps to ensure that our Modern Slavery policies and assessments are effective at identifying and removing risks of Modern Slavery from our operations, supply chains and that of our suppliers. DB Schenker acknowledges that risks in this space are fluid and require constant reassessment as the world around us and our supply chains and operations shift.

To date, DB Schenker believes the success of its Modern Slavery policies and procedures has been largely as a result of a strong and committed global workforce, including members from Legal, Compliance, P&O, and Procurement, working together to ensure its success.

DB Schenker continues to assess the effectiveness of its efforts to eliminate Modern Slavery within our organisation and supply chain by:

- Monitoring our suppliers, service providers and branches through incident reporting processes;
- Consideration of any trends identified regarding grievances or complaints received in line with our Grievance Procedure or Whistleblower Policy;

- Encouraging our employees to provide feedback and suggestions through the relevant P&O representative or their Manager.

Consultation

DB Schenker does not own or control any other entities; therefore, no consultation is needed.

Approval and Signature

DB Schenker makes this statement in accordance with Section 13 of the *Modern Slavery Act 2018* (Cth). DB Schenker's Board of Directors is the principal governing body under the MSA.

This Modern Slavery Statement was reviewed and approved by the Board of DB Schenker on **31 March 2025**.

Signed:



Alexis Cahalan

General Counsel, Company Secretary

Schenker Australia Pty Ltd
