



SILK
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**Modern Slavery
Statement 2020**

Silk Contract Logistics Pty Ltd
ABN 56 006 444 355
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Port Melbourne VIC 3207

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I. Introduction

Silk Contract Logistics is committed to conducting business responsibly and ethically to ensure all areas of our operations, supply chains and connected networks, are free from any form of slavery.

We expect our networks to operate in accordance with all applicable modern slavery laws including those prohibiting unpaid or underpaid servitude, human trafficking and forced labour.

At Silk Contract Logistics we value and observe all laws regarding corporate social responsibility, workplace safety protection and staff inclusion and diversity.

We have a Whistle-Blower Policy and are committed to training our employees and ensuring that they have an understanding and respect of human rights.

Silk Contract Logistics understands the Modern Slavery Act 2018, that commenced operation on 1 January 2019. The Act requires reporting entities subject to the Act, to produce an annual modern slavery statement.

Steps we will undertake, include:

- Assessing the potential modern slavery risks in our business.
- Developing and reviewing company policies on modern slavery.
- Developing training for staff in modern slavery requirements.
- Prepare and conduct a due diligence on the business.
- Reviewing supplier contracts to ensure they contain terms that are consistent with the Act.
- Taking steps to address any potential modern slavery risks identified.

We will continually evaluate and identify controls to combat modern slavery and will develop policies and procedures to address these risks.

2. Reporting Entity

Port Logistics



Warehousing



Distribution



Silk Contract Logistics is a leading, integrated supply chain and logistics business that operates across Port Logistics, Warehousing and Distribution.

Silk Contract Logistics is a privately owned business within Australia and has been built on the foundation and reputation of two dynamic Australian logistics companies.

In 2012 Kagan Logistics and Hoffmann Transport merged to form Silk Contract Logistics. With individual company histories dating back more than 50 years, we are now one of the most experienced warehousing and transport operations in and across the country.

In February 2014, the management team along with an equity partner acquired Silk Contract Logistics.

This Modern Slavery Statement has been prepared of reporting in accordance with the Australian Modern Slavery Act 2018 for the financial year ended 30 June 2020.

3. Structure, Operations and Supply Chain



Silk Contract Logistics employs over 560 employees and operates over 21 locations across Australia.

- Our Network – 5 Port Logistics hubs, 19 Warehouses and a Support Office.
- Our Team – Over 560 employees and over 290 contractors and third-party providers.

To provide the highest level of service via sea, road or land, we endeavour to partner with organisations to support the shared responsibility of respecting human rights. Silk is committed to working with customers and suppliers to prevent or mitigate adverse human rights impacts that are directly linked to our port logistics, warehousing and distribution operations.

Silk Contract Logistics transports, distributes, handles and stores products for our customers. Our customers encompass small businesses through to global multi-nationals. Their products are broad and geographically diverse.

Our support office team work with suppliers that are not only based in Australia but also abroad. We are at development stages to review our integrated procurement processes and integrating modern slavery processes into our contracts

We have a Code of Conduct, EEO policy and are audited both internally and externally on a yearly basis. We seek to partner with our suppliers and customers where we can drive strategic initiatives and share learnings to end modern slavery.

VIC
676 Kororoit Creek Road Altona North
69 Studley Circuit Derrimut
64 West Park Drive Derrimut
71-73 Pipe Road Laverton North
94 Keilor Park Drive Tullamarine
McNaughton Road Clayton
49 McIntyre Road Sunshine
21-33 Southpark Drive Dandenong South
125 Atlas Blvd Dandenong South

WA
82 Logistics Blvd Kenwick

QLD
18 Freight Street Lytton
2 Freight Street Lytton
15 Curlew Street Port Brisbane

NSW
1/107 Erskine Park Road Erskine Park
1A107 Erskine Park Road Erskine Park
45-59 Sarah Andrews Close Erskine Park
54 Eastern Creek Drive Eastern Creek
38 Byron Road Yennora
71-83 Byron Road Yennora

SA
15 Greenfields Drive Greenfields

4. Risks of Modern Slavery

Vision

The market leader of innovative supply chain solutions through our people and connected networks

Modern slavery risks with our customers and supply chain are complex. We are reviewing risks to prioritise our efforts and design risk assessments as part of our quality and compliance processes.

Whilst Silk Contract Logistics has not yet identified any specific instances of modern slavery, we have commenced as part of our tender process with customers to request and review their modern slavery practices and partner with them to understand learnings to establish and strengthen our practices.

At Silk Contract Logistics we have identified the following areas of potential risk and acknowledge the following modern slavery risks, that have the ability to impact our business and supply chain.

Third part contractor arrangements that support our operations locally and offshore.

Nature of the products that we handle through our customers with different regulations and laws globally such as forced labour, debt bondage, child labour or deceptive recruiting.

The identification of high-risk procurement providers such as cleaning arrangements, third-party labour hire, security arrangements.

5. Mitigating and Controls

We have reviewed all of our third-party labour hire providers that provide services to our operations. We have ensured that the appropriate labour hire licensing has been obtained for those who operate in the states of Queensland, Victoria and South Australia. We have assessed as part of the Service Agreement requirements that they comply with all legislative payments to their employees and respective agencies.

The products our customers store, pick, move and distribute through us from other countries presents a different set of challenges regarding human rights and risks of modern slavery. We will be establishing risk assessments and will work closely with our customers to understand the associated risks and how we may be able to mitigate or remedy these risks.

We source products and services from suppliers both locally and globally. The services that are provided are directly connected to Silk as they produce work directly for our business, which means we have greater connection to the workers and influence to remediate breaches.

We acknowledge the importance in building our understanding of processes regarding modern slavery, the risks and building better awareness and guidance throughout our team. We will continuously find improvements by challenging the status quo, raising awareness to our team through training and ensuring our team are equipped to manage customer and supplier contracts and relationships.

6. Assessing the Effectiveness of Our Actions

Currently we have internal practices through our policies and procedures that provide awareness to the team and the undertakings that we implement when engaging with customers and suppliers. We are working to understand the effectiveness and impact to our business in detail and establishing a broader governance, policy and risk framework to manage human rights and modern slavery risks.

We are committed to establishing a framework that is transparent, informative, monitors, partners and empowers our team, customers and suppliers to an ongoing sustainable strategy to improve our standards and processes regarding Human Rights and Modern Slavery.

Our current governance and measurements have been established through our:

- Code of Conduct
- The Silk Way, Our Values
- WHS Policy
- Modern Slavery Policy
- Fraud, Anti-Bribery and Corruption Policy
- EEO, Discrimination, Harassment & Bullying Policy
- Whistleblower Policy

Values



SAFETY



INNOVATION



RESPECT



INTEGRITY



CUSTOMER-CENTRIC



PASSION

7. Consultation

A copy of this document upon its completion has been made available to the Executive Leadership Team. The Executive team have a detailed understanding of the Silk business and independently of their own functions and operations.

This statement for 2020 was approved by the Silk Contract Logistics Pty Ltd Board and Directors in their capacity as the governing body of Silk Contract Logistics Pty Ltd on 16 November 2020.



Brendan Boyd

Managing Director



John Sood

Chief Customer Officer/Director