

# Modern Slavery Statement

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## C.H. Robinson Worldwide (Australia) Pty Limited FY2021

This statement covers the activities of C.H. Robinson Worldwide (Australia) Pty Limited (ACN 135 205 551) (**C.H. Robinson**) and its owned and controlled entities during the year ended 31 December 2021.

This modern slavery statement is made under the *Modern Slavery Act 2018* (Cth) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

Since our first modern slavery statement last year, we have implemented improved initiatives and strategies with a focus on developing a deeper understanding and awareness of modern slavery risks across the C.H. Robinson network of offices in Oceania. We have embedded our actions, policies and procedures within our region as we now start to integrate and influence our global network and related entities.

### About us

At C.H. Robinson, we recognise that respecting the human rights of those affected by our business activities is important. We have a long-standing history of recognising these rights by instilling high standards of ethics, respect, and integrity at all levels of the organisation.

By leveraging our scope, size, and scale, we work to ensure that every element of our business and our contractors' supply chains are scrutinised. We aim to exhibit ethics and integrity in all we do and hold each other accountable to the highest ethical standards.

We integrate social and environmental responsibilities into our business through our "EDGE" values of Evolving constantly, Delivering excellence, Growing together and Embracing integrity. C.H. Robinson upholds these values in all that we do as these values are critical to building trust and respect in our company, industry and with our employees, customers, carriers, vendors, and shareholders.

### Our structure

C.H. Robinson is a company incorporated in Australia and our registered office is located at Level 6, 379 Kent Street, Sydney, NSW, 2000.



C.H. Robinson is a subsidiary of C.H. Robinson Worldwide, Inc, headquartered in Eden Prairie, Minnesota, United States of America. C.H. Robinson Worldwide, Inc and its subsidiaries conduct a diversified range of business activities across freight transportation services and logistics solutions to companies of all sizes in a wide variety of industries.

C.H. Robinson itself has several owned and controlled entities, including C.H. Robinson Worldwide (AU) Pty Ltd and C.H. Robinson Trade Management Pty Ltd.

### ***Our operations***

C.H. Robinson Worldwide, Inc, is one of the largest third-party logistics companies in the world. The business was founded in 1905 and has grown to offer freight transportation services and logistics solutions to over 105,000 customers in North America, Europe, Asia, Oceania, and South America.

As a global logistics platform, we arrange the transport of our customers' freight and support supply chain optimization through data services. Industry classifications often label us as a transportation company; however, we are unique from many transportation companies, in that we are an asset-lite business and leverage a global network of logistics solutions via the management of a robust sub-contractor management plan.

C.H. Robinson is one of the world's largest logistics platforms, with \$28 billion in freight under management and facilitating 20 million shipments annually. The Oceania Region (Australia and New Zealand) provides freight forwarding and logistics solutions for a range of critical sectors. We employ over 500 people across the region and operate in 8 Offices (3 x Melbourne; Sydney, Brisbane, Adelaide, Perth and Auckland). Our Oceania Regional Head Office is in Melbourne.

### ***Our supply chain***

Globally, we enter contractual relationships with a wide variety of transportation companies and utilize those relationships to arrange the transportation of our customers' freight efficiently and cost-effectively. We work with over 73,000 of these contracted transportation companies, including contracted motor carriers, railroads (primarily intermodal service providers), and air and ocean carriers in a number of regions including in North America, Europe, Asia, Oceania, and South America.

On a regional front, our suppliers in Oceania are primarily located in Australia and New Zealand. Most of our supplier contracts are negotiated locally, however, some preferred carrier suppliers are coordinated globally.

The main types of goods and services that we procure are shipping line carrier contracts; airline carrier contracts; and domestic transport including wharf cartage transport and warehousing contracts. We do not own or operate the assets that transport our customers' goods but operate as a third-party supply chain agent.

We engage our suppliers with a view to creating long-standing supplier arrangements and manage these relationships via service contracts which outline the expectations on all stakeholders. Performance management meetings are conducted on a quarterly basis to ensure both parties are focussed on continuous improvement and working towards meeting the objectives and targets outlined in the service contract



We have one labour hire arrangement to provide warehouse labour at our Melbourne Airport facility where the engaged staff are expected to meet our direct employee standards for compliance and Code of Ethics (as described elsewhere).

We also have several indirect suppliers, including IT equipment, office supplies, cleaning services, travel & entertainment services. Where possible, we have engaged services of indigenous suppliers, in accordance with our commitment to our Reconciliation Action Plan.



## **Modern slavery risks**

### ***Risk assessment methodology***

As part of our engagement on modern slavery, we have focused our actions to consider our unique business model. In doing so, we utilise a risk assessment methodology which considers several indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk.

Using this methodology, we undertook risk assessments of modern slavery risks in our operations and supply chains over the reporting period to consider the extent to which we cause, contribute to, or are directly linked to modern slavery practices. These risk assessments have confirmed that our operations and supply chains continue to have a medium potential for modern slavery risks.

Our key area of vulnerability remains our exposure to the shipping line carrier industry which we acknowledge has a heightened risk of modern slavery due to its sourcing of labour from geographies with different risk profiles to Australia.

Our broader risk profile is summarised in the table below.

### **Risk profile**

<b>Risk</b>	<b>Description of risk</b>
Sector /Industry	<p>The freight forwarding industry is LOW risk. Workers are primarily office-based, white collar workers with high school or university qualifications.</p> <p>All C.H. Robinson staff employed in Australia are above 18 years of age; must provide documentation of their valid work rights for Australia; and are paid (at a minimum) in accordance with all legal minimum terms and conditions of employment.</p>
Product / Service	<p>C.H. Robinson procures carrier services (shipping lines, airlines) that service our customers internationally as well as domestic transport and warehousing services.</p> <p>The shipping line (maritime) industry is considered a High-risk industry given the source of labour can often be from geographies with different risk profiles to Australia<sup>1</sup>.</p> <p>As noted above, we also have one labour hire arrangement to provide warehouse labour at our Melbourne Airport facility where the engaged staff are expected to meet our direct employee standards for compliance and Code of Ethics. We acknowledge that the use of such labour hire arrangements has a higher risk of exposure to modern slavery.</p>
Geographic	<p>With a high proportion of our suppliers being sourced from within Australia, this represents a LOW risk of modern slavery<sup>2</sup>. However, it is noted that shipping line and airline carriers may source labour from other geographies.</p>
Specific Entity	<p>We are not aware of any specific entities within our supply chain that have been subject to legal filings or publicity surrounding poor employment practices or poor human rights. LOW risk is attributed.</p>

<sup>1</sup> <https://www.nortonrosefulbright.com/en/knowledge/publications/b87356e9/modern-slavery-and-human-trafficking-reporting-the-risks-of-modern-slavery-in-maritime-supply-chains>

<sup>2</sup> Australian Red Cross, "Addressing Modern Slavery: A Guide for Australian Businesses", <https://www.redcross.org.au/getmedia/49f34bf5-d438-4aa4-bd9e-d2412ff8b08a/Addressing-Modern-Slavery-Report-Final.pdf.aspx#:~:text=Modern%20slavery%20also%20occurs%20within,higher%20risk%20of%20forced%20labour.&text=The%20construction%20industry%20accounts%20for%2018%20per%20cent%20of%20labour%20exploitation%20cases.>



Risk	Description of risk
COVID 19 risks	Global supply chains have been heavily impacted by COVID-19. C. H. Robinson has provided critical support to our Australian customers to ensure their ongoing supply of goods into/out of Australia during the pandemic and therefore, have been deemed a critical sector. With airlines flying less due to border restrictions and shipping lines being impacted by routing changes, the flow-on affects for C.H. Robinson customers has been high. To the best of our knowledge, this significant impact has not created greater modern slavery risks to our supply chain, and we have continued to use a consistent supplier list before and during the pandemic.

### **Actions to assess and address risk**

For us, compliance is more than just checking a box; it is crucial that our customers, contract carriers, vendors, and shareholders feel comfortable and confident doing business with us.

Over this reporting period, we have made significant progress in implementing further steps to assess and address modern slavery in our operations and supply chains. These additional steps include:

- Our contracts have been reviewed and now include specific reference to requirements that must be met in order to mitigate or reduce the likelihood of Modern Slavery in the supply service contract.
- Each contractor is now also subject to a Quarterly business review where clarification is sought that all requirements of the contact document are being complied with.

### **Governance and accountability framework**

C.H. Robinson in Australia takes a cross-functional approach to regulatory compliance. In matters involving employment-related regulation, our Manager Human Resources, Oceania, partners with our Regional Customs & Compliance Manager to assess our response and develop our accountability frameworks. These two individuals have kept the regional Senior Leadership Team abreast of regulatory developments, any identified risks, and action plans to ensure C.H. Robinson's compliance. This team is also accountable for consulting across relevant internal stakeholders.

### **Policies and procedures**

Our policies and procedures help ensure we have strong frameworks to enable us to assess and address modern slavery risks. These policies and procedures include:

- **Modern Slavery Policy** for our business that establishes our commitment to addressing modern slavery risks in our business and driving an accountability for ethical business practices across our organisation. This Policy is embedded in the Australian Employee Handbook that is provided to all Australian employees and contractors on an annual basis for review and acknowledgement.
- **Supplier Code of Conduct** that set out the minimum expectations for our suppliers and third party labour providers related to ethical practices including addressing modern slavery



risks in their business, which was rolled out. Our approach was to embed the Supplier Code of Conduct into our existing Supplier Agreement. All new suppliers since the release of the updated Supplier Agreement have been required to sign this new format. For suppliers with existing agreements, we have sent out an addendum inclusive of the new clauses and requested this be signed. We have also established an expectation with our suppliers that they will engage with their suppliers on similar terms. Our aim is to ensure that all members in our supply chain, inclusive of our contractors are all aware of the importance of addressing and mitigating any sign of modern slavery existing in their business.

- **Global Code of Ethics** (reviewed and acknowledged by all staff annually);
- **Foreign Corrupt Practices Act (FCPA) eLearning module** (undertaken annually); and
- **Grievance Procedures** with a dedicated external and confidential process for Code of Ethics incidents to be investigated.

### ***Review of our standard sub-contractor agreements***

Our standard subcontractor agreements are regularly reviewed and include several safeguards for modern slavery risks as described above. These terms allow us to work collaboratively with our sub-contractors to address modern slavery risks and proactively manage any incidents that may occur.

### ***Training***

We continue to provide targeted training briefings to the regional Senior Leadership Team on the principles of modern slavery. In this reporting period we also introduced information sessions across our product (procurement) teams and operations branch leadership teams on the key principles of our modern slavery risk assessment and policy.

### ***Assessing our effectiveness***

We are committed to reviewing the effectiveness of our actions by regularly reviewing our modern slavery processes with senior management to ensure we are appropriately identifying and evaluating our modern slavery risks. Further, we will continue to ensure the appropriate contracting and risk assessment is completed when engaging new suppliers.

We will continue to measure our performance by monitoring the number of our suppliers who have committed to our Supplier Code of Conduct (100% is our Target) and will monitor the number of suspected or identified modern slavery incidents (0% in FY21).

### ***Consultation***

As a subsidiary of C.H. Robinson Worldwide, Inc, C.H. Robinson's approach to modern slavery is largely comprised of overarching policies, systems and processes that are designed to be consistently applied across the group.

During FY2021, there was consistent consultation and collaboration between our Oceania regional Senior Leadership Team, our Human Resources Manager and our Regional Customs & Compliance Manager. This process of consultation also included reviewing Modern Slavery Statements internationally along with identifying and learning from what our customers and competitors were doing in this important area.

Prior to being put to the Board of C.H. Robinson for review and approval, this statement was reviewed by each



entity that is owned and controlled by C.H. Robinson.

### Related activities

As an entity within a global business, across our network, C.H. Robinson is required to meet reporting requirements in California Transparency in Supply Chains Act of 2010 and the U.K. have the Modern Slavery Act of 2015.

We continue to support Modern Slavery initiatives through strategic grants to organisations such as Truckers Against Trafficking,

In 2021, we refreshed our first formal materiality assessment, engaging both internal and external stakeholders to determine the focus areas most critical for our ESG strategy.

Responsible Business practices that include Human Rights and labour rights were determined to be a Priority material topic by our ESG group.

### Priority material topics

High importance to stakeholders and high impact on C.H. Robinson

### Responsible Business Practices

Driving the world's economy through responsible business practices that have positive impacts on our society and our planet

Corporate governance  
Human rights, labor rights  
Ethics and compliance  
Security & data privacy  
Risk & crisis management

### FY2022 focus

In FY22 we will further concentrate on educating our staff on the Modern Slavery and the impacts it can have to our business.

We will be packaging this with our training already associated with Privacy, Data Security, Foreign Compliance, Ethics and maintaining our EDGE values.

This statement was approved by the Board of C.H. Robinson Worldwide (Australia) Pty Ltd in its capacity as the principal governing body of C.H. Robinson Worldwide (Australia) Pty Ltd on 4/8/2022.

This statement was signed by Andrew Mark Coldrey in his capacity as a member of the Board of C.H. Robinson Worldwide (Australia) Pty Ltd on 4/8/2022



Andrew Mark Coldrey  
Vice President APAC & Director  
C.H. Robinson Worldwide (Australia) Pty Ltd

