

## Border Express Pty Ltd Modern Slavery Statement

For the Financial Year ended 30 June 2021

Since the enactment of the *Modern Slavery Act 2018 (Cth)* in Australia, companies have been urged to revisit, refine and reform their current approach to modern slavery and human trafficking within their internal operations and external supply chain. Governments and consumers are holding industries accountable for their approach to managing modern slavery risks, and urging companies to employ a proactive and robust approach to slavery, trafficking, and responsible labour practices. Globally, the COVID-19 pandemic has heavily exacerbated the vulnerability of the workforce and caused a number of people to be exposed to unfavourable and irresponsible labour practices. Action by companies surrounding health, financial security and safety is critical.

Border Express Pty Ltd supports and embraces the enactment of the *Modern Slavery Act* in Australia. We believe this legislation encourages valuable conversations across all sectors on modern slavery and promotes a safer working environment for all stakeholders. It is an opportunity to improve governance and accountability surrounding slavery, trafficking, human rights, and promotes the safety of employees and contractors.

This statement recognises Border Express Pty Ltd' obligation to respect human rights as expressed in the *International Bill of Human Rights*<sup>1</sup> and the *International Labour Convention Core Conventions*<sup>2</sup>. As part of our modern slavery response, Border Express Pty Ltd will be aligning our approach with the *United Nations Guiding Principles on Business and Human Rights* and the *OECD Guidelines for Multinational Enterprises* as key resources for developing our responsible business practices conduct.

Border Express Pty Ltd is committed to the continuous improvement of our approach and strategy in relation to addressing the risk of modern slavery and labour rights in our supply chain and operations. Border Express Pty Ltd intends to ensure responsible practices are upheld and instances of slavery and trafficking are eliminated where detected (where possible). Border Express Pty Ltd plan to collaborate and partner with our peers and other leaders within the industry, to ensure collective action is taken to drive out any potential instances of modern slavery.



**Tom Vukovic**  
Executive Chairman



**Mark Luff**  
Director

Approved by the Board on: 22/12/2021

<sup>1</sup> International Bill of Rights refers to; the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic, Social, and Cultural Rights (ICESCR).

<sup>2</sup> International Labour Convention Core Conventions refers to; Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol); Abolition of Forced Labour Convention, 1957 (No. 105) Minimum Age Convention, 1973 (No. 138); Worst Forms of Child Labour Convention, 1999 (No. 182); Equal Remuneration Convention, 1951 (No. 100); Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

## 1. Reporting Entity

*Criteria 1: Identify the reporting entity.*

This Modern Slavery Statement (the Statement) addresses the risk of slavery and human trafficking present in Border Express Pty Ltd (ABN 82 000 553 880) (Border Express) business operations and supply chain. The Statement is written in accordance with section 13 of the Modern Slavery Act 2018 (Cth) (the Act).

Section 5 of the Act stipulates that an entity that generates revenue in excess of \$100 million for the reporting period must prepare and disclose a modern slavery statement annually. The section further dictates that the entity must either be an Australian entity, or an entity that carries on business in Australia in any time within the reporting period. The Statement must demonstrate the actions that Border Express has undertaken to identify and manage modern slavery risk within the specified reporting period.

The reporting period that is applicable for this Statement is from 1 July 2020 – 30 June 2021.

## 2. Structure, Operations & Supply Chain

*Criteria 2: Describe the reporting entity's structure, operations and supply chains & Criteria 6: Describe the process of consultation with any entities the reporting entity owns or controls (not applicable).*

### Structure and Operations

Border Express Pty Ltd is a national transport and distribution organisation that provides logistics services throughout metropolitan and regional Australia. Border Express Pty Ltd are a third generational family owned and privately operated business. Border Express Pty Ltd operations are positioned across Australia in 17 locations, with the headquarters located in Albury, New South Wales.

Border Express Pty Ltd employs 1173 employees and approximately 250 sub-contractors across all sites. Our company holds a vast fleet of vehicles, including in excess of 1000 trucks, trailers, vans, and prime movers. Over 3000 Australian customers are provided with domestic road transport, distribution, and warehousing services each year.

Border Express does not own or control any other operating subsidiaries or business entities.



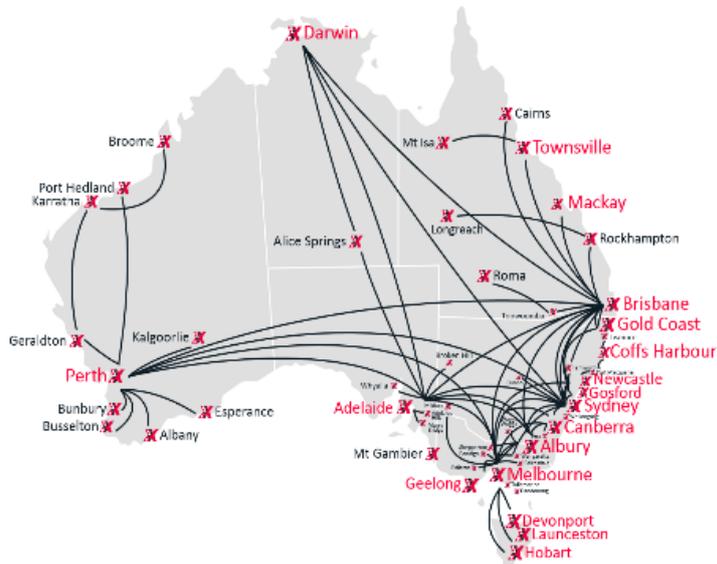


Figure 1: Border Express' map of operations

Border Express operates across three main service areas:

- Bulk Logistics and Freight.
- Parcel Delivery.
- Third-party Warehousing and Logistics (3PL).

Each of the above-mentioned service areas are outlined below.

### **Bulk Logistics and Freight**

To ensure the successful delivery of national transport and mass distribution services, Border Express Pty Ltd operates an extensive line haul fleet and has branches in various locations across Australia. We offer door to door nationwide express freight transport services throughout metropolitan and regional locations. Our large fleet and numerous Border Express branches that are in multiple locations across Australia ensures that our network can facilitate any express freight requirements. A large portion of the inner metropolitan delivery services are facilitated by a variety of sub-contractors. The Border Express' line haul fleet manages our interstate deliveries.

### **National Parcel Delivery Services**

Border Express provides business-to-business and business-to-consumer parcel and satchel delivery services throughout Australia. The service supports a comprehensive range of packages, box, and satchel sizes for convenient and consistent freight planning. Parcel service types include local distribution, express delivery, and dangerous goods transportation.

### **Third-party Warehousing and Logistics (3PL)**

Border Express third-party warehousing and logistics offer organisations seeking to outsource their own logistic operations can employ Border Express' cloud-based supply chain solutions to facilitate the operations of the warehouse. Border Express provides product storage and business-to-business solutions for retail goods and materials.

Below is the current breakdown of Border Express employees across Australia.

<b>Branch</b>	<b>Casual</b>	<b>Part Time</b>	<b>Full Time</b>	<b>Total</b>
Adelaide	26	1	49	76
Albury	8		40	48
Brisbane	52	4	95	151
Canberra			14	14
Central Coast			17	17
Coffs Harbour	1		3	4
Dandenong	74	2	59	135
Darwin	2		5	7
Geelong	3		5	8
Gold Coast	1		15	16
Mackay			4	4
Melbourne	88	14	137	239
National	1	9	77	87
Newcastle			20	20
Perth	11	3	69	83
Sydney	65	13	178	256
Townsville			8	8
<b>Total</b>	<b>332</b>	<b>46</b>	<b>795</b>	<b>1173</b>

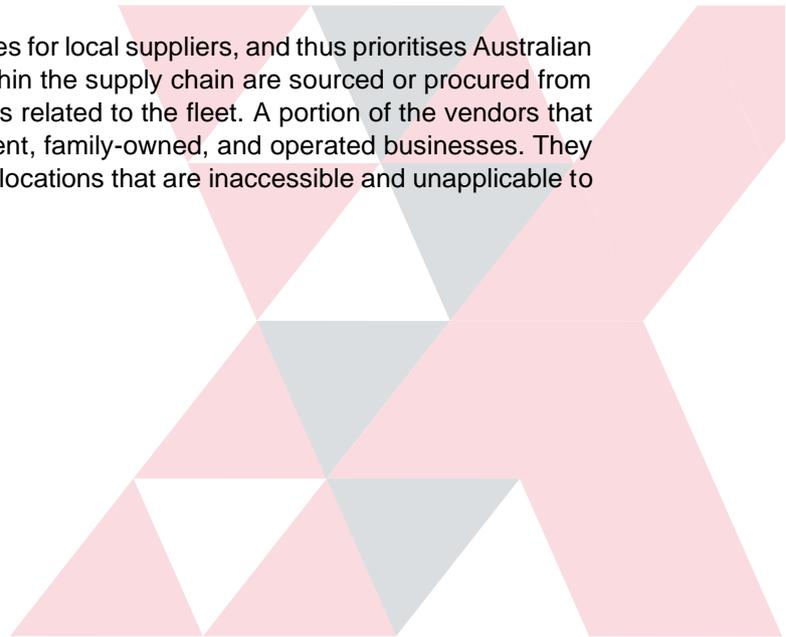
Table 1: Border Express employee breakdown (location, employment type,)

## Supply Chain

The supply chain supporting our operations is extensive. The company engages with upwards of 1400 individual vendors. The contracted vendors supply Border Express Pty Ltd with the requisite products and services needed to facilitate transport and logistics services alongside the general administration of the company. Products and services that are acquired from supply chain vendors include:

- Vehicles
- Tyres
- Fuel
- Labour hire
- Cleaning services
- Operational consumables
- IT solutions
- Fleet maintenance, and
- Linehaul and local sub-contractors.

Border Express Pty Ltd seeks to optimise opportunities for local suppliers, and thus prioritises Australian vendor relationships. However, certain elements within the supply chain are sourced or procured from offshore vendors, such as the manufacturing of parts related to the fleet. A portion of the vendors that Border Express Pty Ltd engages with are independent, family-owned, and operated businesses. They provide specialised and catered services in regional locations that are inaccessible and unapplicable to the larger suppliers.



### 3. Modern Slavery

*Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls.*

We are committed to maturing and developing our approach to the management of modern slavery-related risks within our internal operations and supply chain. The disclosure of our second modern slavery statement demonstrates our commitment to understanding the risk and existence of modern slavery, and our role in detecting and supporting victims.

Border Express Pty Ltd has engaged an external consultant to assist with our comprehension of the issue, and with the development of a prospective modern slavery strategy.

#### Operations

We emphasise a strong safety-orientated culture across all of our operations. Our employees are expected to demonstrate exemplary values throughout their business conduct and hold each other accountable for their actions. Based on discussions with key stakeholder groups and initial advice gathered by the external consultant, Border Express' workforce was deemed to be at low risk of being subject to working conditions akin to modern slavery.

In FY21, a modern slavery risk assessment was conducted over Border Express' internal operations by an external consultant. It identified several potential modern slavery risks within our operations and provided recommendations for Border Express to develop more robust procedures to monitor and assess modern slavery risk. The key findings were that Border Express does not have a human rights or modern slavery commitment reflected in our policy. Further, it was found that a formalised risk management framework incorporating modern slavery considerations did not exist. Lastly, the Border Express Whistle-blower Policy and Grievance Procedure did not incorporate modern slavery or human rights grievances. Border Express formalised several new policies and procedures to implement the consultant's recommendations as detailed under *Criteria 4*.

#### Supply Chain

Border Express engages with an extensive network of suppliers, sub-contractors, unions, and other agents in the provision of logistics and delivery services across metropolitan and regional Australia. Given the complexity of our supply chain, the potential exposure to modern slavery is considerable. Particularly, the supply chain and supplier relationships are found to be a common exposure point for modern slavery risk. A critical step in understanding where Border Express is exposed to modern slavery risks is to undertake an assessment over their supply chain.

Border Express has contracted an external consultant to assess the level of modern slavery risk across our 1400 plus vendors. The assessment will be completed in FY22, however preliminary findings indicate there were a number of risks specific to modern slavery and labour rights issues in the supply chain. Firstly, it was found that Border Express is dependent on several key suppliers who provide specialised products/services across all of our operations (e.g., one major clothing supplier). If an instance of modern slavery is detected, it indicates there is a high concentration of risk in a particular supplier and highlights the importance of ensuring that supplier relationships are appropriately managed and monitored to ensure responsible practices are upheld. Further, it was identified that some sectors that are crucial to the operation of Border Express' business possess a higher inherent risk of modern slavery due to the complexities within the supply chain. These categories include transport, motor vehicles and parts, machinery, and equipment. Within these categories, there is limited visibility of the entirety of the supply chain, and the location in which certain parts are sourced from. Thus, these categories are deemed to be of a high risk, as it is difficult for Border Express to ascertain whether slavery is present during the manufacturing, transportation, and distribution of the supply chain.

*Criteria 4: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.*



*Figure 1: Border Express' completed modern slavery uplift action items.*

In FY21, our company has significantly improved our internal understanding of modern slavery. Border Express Pty Ltd utilised their external consultant to assist with the development and implementation of a ten-phase strategy to uplift our capability to address and mitigate modern slavery risks in our operations and supply chain. Phases one to five of the strategy were completed in this reporting period and included the mapping of our structure, businesses, and supply chain, an operational risk assessment through identifying parts of Border Express' operations where there is a higher risk of modern slavery.

The operational risk assessment sought to understand the current risk management approach adopted by Border Express and the current operational gaps in responding Modern Slavery Act 2018 (Cth).

Further, training was developed and provided for the Executive Leadership Team, the Board, and employees on how to identify and assess modern slavery risks and impacts. This process sought to broaden the knowledge, understanding and capabilities of the employees relative to modern slavery and build support for the modern slavery efforts at Border Express.

The last stage to be conducted within the reporting period, Border Express Pty Ltd reviewed and updated several key internal policies and procedures (including but not limited to; supplier code of conduct, procurement policy, sourcing, and agreement standard) to incorporate modern slavery considerations. Border Express Pty Ltd developed a Human Rights Policy, demonstrating our commitment to responsible labour practices in alignment with the United Nations Guiding Principles on Business and Human Rights.

*Criteria 5: Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks.*

Border Express Pty Ltd is currently in the process of uplifting our Modern Slavery strategy and capability and identifying risks and understanding the effectiveness of the actions it is taking to assess and address the risks of modern slavery practices in our operations and supply chain.

The underpinning goal for Border Express is to eliminate modern slavery practices from within their operations and supply chain, where possible.

#### 4. Our Future

We are committed to continuously improving our approach in addressing modern slavery risks in our operations and supply chain. We are seeking to continue to build on the work that was undertaken in this reporting year, and further progress our actions to mitigate the impacts of modern slavery, and ensure responsible practices are upheld within our operations and supply chain. We have already considered and taken the necessary steps to further integrate human rights due diligence into our internal policies, procedures, and supplier contracts. However, we are still seeking to take additional steps to address risks specific to modern slavery and labour rights within the high-risk sectors of our supply chain. We understand that transport, motor vehicles and parts, and machinery and equipment are high risk categories, and we will ensure these sectors are monitored consistently to eliminate risks where possible.

Border Express has identified five additional stages of their Modern Slavery strategy to potentially be completed in the next reporting period (see *Figure 2*). Border Express will explore the feasibility of undertaking these activities in FY22.



*Figure 2: Border Express' proposed modern slavery uplift action items*

For any further enquiries on our modern slavery approach, or on our modern slavery statement, please contact:

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