

LOGISTEED Australia Pty. Ltd.

475B
Dohertys Rd Truganina
VIC 3029, Australia

FY2023 Joint Modern Slavery Statement**1. Introduction**

This statement on modern slavery has been jointly prepared by LOGISTEED Australia Pty. Ltd (ACN 150 317 007) ("LAU") of Registered address and LOGISTEED Forwarding Australia Pty Ltd (ACN 063 771 997) (LAUF) of Registered address (together "LAU Gr." "we" "us" or "our").

This joint statement is made under the Modern Slavery Act 2018 (Cth) in Australia. It outlines the steps taken by LAU Gr. during the period from April 1, 2023, to March 31, 2024, to mitigate the risks of modern slavery in its business and supply chains.

We changed its corporate name from Hitachi Transport System (Australia) Pty. Ltd. to LOGISTEED Australia Pty. Ltd. and from Hitachi Forwarding (Australia) Pty. Ltd. to LOGISTEED Forwarding Australia Pty. Ltd. in April 2023, when our parent company, Hitachi Transport System, Ltd., incorporated in Japan, changed its trade name to LOGISTEED, Ltd. ("LD").

2. Overview of Our Structure, Operations and Supply Chains

LAU and LAUF are both wholly owned consolidated subsidiaries of LD. Headquartered in Melbourne, LAU Gr. has footprints in two Australian major cities (Melbourne and Sydney) and provides logistics and transportation services to Australian businesses, with our network coverage including New South Wales, Queensland, Western Australia, South Australia, and Victoria.

The number of employees is 34 for LAU and 17 for LAUF as of the end of March 2024.

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■ About LAU's Operations

LAU has been providing comprehensive logistics services tailored to the unique needs of customers, ranging from businesses (B2B) to consumers (B2C), by utilising our Group's expertise, global network, and know-how since we started service in Australia in 2011. We move goods seamlessly and efficiently, with our expertise in high-quality logistics services.

Our strength lies in our ability to deliver comprehensive global solutions through the integration of our 3PL (3rd Party Logistics), contract logistics, heavy machinery haulage, and forwarding capabilities. We specialize in designing and optimizing logistics operations for customers of various sizes and industries, offering end-to-end supply chain solutions to enhance efficiency and service quality. Services cover various segments of the supply chain, including procurement, production, sales, distribution, and after-service. We aim to enhance service quality and streamline logistics operations. The key services:

- **Customized Logistics Solutions:** Tailoring logistics operations to meet individual customer requirements, optimizing processes, and ensuring efficient supply chain management.
- **International 3PL Models:** Constructing international 3PL models that combine freight forwarding, logistics bases, and transportation networks in different markets to support business expansion.
- **Service Menu:** Providing a range of logistics services, including in-house transport management, packing and unpacking, warehouse management, pick and pack, nationwide distribution, containerized and bulk tracking, and specialized e-commerce logistics solutions.

■ About LAUF's Operations

LAUF provides international forwarding services, including import goods and comprehensive logistics transportation services. It collaborates with LAU to facilitate the movement of goods

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internationally and domestically. The key services:

- **Freight Transportation:** Coordinate the transportation of goods across international borders, including selecting the appropriate mode of transportation and carrier to move goods from the country of origin to the destination.
- **Customs Clearance:** Assist complex customs procedures and regulations with customs clearance by preparing and submitting the necessary documentation, paying import duties and taxes, and ensuring compliance with import laws.

■ LAU Gr. Supply Chains

LAU Gr. is engaged in the logistics business in Australia, and our major shippers are companies that sell products such as household and hygiene goods. We import goods mainly from Indonesia, Thailand, Belgium, Japan, China and the U.S., and transport them to Australia.

Our business partners include harbour operators, sea freight operators, land freight vehicle transport operators, air freight operators and staffing operators. We choose the best logistics method for goods received from customers and ensure delivery in cooperation with operators.

3. Risk of Modern Slavery in Our Operations and Supply Chains

We are mindful of the risks of modern slavery practices in the operations and supply chains of a logistics and forwarding business, which are a critical concern in today's global business environment. Identifying and mitigating these risks is essential for adhering to modern slavery regulations and upholding ethical business practices. The risks associated with modern slavery practices in logistics and forwarding businesses and their supply chain includes:

- **Supplier and Subsidiary Risks:** Vulnerability in the supply chain, particularly when

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dealing with suppliers in countries with weaker labour protections. Lack of visibility into labour practices within complex supply chains.

- **Subcontracting Risks:** Risk of subcontractors further down the chain engaging in modern slavery practices without oversight.
- **Human Trafficking Risks:** Vulnerability of migrant workers to human trafficking and forced labour due to their immigration status.
- **Lack of Due Diligence:** Insufficient screening of suppliers, subcontractors, and subsidiaries can unintentionally involve the reporting entity in modern slavery practices.
- **Lack of Reporting Mechanisms:** Lack of suitable reporting channels may discourage works from reporting cases of modern slavery.

4. Actions Taken to Assess, and Address Identified Modern Slavery Risks

■ Policy Related to Modern Slavery

Under the LD Group's philosophy "to deliver high-quality services that will help make the world a better place for people and nature for generations to come," LAU Gr. aims to realise Environmental, social and governance (ESG) management—achieving a sustainable society—and continues to promote management that respects human rights based on the Group Human Rights Policy formulated by the LD Group as the highest policy related to human rights. The Group Human Rights Policy* supports the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Universal Declaration of Human Rights, understands that the human rights of all people affected in our business activities must be respected, and declares that it will endeavour to ensure that the dignity of people related to our business is protected and respect is given to each other.

The Group Human Rights Policy prohibits forced labour and child labour, including bonded labour and human trafficking, and we do not tolerate modern slavery based on this policy.

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We also expect our stakeholders to comply with and support the Group Human Rights Policy.

With the basic conduct policy of "respect for human rights, compliance with regulations and laws, and connection to society" under the Group Human Rights Policy, we act based on the Group Code of Conduct, which is used as a reference by all employees. If any act that deviates from this Code of Conduct is found, it is reported to a supervisor immediately or reported through the whistleblowing system.

All managers have signed a pledge to act in accordance with the Code of Conduct.

* LOGISTEED Group Human Rights Policy: [_\(logisteed.com\)](https://www.logisteed.com)

■ **LD Group and Supply Chains' Initiatives to Prevent Modern Slavery and Human Trafficking**

• **Human rights due diligence**

To promote management that respects human rights, LAU Gr. conducts human rights due diligence based on the Group Human Rights Policy, identifies human rights risks in the company and its supply chains, assesses human rights risks, and applies the PDCA cycle to mitigate the risks. These initiatives help us constantly address issues, promote action plans throughout the LD Group, disclose them to the public, and improve them.

• **Human rights risk assessment and monitoring**

In 2022, the LD Group conducted global desktop research in the logistics industry in cooperation with an NGO organisation to analyse and summarise human rights risks. This research pointed out global initiatives on forced labour and child labour as imperatives. As a result, we established the Group Human Rights Policy in April 2023 and clarified the Group's stance of not tolerating forced labour and child labour. We also expect our stakeholders to support the Group Human Rights Policy.

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- **Remedy mechanism**

The LD Group has a remedy mechanism in case of human rights violations. The Compliance Reporting System, which has been translated into 20 languages with posters displayed at each office, is a reporting system* that allows employees to make contact from both inside and outside the company and ensures the confidentiality of all reports. Its corresponding internal committee addresses reports properly and checks if their action plans are effective. Reports and their action plans are shared at the LD Executive Officer's Meetings.

Regarding reports, their facts are investigated according to the predetermined procedure, and the investigation results are sent to those who made reports via letter or email.

If a violation is confirmed by the investigation or review, it is handled in accordance with the Group Human Rights Policy and Code of Conduct. We also analyse the cause of the violation and take corrective measures to prevent it from happening again.

* Reporting system: [Compliance: LOGISTEED](#)

- **Measures for FY2022**

The LD Group has been in cooperation with an NGO organisation since October 2022. In monthly consultations with the NGO, we summarised our past human rights initiatives while obtaining external professional opinions on them. We also conducted global desktop research in collaboration with a UK research organisation, which organised global human rights issues from the perspective of an external specialist organisation, and also human rights issues in the logistics industry.

- **Measures for FY2023**

In 2023, the LD Group took the following initiatives to further promote respect for human rights.

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- The Group will promote understanding of respect for human rights through global training for officers and employees.

- The Group conducted desktop research on human rights among Group companies (81 companies), identified and organised problems and issues, and conducted an SAQ* of Group companies (27 companies) according to the issues they faced. The results of the desktop research and SAQ were checked and action is being taken on issues that need to be addressed, taking into account their severity and likelihood of occurrence.

* SAQ: Self-Assessment Questionnaire

■ Training and Education

The LD Group regularly provides education on human rights. For the Code of Conduct, which describes the behaviour to be carried out by each of the employees based on the Human Rights Policy, an educational program is held annually for all employees. Ethics Month, which is held every November, introduces case studies on human rights to raise awareness of human rights issues.

All LAU Gr. managers comply with the LD Group Code of Conduct and have signed a pledge to observe relevant laws and internal regulations. Each of our staff members is also aware of the LD Group Code of Conduct and complies with it.

From 2024 onwards, the LD Group will continue to globally provide training for officers on human rights.

■ Goal Setting for FY2024

- In FY2024, the Group will promote action on issues to be addressed that have been identified, taking into account their severity and likelihood of occurrence, based on the confirmation of the results of the SAQ conducted in FY2023.

- The Group will continue to implement training centred on newly appointed officers, and promote understanding of respect for human rights as one of the programmes in the Code

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of Conduct training for all employees.

LAU Gr.'s long-term goal is to minimise modern slavery risks as much as possible by investigating, identifying and improving human rights risks in cooperation with the LD Group in the supply chains. To promote the initiatives determined to eliminate modern slavery, we will strive to raise awareness of these risks by working with all stakeholders, including employees, business partners and suppliers.

5. Assessing the Effectiveness of Our Actions

LAU Gr. recognises the importance of evaluating the effectiveness of our endeavours to mitigate modern slavery. Although we have not identified any instances of modern slavery within the supply chains we engage with, we acknowledge the critical need for a comprehensive assessment of our entire business operations to ensure the continued integrity of our supply chain.

LAU Gr. continues to monitor and improve its actions toward mitigating the risks of modern slavery by:

- **Review Policies and Procedures:** Evaluate the policies and procedures we have in place to address modern slavery risks. Ensure that they align with legal requirements and industry best practices.
- **Employee Training and Awareness:** Assess the effectiveness of employee training programs on modern slavery. Gather feedback from employees to gauge the quality of training.
- **Risk Assessment:** Re-evaluate our risk assessment processes. Identify any emerging risks or changes in the business environment that may impact modern slavery risks. Make adjustments to risk assessments as needed.

■ Cooperation with an NGO Organisation

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This statement on modern slavery was prepared, following talks with the Global Alliance for Sustainable Supply Chain, a third-party non-governmental organisation.

6. Consultation with Reporting Entities

We consulted with each reporting entity included in the statement during the preparation of the joint statement. Throughout this reporting period, we actively engaged with each reporting entity to establish expectations, raise awareness, and gain insights into our approach for mitigating modern slavery risks. We don't own or control any other entities.

7. Approval by the Board of Directors of LAU Gr.

This statement was approved by the LAU Board of Directors on July 30th, 2024 and by the LAUF Board of Directors on July 30th, 2024.



July 30th, 2024

LOGISTEED Australia Pty. Ltd.

Masayuki Kato, Representative

Director and President



July 30th, 2024

LOGISTEED Forwarding Australia Pty.

Ltd.

Masayuki Kato, Representative

Director and President