

Modern Slavery Statement for Financial Year Ending 31 December 2023

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 2023 to 31 December 2023.

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 victims of Modern Slavery around the world. Practices that constitute Modern Slavery include:

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

and 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, in particular those relating to compliance with ethical standards, applicable laws as well as integrity, including Modern Slavery. Commercial success and socially responsible actions are interdependent, and DB Schenker considers sustainable and responsible business practices to be an important foundation in dealings with our business partners to ensure that all of our suppliers live by and share the same values.

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 at 72-80 Bourke

Road, Alexandria, New South Wales 2015, Australia. This also serves as the head office for our 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.

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 agency¹. 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;
- Stationery and furniture; and
- Information and technology hardware and software.

In the 2023 reporting period, DB Schenker continued its efforts to consolidate our supplier pool and ensure that those long-term partners we engage, as well as new suppliers, are subject to a rigorous procurement process in accordance with our internal Statements of Procedure.

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

¹ Figures current as at April 2024.

Risks of Modern Slavery in our 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 2023 and accordingly the risks and levels of risk of Modern Slavery in DB Schenker's own operations remains low. We continue to carefully consider the ways in which we may have risks of causing, contributing to, or being directly linked to Modern Slavery practices so that we 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. Our operations include involvement at ports into and out of Australia – both via air and sea. We understand the critical role that ports of entry can play in the practices of Modern Slavery around the world. While we do not have control over the management of these ports, we understand the importance of working strategically with these global entities across the broad DB Schenker Group – again guided by our COCBP which is consistently applied to all suppliers used by DB Schenker globally. Similarly, we are aware of the roles that the Australian Border Force and Australian Maritime Safety Authority have at these ports and work with the regulatory authorities as a point of contact at these locations.

We acknowledge that our casual employees, and particularly employees on visa arrangements are more vulnerable than our permanent employees due to their employment relationships being less secure. Particularly workers on visas, whereby 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.

We note that under the MSA we are not required to report on modern slavery risks associated with how our clients use our services, but wish to acknowledge this potential risk. We do not manufacture or produce goods ourselves but a key part of our operations is the transportation of our clients' goods. Our clients are involved in a diverse range of sectors and so we acknowledge that through the carriage of those goods we may be indirectly linked to modern slavery. It is based on this understanding that we exist as part of global supply chain ecosystem, that in addition to managing our supplier networks in line with the 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 our 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, our 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 our 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 our employee's rights to join or not join a trade union or employee representation of their choice, free from threat or retribution. We 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 our frontline employees are covered by the terms of enterprise agreements approved by the Fair Work Commission. In this reporting period, DB Schenker has renegotiated three 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.

Our Staff

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 our 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 our onboarding process for new employees, we require employees to read and acknowledge that they have read our Modern Slavery Policy and Codes of Conduct. Our induction package also requires new employees to undertake training to specifically be aware of Modern Slavery practices in the services which we offer. Our

training programmes include regular content in relation to compliance and recognising Modern Slavery practices in the supply chain process.

Working Conditions

We comply with all relevant local laws and other regulations regarding working hours including overtime, rest breaks and paid leave.

We compensate our employees relative to the local industry and labour market, in accordance with minimum wage legislation and the terms of industrial instruments where applicable. We ensure that employees are remunerated in a timely fashion and clearly set out the basis on which workers are to be paid. Throughout the reporting period we have taken steps to understand and prepare for the implementation of the “Same Job Same Pay” legislation.²

Internal Policies and Procedures

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

Our 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 we help to protect and promote these rights and freedoms within our actions. The Code of Conduct states that we reject child labour and any form of forced labour.

DB Schenker Australia understands that Modern Slavery includes only the most severe forms of exploitation. However, we also know that the existence of substandard workplace conditions can be a precursor of Modern Slavery. Our Code of Conduct also includes requirements and expectations of our staff in relation to Corporate Social Responsibility, Equal Opportunities, Cooperation, Occupational Health and Safety, Environmental Protection, Behaviour, Confidentiality, Conflicts of Interest, Invitations

² Fair Work Legislation Amendment (Closing Loopholes) Act (Cth)2023

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 we operate, how we collaborate and partner with our stakeholders and how we as a company behave 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.

Whistleblowing

We understand that staff play a key role in our due diligence. DB Schenker's Whistleblower policy serves as a potential mechanism through which staff can report anonymously breaches of our 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 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 our previous reporting period, as part of our ongoing reinforcement of the MSA and all it encompasses, a modern slavery clause was included in our standard terms of agreement used in our supplier approval process.

In 2023, DB Schenker Procurement and People & Organisation (P&O) team entered a national tender for all blue collar and white collar, permanent and temporary contracts. Modern Slavery and 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 we find 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, we 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 must sign up to and abide by the COCBP. The COCBP requires our suppliers to carry out their business activities with integrity, to comply with the law, including human rights laws. We advise our suppliers that we have 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, we ensure that all our suppliers live and share the same values.

Diversity and Inclusion

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

We are an equal opportunity employer and 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, we provide 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 Our Actions

DB Schenker Australia 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. We

acknowledge 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.

We continue to assess the effectiveness of DB Schenker's 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 considered and approved by the Board of DB Schenker on 26 June 2024.

Signed:

Anders Bergland

Chief Financial Officer

Schenker Australia Pty Ltd

Alexis Cahalan

General Counsel Company Secretary

Schenker Australia Pty Ltd