

FY23 Modern Slavery Statement

1. Introduction

This Statement describes the actions taken by SingPost Australia Investments Pty Ltd (ACN 646 430 408) (**SPAI**), Freight Management Holdings Pty Ltd (ACN 144 724 532) (**FMH**) and its controlled entities (**FMH Group**) including EFM Logistics Pty Ltd (**EFM**) to assess and address modern slavery in its operations and supply chains in compliance with the Modern Slavery Act 2018 (Cth) (**Modern Slavery Laws**) for the reporting period 1 April 2022 to 31 March 2023.

Modern slavery involves the most serious forms of exploitation and includes human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

SPAI, FMH and all of its subsidiaries do not accept any form of human rights abuse, including modern slavery. It expects all employees, suppliers, and subcontractors to uphold a culture of integrity, honesty, and commitment to ethical labour.

We renew our commitment to strengthening our governance framework to minimise and prevent risks of modern slavery.

During the reporting period, FMH Group transitioned to a new financial year from financial year ending 30 June to its financial year ending 31 March. Accordingly, we are re-issuing an updated statement to align with this new reporting period and to reflect the change in control within the Group. A number of projects from our statement dated 14 December 2022 have been completed whilst numerous projects are still under development due to the shortened reporting period. Consequently, they continue to be our main focus throughout FY24 in addition to new action items.


2. Our Structure, Operations and Supply Chain


SPAI is a holding company whose sole asset is the shares it holds in FMH.

FMH is a holding company with diversified interests across logistics services. Through the integration of our technology, people, and physical assets, we strive to enable a truly efficient and sustainable supply chain.

FMH Group is comprised of three operating divisions: Fourth-Party Logistics (4PL) including warehousing, Technology, and Transport.

FMH Group has built up a diversified client base across a broad range of industries over the last 22 years. It provides a diverse range of services through the following subsidiaries:

Entity	Industry	Operations
 <p>NO BETTER EXPERIENCE</p> <p>efm Logistics Pty Ltd (formerly efm Logistics Services Group Pty Ltd) ACN 144 724 685</p>	<p>Logistics</p>	<p>Logistics as a 4PL provider, efm provides a diverse range of logistics and supply chain services to customers, including:</p> <ul style="list-style-type: none"> • Consulting • Solution Design • Data intelligence & reporting • Transportation • Warehousing • Implementation • Management

 <p>efm Logistics Pty Ltd (formerly efm Logistics Services Group Pty Ltd) ACN 144 724 685 trading as efm Warehousing</p>	Logistics	As a 3PL provider, efm provides tailored warehousing solutions covering a diverse range of services including contract warehousing, pick and pack, storage, and distribution.
 <p>BagTrans Pty Limited ACN 078 742 588</p>	Logistics	A specialised national less-than-truck-load express pallet carrier servicing mainly the fast-moving consumer goods sector which comprises mainly Grocery, Retail and Pharmacy distribution centres. (acquired January 2021)
 <p>Niche Logistics Pty Ltd ACN 122 953 833</p>	Logistics	Specialist provider of East-West rail services and Full Truck Load (FTL) movements. (acquired December 2020)
 <p>Flemington Fields Pty Ltd trading as GKR Transport ACN 009 240 635</p>	Logistics	Specialised general freight road carrier providing transit capability across the east west lane. (acquired 30 June 2021)
 <p>Andromeda Nominees Pty Ltd trading as Formby Logistics ACN 071 818 061</p>	Logistics	Specialised general freight provider servicing the Bass Strait and Western corridor (acquired 01 March 2022)
<p>Spectrum Transport QLD Pty Ltd – ACN 634 455 468 Spectrum Transport NSW Pty Ltd – ACN 634 455 708 Spectrum Transport VIC Pty Ltd – ACN 647 405 221</p>	Logistics	Specialised carrier providing B2B metro distribution in Brisbane, Sydney and Melbourne with a focus on FMCG products. (acquired 30 June 2022)
 <p>Flip Group Technologies Pty Ltd ACN 607 246 042 and Flip Technologies Pty Ltd ACN 607 245 956</p>	Information Technology	Product and software development engineering company.

Our values

At FMH Group's core, we are driving long-term value through our disruptive business model by finding new and better ways to optimise the end-to-end customer experience, whilst acting ethically and responsibly.

"At FMH Group, we promote a culture of integrity and take seriously our social and environmental responsibilities. We believe that we have an obligation to our customers, our team members, our partners across the supply chain and the environment to operate our business sustainably."

Our core values are:



Where we operate

FMH Group and its controlled entities are based in Australia.

Where we source

The majority of goods and services that we procure come from suppliers and contractors based in Australia and New Zealand.

Our major categories of procurement include:

- Freight Carriers and Transport Companies
- Cleaning, Rubbish removal, Waste management services.
- Human Resources: Labour Hire agencies and Recruitment service providers
- Consultancy and Professional services
- IT: infrastructure, hardware, and software
- Hospitality: venue and entertainment hire, catering/food, and drinks
- Trucks and trailers used in transportation
- General equipment (i.e., forklifts, printers)
- Insurers

3. Risks of Modern Slavery in Operations and Supply Chain

FMH Group continues to implement a systematic approach to risk management and compliance, including those related to modern slavery practices, in alignment with our Governance Framework.

The methodology to manage modern slavery risks in our operations and supply chain comprises:

1. Assessing modern slavery risk factors for our operations and supply chain by analysing the responses from our vendors SAQ (Self-Assessment Questionnaires)
2. Based on risk, prioritising focus areas for further engagement and due diligence.
3. Addressing the risks of modern slavery practices, as identified.
4. Reviewing the effectiveness of our actions to improve the overall process.

FMH Group understands that its business activities could cause, contribute, or be directly linked to modern slavery practices. Reference to our business activities includes:

Operations: our direct operations of wholly owned subsidiaries including our employees who operate our business and the employment conditions under which they work.

Supply Chain: our suppliers of goods and services including labour hire workers.

In 2021 FMH engaged an external consultant to support the development of the ESG (Environmental, Social and Governance) strategy and framework. This roadmap for action, curated in alignment with best practice frameworks and global principles such as the United Nations Sustainable Development Goals (UN SDGs), further embeds our commitment towards Responsible Supply Chains and Human Rights, amongst other key material topics.

As part of this holistic approach to sustainability, and in alignment with our core purpose *“to enable a truly efficient and sustainable logistics ecosystem through the integration of our cutting-edge technology, people and physical assets”*, we have identified ESG critical short- and long-term goals, including reflecting those related to identifying and mitigating risks factors of modern slavery.

The external baseline assessment of modern slavery risks conducted in drives the methodology and identification of high-risk procurement categories. With a deeper understanding of our supply chain, we can steer our continuous engagement efforts on risk mitigation. We acknowledge that, while we have made steady progress since our first statement, there is still work to do to gain thorough insight of all risks associated to modern slavery practices within our operations and supply chain.

Our assessment methodology combines geographic, product, service, industry, and sector risks to derive inherent supplier risk. The key observations for this year reveal:

- 1- Minimal geographic risk exposure due to all assessed suppliers registered and operating in lower-risk countries such as Australia.
- 2- High-risk supplier categories remain as:
 - o Cleaning, rubbish removal, and waste management.
 - o Freight Carriers including sub-contractors and agents: heightened level of risk related to the various layers of outsourcing, diminishing their oversight and control mechanisms within their own operations and supply chain.
 - o Labour hire agencies and recruitment services providing low-skilled temporary labour continues as a high-risk industry in Australia as a tough labour market being a key driver for labour issues including modern slavery risks.
- 3- Further insights required on suppliers of corporate clothing, uniforms, personal protective equipment (PPE) and renewable energy products and components (e.g., solar modules, lithium batteries, etc) to ascertain risk level based on country of origin, and therefore implement the corresponding mitigating actions.

From the current vendor mix, most risks within FMH Group’s supply chain and operations remain linked by industry grouping, and as such drives our assessment focus.

4. Actions taken to assess and address Modern Slavery risks

Each year we renew our commitment of building understanding and capabilities, as well as engagement levels and transparency with our employees and suppliers. The key initiatives completed during FY23 are listed below:

Priority Area	FY23 Actions
Governance	<ul style="list-style-type: none"> • Embedded compliance by incorporating, where practicable, Modern Slavery requirements and obligations, as well as audit enforcement provisions into our supplier contracts. • Modern Slavery Group: regular engagement to set expectations, review the roadmap for action and its implementation progress, define the initiatives for FY24 and partake in the consultation and approval process of the FY23 Modern Slavery Statement.
Risk Assessment	<ul style="list-style-type: none"> • Resulting from the Supplier Risk Assessment, high-risk suppliers in the highest risk profile groupings (cleaning, waste management and labor hire) are monitored, and will be engaged to conduct a more thorough risk assessment of their modern slavery frameworks.

	<ul style="list-style-type: none"> Suppliers in high-risk sectors will be reassessed in FY24 to identify risks in their supply chains and support the identification of mitigation controls. For suppliers without reporting obligations under the Modern Slavery Act 2018 (Cth), support is provided to raise awareness on Modern Slavery and its associated risks.
Due diligence	<ul style="list-style-type: none"> Ongoing analysis and risk evaluation of all SAQ responses to identify high-risk categories to be further investigated. Active supplier engagement and audits as part of our internal due diligence and onboarding as per the Contract Management process.
Grievance and remediation	<ul style="list-style-type: none"> Grievance mechanism and remediation processes in place that are also linked to our Whistleblower Policy, including escalation and accountability pathways. Training on Whistleblower Policy and Whistleblower hotline provided to the Senior Leadership Team across all entities.
Monitoring and Reporting	<ul style="list-style-type: none"> Under the ESG Framework, we have identified the first key metric related to completion of Modern Slavery awareness training. Based on a phased approach, we will continue evaluating other key performance indicators which will enable us to monitor the effectiveness of this framework.

5. Assessing the effectiveness of our actions

We continue to evolve our framework and sharpen the methods to assess whether our actions are appropriate and effective.

Governance Framework

Our ESG Strategy and related framework, informed by principles from global frameworks and standards, outlines our social and environmental commitments to operating a sustainable business. Enshrined in its core, lays our responsibility to continuously review all policies and processes to ensure they meet regulatory compliance and are effective in managing and mitigating all relevant risks, inclusive of those derived from potential modern slavery practices within our operations and supply chain.

Supplier Engagement

Through the outcome of our existing supplier compliance audit program, and findings and observations resulting from the Modern Slavery SAQ (Self-Assessment Questionnaire), we will continue gathering valuable insights on the risks within our operations and supply chain which will inform the future steps in continuously improving and embedding this framework.

Modern Slavery Working Group

This cross-functional group including representatives of all entities and key functions such as Legal, Procurement, People and Culture and Compliance is tasked with overseeing the monitoring of the actions included in this statement as well as to raise awareness of modern slavery risks and suggest opportunities for improvement.

6. Key Areas of Future Actions

Underpinned by the ESG Strategy and Framework, we aspire to advance the maturity of our Modern Slavery framework. We reaffirm our commitment of developing a resilient and sustainable environment which supports transparent operations and supply chains where human rights are at its core.

Priority Area	FY24 Actions
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<p>Governance</p>	<ul style="list-style-type: none"> Finalize and implement the Procurement Policy and Supplier Code of Conduct Implementation of the Supplier Relationship Management (SRM) digital platform that monitors vendor compliance. Monitor the implementation of the Supplier Relationship Management (SRM) to support the continuous refinement of vendor assessments. Whistleblower Policy review to reflect any improvement in processes enabling employees, suppliers, sub-contractors, and agents to report any unethical or unlawful conduct. Conduct a review of the Modern Slavery SAQ (Self-Assessment Questionnaire) for new vendors aimed to incorporate additional elements to improve the quality of the assessment outcomes. Extend the Modern Slavery Group to any new key stakeholders within the organization, including newly acquired businesses, as applicable.
<p>Risk Assessment</p>	<ul style="list-style-type: none"> Evolve our risk identification methodology by improving the qualification (and quantification) of high-risk suppliers in the highest risk profile groupings. Conduct a risk assessment focusing on high-risk suppliers of, corporate clothing, uniforms, and personal protective equipment (PPE) based on country of origin. Based on findings, implement any required mitigating actions. Enhance the general awareness of the renewable energy sector's role in FMH Group's operations and the potential for modern slavery risks. Integrate these insights into any future procurement engagements.
<p>Due diligence</p>	<ul style="list-style-type: none"> Ongoing monitoring of the Modern Slavery SAQ (Self-Assessment Questionnaire) across all entities. Refine the processes related to audits of suppliers where high exposure to the risks of modern slavery may exist to enable deeper analysis and validation of supplier practices. Extend support to suppliers not subject to reporting obligations under the Modern Slavery Act 2018 (Cth) by raising awareness about Modern Slavery and the associated risks within their operations.
<p>Grievance and remediation</p>	<ul style="list-style-type: none"> Continue monitoring the established grievance mechanism to ascertain its effectiveness and help prioritize any required changes to the internal processes in relation to escalation, investigation and response plans to potential breaches or complaints. Expand the communication of our internal grievance and remediation mechanisms to incorporate external parties, as required.
<p>Training</p>	<ul style="list-style-type: none"> Develop customized training programs to address diverse learning requirements based on distinct roles within all Business Units. Conduct annual awareness training sessions for all employees. Ongoing awareness of the significance of modern slavery through newsletters and other communication channels. Launch tailored awareness training for our Transport division for new employees and current employees via the newly implemented LMS – Learning Management System.
<p>Monitoring and Reporting</p>	<ul style="list-style-type: none"> Aligned with the ESG framework roadmap, identify additional Modern Slavery metrics that will enable us to effectively monitor the progress towards addressing modern slavery risks within our supply chain and operations.

7. Consultation process

SPAI, FMH and EFM Logistics Pty Ltd are considered reporting entities under the Modern Slavery Act. This Statement has been made on behalf of these three entities as well as all other controlled entities of FMH including those detailed above and various subsidiaries that are non – operational or employee servicing entities.



This joint Statement has been prepared in consultation with stakeholders from SPAI, FMH and each of its subsidiaries through the creation of a working group and liaising with them in respect of the modern slavery risks. Each reporting entity's senior management is aware of the contents of this joint Statement.

This joint Statement was approved on 28 September 2023 by the Board of Directors of SPAI and the Board of Directors of FMH and on or before 28 September 2023 by the Board of Directors of each FMH subsidiary that is a reporting entity.

Vincent Yik, as director of SPAI and director of FMH for the FMH Group was authorised to sign this joint Statement on behalf of SPAI, EFM, FMH and its controlled entities.

Simon Slagter, as FMH Group CEO and director of each relevant subsidiary was authorised to sign this joint Statement on behalf of EFM, FMH and its controlled entities.

A handwritten signature in black ink, appearing to be 'S. Slagter', written over a horizontal line.

Simon Slagter
FMH Group CEO
Director, Freight Management Holdings Pty Ltd (ACN 144 724 532)
Director, EFM Logistics Pty Ltd (ACN 144 724 685)
Date: 28 September 2023

A handwritten signature in blue ink, appearing to be 'V. Yik', written over a horizontal line.

Vincent Yik
Director, SingPost Australia Investments Pty Ltd (ACN 646 430 408)
Director, Freight Management Holdings Pty Ltd (ACN 144 724 532)
Date: 28 September 2023