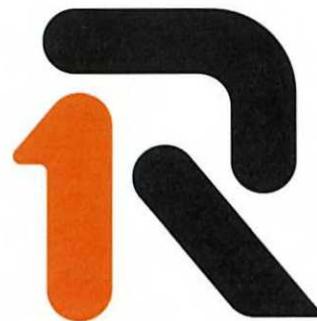


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JOINT MODERN SLAVERY STATEMENT

One Rail Australia Holdings LP

One Rail Australia Holdings Pty Ltd (ACN 132 989 998)

One Rail Australia Finance Pty Ltd (ACN 615 317 130)

One Rail Australia (SA Holdings) Pty Ltd (ACN 094 819 806)

One Rail Australia (North) Pty Ltd (ACN 144 081 774)

One Rail Australia (NSW) Pty Ltd (ACN 079 546 777)

One Rail Australia Pty Ltd (ACN 079 444 296)

Reporting Period: 1 July 2019 to 30 June 2020

This statement is the first Modern Slavery Statement (**Statement**) pursuant to the *Australian Modern Slavery Act 2018* (Cth) (the **Act**) for the following entities:

- One Rail Australia Holdings LP;
- One Rail Australia Holdings Pty Ltd (ACN 132 989 998);
- One Rail Australia Finance Pty Ltd (ACN 615 317 130);
- One Rail Australia (SA Holdings) Pty Ltd (ACN 094 819 806);
- One Rail Australia (North) Pty Ltd (ACN 144 081 774);
- One Rail Australia (NSW) Pty Ltd (ACN 079 546 777); and
- One Rail Australia Pty Ltd (ACN 079 444 296),

each, a **Reporting Entity** and together the **Reporting Entities**.

The Statement has been prepared on behalf of the Reporting Entities and each of the entities that the Reporting Entities collectively wholly own or control (**Controlled Entity**), also as identified in the Appendix to this Statement, (collectively, **One Rail Australia**).

The purpose of this Statement is to outline the actions that One Rail Australia has taken during the Reporting Period to assess and address Modern Slavery (as defined within the Act) risks within its business operations and supply chains, and how we plan to continue to improve our frameworks and processes into the future to maintain responsible and transparent supply chains. One Rail Australia's governance, policies, procedures and systems, including those relating to risk management, procurement, and human resources, cover each of the Reporting Entities and the controlled entities in the same manner.

It is noted that, during the Reporting Period, each entity changed its name. The former names are identified in the Appendix.

Our structure

Since inception in 1997, One Rail Australia has grown to become a leading national rail-based freight and logistics company with a team of over 650 people, moving over fifty-five million tonnes of freight annually, across Australia. One Rail Australia specialises in intermodal transport, coal haulage services, bulk haulage services and rail infrastructure and access. In the Appendix to this Statement is a structure chart identifying the One Rail Australia corporate structure, the entities owned or controlled by the Reporting Entities and the principal location of operations of each entity. The Reporting Entities do not own or control any other entity other than that identified in this Appendix.

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As noted above, One Rail Australia's governance, policies, procedures and systems, including those relating to risk management, procurement, and human resources, cover each of the Reporting Entities and the controlled entities in the same manner. One Rail Australia Holdings LP, generally, effectively centrally controls the entities with each individual entity in each state being subject to this central control (with relevant employees sitting in an alternate entity as identified below). The directors of each of the Reporting Entities and the Controlled Entities below One Rail Australia Holdings LP are on the board of the sole General Partner, which is the principal governing body responsible for the management of the One Rail Australia Holdings LP. It is noted that senior management and any additional employees working in the Human Resources and Procurement departments are employed by One Rail Australia Pty Ltd or One Rail Australia (North) Pty Ltd, and are responsible for the oversight (within the parameters of their respective responsibilities) of the entire One Rail Australia business.

Our operations

One Rail Australia's head office is based in Adelaide, South Australia. We have operations across central, northern, and eastern Australia, including NSW, QLD, SA and the NT. The principal place of operations of each Reporting Entity and the Controlled Entities that have operations are identified in the Appendix.

One Rail Australia manages and operates the standard gauge Tarcoola-Darwin Railway as well as several regional railway lines across SA, in respect of which third parties are provided access to such rail infrastructure. Our rail-based logistics services for customers include:

- An intermodal service along the Adelaide-to-Darwin corridor providing a logistics lifeline to the Northern Territory;
- Containerised and bulk haulage of export commodities such as grain and minerals; and
- Haulage of export thermal and metallurgical coal from the NSW Hunter Valley and Central Queensland Coal Networks.

One Rail Australia's Hunter Valley operations represents approximately forty seven percent of One Rail Australia's operational revenue. The remaining fifty three percent of One Rail Australia's operational revenue is derived from rail freight haulage of bulk minerals, coal, agricultural produce and general community supplies between South Australia and the Northern Territory and in Queensland.

Our supply chains

In order to deliver our services, One Rail Australia relies on the products and services of many different suppliers.

One Rail Australia has approximately 1,200 active suppliers that are predominantly located in Australia. Locations of One Rail Australia's overseas Tier 1 and Tier 2 suppliers include the USA, South Africa and China.

The locomotives, wagons and other specialist plant/machinery required to deliver our services are supplied and assembled through Tier 1 and Tier 2 suppliers primarily based throughout the majority of states in Australia, the USA and Sichuan and Heilongjiang provinces, China. In the Reporting Period, One Rail Australia Pty Ltd also sourced from an Australian entity locomotives that were manufactured in Australia but were located at the time of procurement in South Africa. The Australian supplier is likely to have involved South African local suppliers of goods and services. It is anticipated that the next reporting period will have no procurement involving South Africa.

Locally, One Rail Australia engages suppliers to assist with the cleaning and maintenance of our offices and depot facilities, provide temporary labour to assist in peak periods of labour demand throughout our operations, and conduct repairs, maintenance and upgrades to our plant, equipment and track infrastructure. In such instances, each Reporting Entity and Controlled Entity that carries on operations will source suppliers in the geographical location in which that entity operates, which is identified in the Appendix.

One Rail Australia does not undertake any manufacturing activity in the delivery and/or development of its services.

Potential risks in operations and supply chains

One Rail Australia's number one priority is the safety of our employees, the people we work with and the communities we serve. As a rail freight industry provider, we recognise the risk for Modern Slavery practices to potentially exist within our supply chains. It is recognised that South Africa and China exhibit comparatively higher modern slavery risk than other countries in which One Rail Australia's supply chain partners operate, according to the Global Slavery Index.

Within One Rail Australia's supply chain, the risks of Modern Slavery are predominantly associated with our suppliers who operate in countries where there is a high volume of foreign/migrant labour and less legal protection for workers. These situations may render supply chain workers susceptible to debt bondage, forced labour, human trafficking, and other slavery-like practices. Specifically, One Rail Australia has engaged external suppliers, based in China and South Africa, who provide Rollingstock assets (locomotives and wagons). These suppliers present the greatest risk of modern slavery given their geographical location and the prevalence of slavery-like practices in these regions.

Further risks may arise where suppliers source parts or components from sub-component supply chains (Tier 2 suppliers). This prominence of sub-component supply contributes to an increase in uncertainty surrounding the risks of modern slavery that exist within our supply chain and poses a significant challenge where attempting to assess and respond to those risks. A further risk is the unwillingness of those suppliers to allow its customers to investigate its supply chain in order for that customer to identify its Tier 2 supply chain in greater detail.

Within Australia, One Rail Australia has nine maintenance facilities and five terminals. As we maintain direct and full control of our owned and operating freight logistics operations, we ensure the highest level of safe working conditions, observing all statutory and regulatory obligations with respect to employee rights and entitlements. One additional risk within our supply chains in Australia is associated with sourcing suppliers in industries that have a higher degree of potential exposure to Modern Slavery (eg. cleaning suppliers and their subcontractors).

Assessing and addressing the risk of modern slavery practices

One Rail Australia has formal policies and procedures in place to promote ethical, open and transparent business practice for our employees and supply chains. These policies apply to One Rail Australia and all its employees, contributing towards our commitment to the prevention of human rights violations, including, but not limited to forms of Modern Slavery. Our policies include Modern Slavery, Whistleblower, Code of Conduct and Workplace Health and Safety Policies. These policies guide the decisions and practices of our employees with respect to workplace standards and labour practices by introducing risk controls (for example, Whistleblower mechanism) and mechanisms (for example, oversight and supervision of work completed by employees) for monitoring work undertaken by suppliers directly engaged by One Rail Australia. These policies also guide the way in which ORA employees engage and work with direct suppliers. These policies also provide processes that allow for addressing various issues that may relate to human rights and/or other concerns. As part of One Rail Australia's ongoing commitment to safety and the wellbeing of the community, it continues to review its policies at the frequency set for each individual policy to ensure they remain up to date with legislation, regulation, and community values and expectations.

In this first reporting period, One Rail Australia sought to include contractual obligations related to Modern Slavery in new procurement contracts and the existing contracts with a supply chain that is at greater risk for Modern Slavery. One Rail Australia also engaged an external service provider to provide assurance on the construction of the rollingstock acquired from the supplier most at greatest risk of Modern Slavery.

One Rail Australia has identified particular contract templates to be updated to include Modern Slavery clauses, and that process is underway. The contracts into which modern slavery clauses have been integrated have been selected based on an assessment (undertaken by ORA) of the modern slavery risk exhibited by the works under the contract.

Tender documentation has also been updated to include tender questions related to Modern Slavery and further evidence provided if there have been instances of proceedings related to Modern Slavery. There have been no instances where any supplier has confirmed they have had proceedings regarding Modern Slavery brought against them.

Further, One Rail Australia reviewed procurement and Whistleblower policies, as well as developed a Modern Slavery policy and procedure, which requires all employees to endeavour to ensure that all future contracts have contractual obligations regarding Modern Slavery. One Rail Australia also commenced work on a Modern Slavery training package, designed to increase awareness of Modern Slavery risks and obligations for all employees.

Otherwise, One Rail Australia's focus in its first reporting period has been on understanding the Modern Slavery legislative framework and identifying/assessing Modern Slavery risks and how those risks may be present in our operations and supply chains. As part of our due diligence, we considered the sector we work in, the suppliers we rely on, and the locations where these suppliers manufacture products that we rely on.

Measuring effectiveness of actions taken

Importantly, during the Reporting Period, One Rail Australia's Code of Conduct was updated to reflect the expectations on our employees regarding the prevention of Modern Slavery. Such Code of Conduct was provided to all existing employees when it was finalised and now forms a key document in the induction of new employees. Its policy specifically related to Modern Slavery was also notified to all employees.

As noted above, during the Reporting Period, One Rail Australia succeeded in including contractual obligations regarding Modern Slavery in this first reporting period in many of its new procurement contracts and general contracts. In particular, One Rail Australia targeted its supplier with what One Rail Australia considers the greatest risk of Modern Slavery and has successfully included such contractual obligations in the contracts with that supplier, including by amending earlier contracts. This supplier provides wagons to many of the Reporting Entities in the One Rail Australia business. One Rail Australia also engaged an external service provider to provide assurance to the construction of the rollingstock acquired from the supplier most at greatest risk of Modern Slavery, which provides One Rail Australia greater insight in ensuring there are no obvious Modern Slavery issues and limited Modern Slavery risks. In addition, no responses in the Request for Tender documentation for successful tenderers had instances of Modern Slavery.

One Rail Australia will further consider what actions it is able to take to continue to improve its measure of its the effectiveness of actions taken to address Modern Slavery risks.

Process of consultation with entities owned or controlled by reporting entity

One Rail Australia senior management and those employees in the Human Resources and Procurement departments have been consulted with and are informed with respect to Modern Slavery obligations. As identified above, these employees are responsible for the oversight in their respective areas of responsibility for all of the Reporting Entities and Controlled Entities in the One Rail Australia business. These consultations have been taken into account in preparing this Statement.

Commitments for the next reporting period (1 July 2020 to 30 June 2021)

Our priority for the next reporting period is to:

- provide detailed training to our employees who are responsible for procuring goods and services;
- ensure our formal risk assessment documentation for procurement procedures include identifying, and quantifying, any modern slavery risk, and have an appropriate escalation process where the risk is assessed as high to the Legal and/or Procurement departments;
- broaden our tender criteria to identify whether potential suppliers have had threatened proceedings relating to Modern Slavery;
- continue to assess new or continuing suppliers for Modern Slavery risks and respond appropriately to such risks;
- seek to incorporate contractually enforceable terms with respect to compliance with relevant modern slavery legislation and the identification and remediation of Modern Slavery within contractual negotiations with our suppliers and customers. Key terms that we will seek from our suppliers and customers will include

adherence to applicable laws and regulations in the countries we operate, whilst actively seeking out Modern Slavery to take appropriate action.

Authority of statement

This joint statement was approved by:

- the Board of Directors of the sole General Partner, which is the principal governing body responsible for the management of the One Rail Australia Holdings LP; and
- the Board of Directors of One Rail Australia Holdings Pty Ltd as the holding company of all other Reporting Entities and Controlled Entities other than One Rail Australia Holdings LP,

on 1 April 2021.



Luke Anderson
Chief Executive Officer, One Rail Australia
& Director of One Rail Australia Holdings Pty Ltd

