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Introduction

This statement has been prepared having regard to the *Modern Slavery Act 2018* (Commonwealth) (“the Act”) by the reporting entity Dematic Pty Limited [Australian Business number 43 118 204 425 and Australian Company number 118 204 425] with its current registered address at 24 Narabang Way, Belrose NSW 2085, both for it and on behalf of its related bodies corporate (as defined in s.50 of the *Corporations Act 2001* (Commonwealth)) (collectively “Dematic”) for the reporting period ending 31 December 2021.

Dematic makes this statement on its behalf and that of current Australian related entities.

What is Modern Slavery?

Modern Slavery is defined in section 4 of the Act and describes eight types of serious exploitation: human trafficking; slavery; servitude; forced marriage; forced labour; child bondage; deceptive recruiting for labour or services; and the worse forms of child labour.

In other words, modern slavery is used to describe serious exploitation, say where coercion, deception and / or threats are used to exploit and undermine people to undertake tasks. It does not include substandard working conditions or underpayment of employees which have rights under Commonwealth, State and Territory laws to pursue their rights.

Dematic submits this statement in accordance with the Act.

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About Dematic

Dematic designs, builds, implements, supports and maintains automated system solutions for warehouses, distribution centres and production facilities for government and non-government clients. At the date of the board resolution Dematic employs 633 in Australia. Dematic is part of the KION Group AG, which has its registered office in Frankfurt am Main, Germany.

Dematic's Supply Chain

Dematic has a significant number of suppliers providing components, software, hardware, equipment, plant, labour (including office cleaning), tools of trade, uniforms, PPE and safety equipment, furniture, vehicles and office stationary. Those suppliers are located throughout the globe. Dematic has in place an initial vetting process in its pre-qualification period assessing suppliers and registering each on Dematic's systems.

MODERN SLAVERY RISKS

The highest concentration of modern slavery risk in Dematic's operations is within Dematic's supply chains, which includes large amounts of raw materials and components, and is extensive and complex. The end-to-end supply of materials sourced and received can span many countries where associated modern slavery risk may vary significantly.

The impact of Covid-19

Covid-19 may heighten vulnerability to modern slavery practices in global supply chains. During the pandemic Dematic set about the prioritization of the health and safety of its people, illustrated by them being supplied with personal protective equipment which met relevant Australian and international standards.

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ACTIONS THUS FAR

Policy, Procedure & Governance	Dematic's commitment to reducing modern slavery in Dematic's operations and supply chain is supported by a cohesive policy, procedural and governance framework.
Code of Business Conduct and Ethics	The code, issued by Dematic's parent company, KION Group serves as a guide for Dematic's people. Upholding exemplary corporate culture is vital to Dematic, and of course its related and parent company. Dematic's people receive training to the Code of Conduct and it's a condition of their employment that they abide by the Code.
Modern Slavery Act Framework	The Act came into force on 1 January 2019. The Dematic framework sets out an understanding of risks and mitigation that Dematic has undertaken and proposes to undertake and improve on where deemed necessary.
Sustainable Procurement Framework	Dematic's procurement team have adopted the principles of ISO 20400 Sustainable Procurement – Guidance in its procurement policy, guidelines, compliance (including audit) with a view to continual improvement by Dematic's procurement team and the Dematic business more generally.
Code of Compliance	The KION Group Code of Compliance is required to be complied with by employees KION Group and its subsidiaries, including Dematic. The Code includes a statement that, "In particular, we do not tolerate child labour, any harmful employment of young people and any form of forced labour."
Supplier Code of Conduct	Dematic's parent, KION Group has published a document titled "Principles of Supplier Conduct" which include Purpose and Scope (including a requirement that Supplier's adhere to recognized and applicable standards in the area of Human Rights). The document includes specific content on Employment and Labour Practices, including Fee choice of employment,

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	<p>Prohibition of Child Labour, Discrimination in the context of employment relationships. Inhumane treatment and modern slavery, requirements to comply with relevant industrial and employment laws and a statement respecting employee' right to association within the laws of the jurisdiction in which they work. In addition, the document requires suppliers to be subject to inspections and audits and, where relevant be certified.</p>
Subcontracts	<p>Dematic has strengthened compliance with the Act with its subcontracts requiring compliance with its Conditions of Purchase include an express provision that its suppliers must reject all form of compulsory forced or compulsory labour; respect UN Convention on human's rights and children's rights (specifically referring to conventions 138 and 182 of the International Labour Organisation) and specifically may not display any actions contrary to these conventions.</p>
Whistleblower Policy	<p>Dematic's parent, KION Group is committed to a culture in which its employees feel supported to provide feedback, particularly if any employee has concerns about ethical issues in the workplace. KION Group has a corporate compliance team, an anonymous hotline and email with communications being published in numerous languages.</p>
Modern Slavery Framework	<p>Dematic has a Modern Slavery policy in place.</p>
Anti-bribery & Corruption (ABC)	<p>KION Group has published an Anti-Bribery and Corruption Policy, available in numerous languages relevant to where KION Group entities operate.</p>
Supplier Prequalification	<p>Through pre-qualification Dematic's procurement team undertakes due diligence through completing a questionnaire.</p>

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Supplier auditing	As mentioned above the KION Group Principles of Supplier Conduct include provisions requiring its suppliers to be subject to audits and inspections.
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Actions taken thus far and their effectiveness

Thus far Dematic's procurement leadership have resulted in a program of supplier engagements that seek to improve the capability of our suppliers so as to demonstrate they acknowledge their obligations to comply and are taking steps to mitigate such risks, not only within that supplier and related entities but also within their own supply chains.

Improving supplier's capability is an objective of Dematic's target of sustainable procurement. With ongoing supplier consultation and engagement with a view to achieving greater awareness of modern slavery risk and reinforces Dematic's commitment to high levels of quality and transparency to our clients.

CONSULTATION

Dematic's framework was established by senior leaders within the organisation from Legal, Quality and Procurement. Dematic consults with related entities overseas to ensure there is a consistent approach across the business. Dematic Pty Ltd does not own or controls in Australia to consult with.

DEMATIC NEXT STEPS

Dematic has commenced its journey into identifying modern slavery risks and taken efforts to minimise such through the application of Dematic's framework. Dematic's priorities going forward are:

- Regularly reporting outputs of our supplier auditing programs to all areas of our operations to raise ongoing awareness of modern slavery in connection with Dematic's business;
- Expanding our training programs to improve awareness and capability for staff undertaking 3rd party purchasing activities;
- Incorporate into our business reviews of suppliers a component to assess modern slavery risks of each as part of that review.
- Educating suppliers and assisting those suppliers to leverage learnings through Dematic's assessment undertaken and which will be ongoing.

In stating the above, Dematic understand what it takes to identify and minimise exposure to modern slavery, particularly forced labour in Dematic's supply chain and that such is ongoing. Dematic's intent is to learn and improve from our framework, adjust it and finetune it where considered necessary to transparently and consciously manage modern slavery risks for Dematic and its clients.

Statement by Dematic's Director and Company Secretary on behalf of Dematic

Modern Slavery is of concern to Dematic. The human rights of our employees, contractors, suppliers and subcontractors are reflected in our policies, Dematic's culture and operations.

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Dematic engages with a network of contractors, suppliers and subcontractors where Dematic could face its greatest moral and governance risk. This Statement is the keystone for Dematic's leaders to identify current and ongoing risks which may exist in our supply chain together with subcontractors. Dematic will continue the ongoing due diligence into our supply chains and subcontractors to comply with the Act's objectives and any like laws which come into effect in States and Territories of Australia after the lodgement of this statement on the register.

To achieve our objectives with compliance under the Act, Dematic has in place a governance environment to regularly assess the risks and Dematic's leadership understand that this is an ongoing process requiring diligence and regular reviews of our supply chain and subcontractors with a view to improvement, where deemed necessary to mitigate risk to Dematic, its clients and its owners.

Dematic's leadership recognizes our responsibility to affect change by engaging in ethical practice throughout our operations, including supply chain procurement. This Statement depicts the results of our findings, a summary of actions Dematic has taken and is taking to identify the risks of modern slavery, address and mitigate those risks and assess the effectiveness of our actions to date.

Dematic's leadership is committed to continuing our efforts to combat modern slavery in the coming years. This Statement was approved by the board of Dematic Pty Ltd in their capacity as principal governing body of Dematic Pty Ltd on 26 August 2022 and signed by Alan Lamb in his role as Director and Company Secretary, and a member of the principal governing body of Dematic Pty Ltd on 26 August 2022.



Alan Lamb

Director and Company Secretary of Dematic Pty Ltd

26 August 2022