

FY24 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 2023 to 31 March 2024. Where we refer to “our,” “we” or “us” in this statement, it means the reporting entities and their subsidiaries.

Modern slavery describes situations where offenders use coercion, threats, or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

We do not accept any form of human rights abuse, including modern slavery. We are committed to taking action to assess and address modern slavery risks in our operations and supply chain and we expect all employees, suppliers, and subcontractors to uphold a culture of integrity, honesty, and commitment to ethical labour.

On 1 March 2024, FMH acquired Border Express Pty Ltd (**Border Express**) a reporting entity for the purposes of Modern Slavery Laws. Our focus for FY25 will be on aligning Border Express’s policies, procedures, and initiatives with FMH Group’s systems and governance framework and refining our roadmap for addressing modern slavery risks for the years ahead. We will continue to actively invest efforts to enhancing our policies, processes, and measures aimed at minimising and preventing risks of modern slavery within our operations and supply chain. Border Express will submit a separate Modern Slavery Statement for its reporting period 1 July 2023 – 30 June 2024.

We would like to acknowledge the traditional custodians of the lands on which we live and work. We would like to pay respect to the Elders of these lands, both past and present, and extend that respect to all Aboriginal and Torres Strait Islander Peoples and First Nation Peoples.

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, with over 800 employees across more than twenty sites in Australia (excluding Border Express), is comprised of three operating divisions: Fourth-Party Logistics (4PL) including warehousing, technology, and transport.

FMH Group has built a diversified client base across a broad range of industries over the last 24 years. It provides a diverse range of services through the following subsidiaries:





Entity	ACN	Industry	Operations	
 NO BETTER EXPERIENCE efm Logistics Pty Ltd	144 724 685	Logistics	As a 4PL provider, efm provides a diverse range of logistics and supply chain services to customers, including: <ul style="list-style-type: none"> • Consulting • Solution Design • Data intelligence & reporting • Transportation • Warehousing • Implementation • Management 	
 efm Logistics Pty Ltd trading as efm Warehousing	144 724 685	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.	
 BagTrans Pty Limited	078 742 588	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)	
 Niche Logistics Pty Ltd	122 953 833	Logistics	Specialist provider of East-West rail services and Full Truck Load (FTL) movements. (acquired December 2020)	
 Flemington Fields Pty Ltd trading as GKR Transport	009 240 635	Logistics	Specialised general freight road carrier providing transit capability across the east west lane. (acquired 30 June 2021)	
 Andromeda Nominees Pty Ltd trading as Formby Logistics	071 818 061	Logistics	Specialised general freight provider servicing the Bass Strait and Western corridor. (acquired 01 March 2022)	
 Spectrum Transport QLD Pty Ltd	634 455 468	Logistics	Specialised carrier providing B2B metro distribution in Brisbane, Sydney, and Melbourne with a focus on FMCG products. (acquired 30 June 2022)	
	Spectrum Transport NSW Pty Ltd			634 455 708
	Spectrum Transport VIC Pty Ltd			647 405 221

	Flip Group Technologies Pty Ltd 607 246 042	Information Technology	Product and software development engineering company.
	Flip Technologies Pty Ltd 607 245 956		

Where we operate

FMH Group and its controlled entities are based in Australia.

About Us

 Our Vision	 Our Mission	 Corporate Structure
To create a new kind of logistics ecosystem, where our people and physical assets are connected through a ubiquitous technology platform, enabling true supply chain efficiency.	To use next generation technology to optimise visibility and minimise waste across a connected and integrated logistics ecosystem.	We take seriously our commitment to meet economic, safety and social responsibilities.
 Our Values		
We do not compromise on safety	Do the right thing, always	What we do, we do well
Customer-led growth	Respect tomorrow	Think big

Where we source

In our business, we work with a network of suppliers and subcontractors. The majority of goods and services that we procure are sourced from suppliers and contractors based in Australia and New Zealand.

Our major categories of procurement during the reporting period include:

- Freight carriers and transport companies, including subcontractors and agents.
- Property services including cleaning, rubbish removal, waste management services.
- Human Resources, including labour hire agencies and recruitment service providers.
- Consultancy and professional services
- IT, including infrastructure, hardware, and software.
- Hospitality, including travel, venue and entertainment hire, catering/food, and drinks.
- Machinery and equipment including trucks and trailers used in transportation.
- General equipment (i.e., forklifts, printers, corporate clothing, uniforms, personal protective equipment (PPE))
- Insurers

3. Risks of Modern Slavery in Operations and Supply Chain

FMH Group employs a systematic approach to risk management and compliance, with respect to modern slavery practices. A summary of the steps taken is set out below.

1. **Risk Assessment:** Evaluating modern slavery risk factors by analysing responses from our Modern Slavery Self-Assessment Questionnaires (**SAQs**).
2. **Prioritisation:** Identifying and prioritising key areas for further engagement and due diligence based on assessed risks.
3. **Risk Mitigation:** Addressing identified risks related to modern slavery practices through targeted actions and interventions.
4. **Governance and Policies:** Continuously reviewing and improving the robust set of policies and procedures we have implemented that define the expected standards of conduct for directors, employees, contractors, and, where applicable, third parties.
5. **Effectiveness Review:** Continuously reviewing and improving the effectiveness of our actions to enhance the overall process.

FMH Group acknowledges that its business activities could potentially cause, contribute, or be linked to modern slavery practices. We recognise that modern slavery risks may also arise within our customer network, particularly through the transportation or storage of items produced under conditions of modern slavery.

Our focus 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, with the assistance of external consultants, undertook a comprehensive ESG (Environmental, Social and Governance) review. The ESG review incorporated a modern slavery risks' baseline assessment to evaluate the risks of modern slavery within our operations and supply chains. A key objective of this assessment was to understand and analyse our modern slavery risk factors and to determine our priorities based on these insights.

The external baseline assessment of modern slavery risks has played a crucial role in shaping our methodology and understanding of the risks within our 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, there is still work to be done to gain a comprehensive understanding of all risks associated to modern slavery practices within our operations and supply chain, particularly with the growth of the FMH Group and its expanded supply chain.

To identify areas of high risk in our operations and supply chain, FMH Group is guided by risk factors related to geographies (as identified by the Global Slavery Index), products, services, industry, and sectors. During the reporting period, we did not identify any instances of modern slavery in our operations or supply chain and no incidents of direct modern slavery were reported through our due diligence processes or grievance mechanisms.

We recognise there are a range of factors that may shape our modern slavery risk profile, including from our assessment, the key observations set out below:

- 1- Minimal geographic risk exposure due to the majority of suppliers registered and operating in Australia, a lower-risk country in respect to modern slavery.

- 2- High-risk supplier categories remain as:
- Cleaning, rubbish removal, and waste management.
 - Freight Carriers including subcontractors and agents with an inherent increased risk level due to the multiple layers of outsourcing leading to less oversight and control mechanisms within their own operations and supply chain.
 - Labour hire agencies and recruitment services
 - Corporate clothing, uniforms, personal protective equipment (PPE), operating equipment, and renewable energy products and components (e.g., solar modules, lithium batteries, etc) are procurement categories to be further assessed based on the sourcing country.
- 3- Operational risks: Based on our assessment, we consider there to be a lower risk of modern slavery within our direct workforce due to the high level of control, the visibility we maintain over their working environments, and we have written terms of employment for all employees. However, we recognise that there is an inherent risk of modern slavery within our indirect workforce, such as contractors, subcontractors, and labor-hire arrangements.

4. Actions taken to assess and address Modern Slavery risks

A summary of our key initiatives to address our modern slavery risks are set out in the table below. The below actions have strengthened FMH Groups' governance foundations, and provided a deeper understanding of how we can adapt our framework and due diligence efforts.

Priority Area	FY24 Actions
Governance	<ul style="list-style-type: none"> • Embedded compliance by incorporating, where practicable, modern slavery requirements and obligations, as well as endeavors to include 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 FY25 and partake in the consultation and approval process of the FY24 Modern Slavery Statement. • Development and commencing implementation of the FMH Supplier Code of Conduct. The FMH Supplier Code of Conduct sets out the standard of conduct we expect from our suppliers, and associated entities, subcontractors and agents in relation to human rights and labour practices, ethical business practices, and environmental management. • Implementation of the Supplier Relationship Management (SRM) digital platform that monitors supplier compliance, to support our supplier due diligence and governance processes. • We have reviewed, updated and refined our Modern Slavery SAQ • Businesses acquired in FY24/25 were assessed for Modern Slavery risk as part of the acquisition process.
Risk Assessment	<ul style="list-style-type: none"> • Ongoing monitoring of high-risk profile groupings • For suppliers without reporting obligations under the Modern Slavery Act 2018 (Cth), support is provided as required to raise awareness on modern slavery and its associated risks. • Enhanced 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 active supplier engagement and audits as part of our internal due diligence and onboarding as per the Contract Management process. • Ongoing analysis and risk evaluation of all SAQ responses to identify high-risk categories to be further investigated.
<p>Grievance and remediation</p>	<ul style="list-style-type: none"> • Grievance mechanism and remediation processes in place, linked to our Grievance and Dispute Resolution Policy and Whistleblower Policy, including escalation and accountability pathways. • Training on Whistleblower Policy and Whistleblower hotline provided to the Senior Leadership Team across all entities. • Policies that set the standard of behaviour we expect including our Employee Code of Conduct, Anti-Bribery & Corruption Policy, and Workplace Health Safety and Environment.
<p>Training</p>	<ul style="list-style-type: none"> • Launched a tailored awareness training for our Transport division for new employees and current employees via the newly implemented LMS – Learning Management System. • Modern Slavery awareness is integrated into the induction process for new employees in warehousing and 4PL operations including training videos and other resources.
<p>Monitoring and Reporting</p>	<ul style="list-style-type: none"> • Based on a phased approach, we will continue evaluating other key performance indicators which will enable us to monitor the effectiveness of our ESG framework. • Continue to assess our suppliers in accordance with the risk factors outlined in this Statement and their Modern Slavery SAQ responses. The average modern slavery risk rating for suppliers that completed the SAQ remained low. No supplier that completed the SAQ was given a high-risk rating.

5. Assessing the effectiveness of our actions

We continue to evaluate and refine our framework to assess the effectiveness of our actions.

We consider an effective response to modern slavery one where we proactively identify potential or actual risks of modern slavery within our operations, and supply chain, enabling us to deploy the necessary mitigating and remediation actions.

Various avenues help us navigate the path forward and determine the necessary adjustments to achieve our objectives in combatting modern slavery. These include:

- **Policy Reviews:** Regular evaluations of our policies and procedures to ensure they remain aligned with current regulations and effectively address modern slavery risks.
- **Engagement with Modern Slavery Group Experts:** Ongoing consultations, which includes cross-functional representatives, provides valuable insights and guidance on the priorities, and next steps.
- **Supplier Communication:** Strengthening our communication channels with suppliers allows for clear expectations and effective collaboration in addressing modern slavery concerns.
- **Best Practices Research:** Continuous research on industry best practices helps us refine our approaches and enhance our compliance mechanisms.

By leveraging these strategies, we aim to identify and implement the necessary changes to achieve our desired outcomes and uphold our commitment to eradicating modern slavery.

6. Key Areas of Future Actions

Looking ahead, we remain steadfast in our commitment to delivering continuous improvement to our modern slavery framework. With FMH Group’s expanded structure, and the necessary integration activities, our focus will be on aligning policies and practices across all entities within the FMH Group

ensuring consistency and effectiveness in our holistic approach to minimising and preventing modern slavery risks.

Priority Area	FY25 Actions
Governance	<ul style="list-style-type: none"> Finalise and implement the Group Procurement Policy Ongoing monitoring of feedback received via the Supplier Relationship Management (SRM). Expand our use of the SRM platform, to support ongoing assessment and engagement of suppliers. Finalise the review of the existing Whistleblower Policy enabling employees, suppliers, subcontractors, and agents to report any unethical or unlawful conduct. Extend the Modern Slavery Group to any new key stakeholders within the organisation, including newly acquired businesses, as applicable. Review and streamline policies across all entities within the FMH Group ensuring they are aligned with national and international standards, and best practice. Continue to engage, collaborate and consult with FMH Modern Slavery Group members to identify actions to further improve the framework, monitoring and reporting mechanisms, addressing any challenges, and adapting strategies as needed.
Risk Assessment	<ul style="list-style-type: none"> In view of the revised FMH Group structure, conduct a comprehensive desktop review and mapping of all suppliers to understand hot spots and risks profiles related to modern slavery, update risk assessment categorisation based on findings, and identify any additional target sectors for further scrutiny. Ongoing engagement with the highest risk profile groupings, collecting, and analysing responses received through the Modern Slavery SAQ .
Due diligence	<ul style="list-style-type: none"> 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. Provide support to suppliers not subject to reporting obligations under the <i>Modern Slavery Act 2018</i> (Cth), and internal teams by raising awareness around potential modern slavery issues.
Grievance and remediation	<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.
Training	<ul style="list-style-type: none"> Review and streamline available training programs, adapting them to address diverse learning requirements . Conduct annual awareness training sessions for all employees. Ongoing awareness of the significance of modern slavery through newsletters and other communication channels.
Monitoring and Reporting	<ul style="list-style-type: none"> Aligned with the ESG framework roadmap, continue identifying other key metrics enabling us to monitor the effectiveness of our framework, and efforts towards minimising and preventing risks of modern slavery within our supply chain and operations. Continue to review our modern slavery risk assessment approach to address new and emerging modern slavery risks and priorities.

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 a wide range of 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 not only aware of the contents of this joint Statement but also recognises the critical importance of eradicating modern slavery in all its forms.

This joint Statement was approved on 25 September 2024 by the Board of Directors of SPAI and on 25 September 2024 by the Board of Directors of FMH and on or before 30 September 2024 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.



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Date: 30 September 2024



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