

# WiseTech Global Modern Slavery Statement 2020

## INTRODUCTION

The Australian *Modern Slavery Act 2018* (Cth) and the United Kingdom's *Modern Slavery Act 2015* ("**Modern Slavery Acts**") require certain entities to report annually on the risk of modern slavery in their operations and supply chains, and the actions undertaken to address those risks.

This statement is made jointly by WiseTech Global Limited (ACN 065 894 724) and WiseTech Global (Australia) Pty Ltd (ACN 112 936 991) for the purposes of the Australian *Modern Slavery Act 2018* (Cth), and WiseTech Global Limited and WiseTech Global (UK) Limited for the purposes of the United Kingdom *Modern Slavery Act 2015* ("**Modern Slavery Acts**") ("**Statement**"). Although this Statement is only required for the aforementioned reporting entities, it also applies to all of WiseTech Global Limited's subsidiary entities spread across 28 locations globally (together referred to as "**we, us, our, WiseTech**").

WiseTech is a leading provider of software solutions to the logistics industry globally. We develop, sell and implement software solutions that enable logistics service providers to facilitate the movement and storage of goods and information, domestically and internationally. We provide our solutions to over 17,000 customers in over 160 countries, including all of the top 25 global freight forwarders and 41 of the top 50 global third-party logistics providers.

Outlined in this Statement are the policies and processes implemented by WiseTech in the 12 months to 30 June 2020 (**reporting period**) to identify and address modern slavery and human trafficking risks within our operations and supply chain. Within this Statement, the term 'modern slavery' should therefore be interpreted to include both modern slavery and human trafficking.

## Our structure

WiseTech Global Limited is an Australian public company listed on the Australian Securities Exchange (ASX: WTC). WiseTech is headquartered in Sydney, Australia and encompasses approximately 90 entities across 33 locations globally. A complete list of the entities that comprise WiseTech is contained in our 2020 Annual Report available at: <https://ir.wisetechglobal.com/investors/>.

At WiseTech, our procurement and human resources functions are largely centralised at our Sydney headquarters, which provides visibility over the majority of our supply chain and workforce.

## Our operations

Our industry leading flagship technology, CargoWise, is a deeply integrated, global software platform that enables logistics service providers to execute highly complex logistics transactions and manage their operations on one database across multiple users, functions, offices, corporations, currencies, countries and languages.

We have a headcount of almost 2,000 people globally located in 54 offices across 33 locations, including in the United States, Europe, Turkey, Canada, China, South America, Singapore, South Korea and South Africa.

In addition to CargoWise, we own and operate a number of subsidiaries in these regions operating other brands, with further information available at <https://www.wisetechglobal.com/what-we-do/our-businesses/>.

We currently operate our own data centres in locations including the United Kingdom (soon to be moved to Germany), Australia, and the United States and deliver our CargoWise platform through the cloud.

## **OUR GOVERNANCE FRAMEWORK**

### **Our values**

Our values are the foundation of our culture. They define who we are, how we work and what we stand for:

- We continuously improve our culture so that it empowers and drives us.
- We work hard to improve ourselves, our teams, our products and our business.
- We have a clear purpose and a shared vision for everything we do.
- We invent things our customers cannot live without.
- We lead when we see the need and inspire and support each other always.
- We focus on the deeper needs of real customers in our chosen markets.
- We strive for excellence at all times and in everything we do.
- We manage ourselves and are always focused on results.

### **Our Code of Conduct**

Our Code of Conduct outlines the ethical standards expected of all our directors, employees, contractors, sub-contractors, consultants and any individual performing work for WiseTech. WiseTech is committed to maintaining ethical standards in how we conduct our business activities and stakeholder relationships. WiseTech's reputation as an ethical business organisation is important to our ongoing success.

### **Other policies**

In addition to our Code of Conduct, we have implemented a number of other policies to ensure that our employees and all parties acting for us, or on our behalf, maintain the highest ethical standards in relation to our business. These include:

- **Human Rights Principles**

Our Human Rights Principles set out our commitment to upholding and respecting human rights for all people as articulated in the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. It defines our commitments including providing a safe and healthy workplace, complying with local employment laws and regulations and not engaging or supporting the use of forced or compulsory labour. These principles apply across our global businesses and must be adhered to by our employees, contractors, directors and consultants and by all parties acting for us, or on our behalf, including our partners, suppliers and customers.

- **Anti-Bribery and Corruption Policy**

WiseTech is committed to conducting our business activities in an ethical, lawful and socially responsible manner, and in accordance with the laws and regulations of the locations in which we operate. Our Anti-Bribery and Corruption policy reinforces this and prohibits our people and those who represent us from engaging in any activity which constitutes bribery or corruption.

- **Whistleblower Protection Principles**

Our global Whistleblower Protection Principles establish mechanisms and procedures to report suspected unethical or illegal conduct, including any modern slavery concerns, in a manner which protects the whistleblower and gathers the necessary information for us to fully investigate such reports and act appropriately. These global principles are supplemented by our comprehensive Australian Whistleblower Policy.

A copy of our Code of Conduct and the additional policies and principles mentioned above are available at <https://ir.wisetechglobal.com/investors/?page=corporate-governance>.

## **OUR SUPPLY CHAIN**

### **Nature of supply chain**

Our largest categories of supplier spending globally relate to:

- Software licences;
- Professional/consulting services, including audit services as well as tax and legal advice; and
- Our data centres, including hardware, procurement and security services. These data centres host our CargoWise solution, which is accessed directly by customers and supported by us. Our data centres also host services that relate to software development and product improvements.

In addition to the above, common spend categories include facilities services (such as cleaning and foodstuffs), utilities and travel related expenditure, which has been reduced in FY20 due to local and international travel restrictions.

On average, the majority of our suppliers are on short-term contracts which gives us the flexibility to engage with new suppliers should existing ones fail to meet expectations.

### **Geography**

In FY20, we engaged directly with more than 3,000 suppliers from approximately 50 different countries. Our top 50 suppliers accounted for approximately 52% of our total FY20 spend. 48 of our top 50 suppliers (by spend) were located in Australia, the United States, the United Kingdom or Europe. The remaining 2 were located in Argentina and South Africa.

## RISK OF MODERN SLAVERY PRACTICES

We consider the risk of modern slavery in our global operations and supply chain to be relatively low based on the location of our suppliers, the nature of the goods and services we acquire and the highly technical nature of our business.

However, we also acknowledge that the risk of modern slavery in our operations and supply chain is one that requires constant vigilance, particularly in the following risk areas:

- **Hardware manufacture** – whilst most of our hardware providers are located in lower risk jurisdictions, we do have some (albeit lower value) suppliers located in locations including India, Malaysia, Philippines, Thailand and Pakistan that according to the GSI (defined below) may have a higher prevalence of migrant labour or vulnerable workers;
- **Cleaning** – given the nature of work in this sector and the use of less skilled or migrant labour, the inherent risk of labour exploitation is high; and
- **Outsourcing** – as a general practice we tend to contract with service providers directly, however in the instances where this is not possible or feasible, we will necessarily have less visibility over the terms and conditions governing outsourced workers.

## ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

In preparation for making this first Statement, we conducted a number of initiatives to assess and address our modern slavery risks. This includes a comprehensive due diligence process to assess the risk that modern slavery exists in our operations or supply chain.

### 1. Mapping of our operations and supply chains through consultation

The initial step in our due diligence exercise was to consult with the managing director of each WiseTech business unit globally to ensure that they are aware of and understand our obligations under the Modern Slavery Acts. We also undertook a high-level scoping and mapping exercise of our global operations and supply chain by asking all managing directors to complete a questionnaire about the suppliers in their business unit and to identify any high-risk suppliers taking into account both geography and the product and services procured.

The consultation process did not identify any instances of modern slavery in our operations or supply chain.

### 2. Risk-based assessment of our suppliers

Following the consultation process, we ranked our suppliers according to the Global Slavery Index 2018 (“GSI”) published by the Walk Free Foundation, a copy of which can be accessed here: <https://www.globalslaveryindex.org/>.

The GSI ranked 167 locations around the world based on the number of people in that location in modern slavery, the level of government response and any factors that make people in that location more vulnerable to modern slavery (e.g. governance, poverty, inequality and conflict). A ranking of one indicated the highest risk location, whilst the ranking of 167 was the lowest risk location according to the GSI.

The analysis of our supply chain revealed that approximately 90% of our supplier base (by value) is in locations that were ranked 100 or higher in the GSI and therefore carry a lower prevalence of modern slavery based on the GSI. This analysis together with a review of the nature of our key spend did not identify any high-risk suppliers in our supply chain.

### *3. Supplier Code of Conduct*

We introduced a Supplier Code of Conduct that sets out the measures we expect our suppliers to have in place to address the risk of modern slavery in their businesses. The Supplier Code of Conduct was sent to suppliers in the higher risk locations based on their GSI ranking and will be provided to new suppliers as they are onboarded. A copy of our current Supplier Code of Conduct is accessible here: <https://ir.wisetechglobal.com/investors/?page=corporate-governance>.

We will undertake audits of compliance with our Supplier Code of Conduct and take corrective actions in accordance with our remediation plan if instances of non-adherence are identified.

### *4. Training*

During FY20, we partnered with an external law firm to develop a webinar which was made available to the leaders of our business units and those involved in procurement. The webinar describes what modern slavery might look like in our operations and supply chain and the risk that it poses to WiseTech, and also provides some practical checks that could be undertaken as part of supplier due diligence to ensure any instances of modern slavery are identified.

### *5. Remediation*

In addition to our Whistleblower Protection Principles and our Australian Whistleblower Policy, we published a remediation framework internally which sets out what WiseTech will do if an instance of modern slavery is suspected or identified in our operations or supply chain. Our aim is to work collaboratively with our suppliers to mitigate any modern slavery risks and to remediate any instances that may be identified, with a focus on minimising the impact on any potential victims. However, if we consider the incident to be beyond remediation, or the supplier fails to cooperate with us, we will engage with senior management of that supplier and may suspend or terminate that supplier arrangement.

We recognise that addressing modern slavery risk is an ongoing process that must be constantly reviewed and refined. The foundational work that we undertook during the 2020 financial year will serve as a baseline for future efforts in mitigating the risk of modern slavery in our operations and supply chain.

## **ASSESSING OUR MEASURES**

In order to assess the ongoing effectiveness of the actions described above, our legal and procurement teams work together to review the policies and processes in place to consider whether we are appropriately identifying and evaluating our modern slavery risks. To the extent that potential improvements to our policies are identified, appropriate updates will be made. We are also implementing additional measures in FY21 that include:

- incorporating specific terms and conditions in our material supply contracts obliging our suppliers to commit to mitigating the risk of modern slavery;

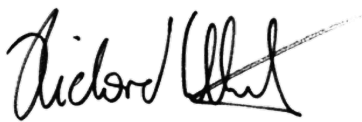
- increasing engagement with our key higher-risk suppliers;
- providing training to all employees to ensure they are aware of how to recognise modern slavery risks and understand the process for reporting suspicious behaviour;
- health and safety considerations and other emergent risks attributable to the COVID-19 pandemic (given that the nature of the pandemic has the potential to increase the risk of modern slavery occurring);
- updating and rolling out our internal purchasing principles which will further educate key decision makers in our business about how certain procurement practices could inadvertently contribute to modern slavery risks, how we can minimise such risks and implement procedures for taking appropriate action where modern slavery is suspected or identified; and
- refining our remediation framework to ensure all suspected or identified incidents are escalated on a timely basis.

We will also develop appropriate key performance indicators (KPIs) to assess the effectiveness of these measures over time. These KPIs may include:

- the percentage of employees who have completed online training on modern slavery;
- the number of suppliers in higher risk locations we have reviewed for modern slavery risks; and
- the number of suspected or identified modern slavery incidents reported through our whistleblowing process.

## **CONSULTATION**

Whilst the majority of supplier information is held at a group level, in preparing this Statement we also consulted with the managing directors of each business unit globally. This Statement has been approved by the board of directors of WiseTech Global Limited and WiseTech Global (UK) Ltd.



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Richard White, Chief Executive Officer

30 March 2021