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Introduction

Cubic Corporation (“Cubic”) and its group of companies (including Cubic Transportation Systems Canada, Cubic Field Services Canada, Cubic Transportation Systems, Inc. and, Cubic Defense Applications, Inc (CDAI)) recognize the significant adverse impacts of procuring goods that fund human rights abuses, and we are resolved not to contribute to global conflict in the way we do business. To achieve this goal, we have created processes to engage with suppliers, assess risks and create transparency within our supply chain, and educate our employees on human trafficking and the role they play in eradicating it.

About our Business and Supply Chain

Cubic is a leading international provider of cost-effective systems and solutions addressing the mass transit and global defense markets’ most pressing challenges with business units and employees in many countries throughout the world, including USA, Mexico, Canada, Australia, New Zealand, the United Kingdom, Ireland, Germany, India, South Korea, Oman, Singapore, Italy, Sweden, Republic of Armenia, Denmark, Norway, Grand Cayman, and Saudi Arabia. Cubic creates and delivers technology solutions in transportation that make people’s lives easier by simplifying their daily journeys, and defense capabilities that help promote mission success and safety for those who serve their nation. Led by our talented teams around the world, Cubic is driven to solve global challenges through innovation and service to our customers and partners. Cubic Corporation leads centralized procurement on behalf of its operation units, with procurement teams located in Orlando, Florida; San Diego, California; Durham, North Carolina and Tullahoma, Tennessee. Some ancillary procurement activities also occur in Concord, California; Ashburn, Virginia; Huntsville, Alabama; the United Kingdom; Sugarland, Texas; Australia and New Zealand, where Cubic’s offerings are generally service based. Cubic’s labor and material supply chains extend throughout nearly every industry and in dozens of countries throughout the world.

About Our Anti-Human Trafficking Program

Cubic’s program was designed around the Organisation for Economic Co-Operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct. At the heart of our program is our worldwide policy entitled “Human Rights Policy” (available [here](#)). This policy sets forth our commitment neither to tolerate nor profit from human trafficking and to suspend or terminate our relationship with any supplier we reasonably suspect is sourcing from, or linked to, any party committing human rights abuses. Our “Human Rights Policy” was designed to reflect Cubic’s commitment to respect human rights in a way consistent with the UN Guiding Principles on Business and Human Rights regarding the Corporate Responsibility to Respect Human Rights and the United Nations Global Compact (UNGC) Declaration on Human Rights: Guidance for Businesses. We maintain an ethics hotline, available 24/7, worldwide, for anyone to report violations, and we maintain two fulltime employees dedicated to supply chain compliance issues to lead Cubic’s push towards more sustainable development.

Averting modern slavery practices is part of Cubic’s overall Social Responsibility Program. Social responsibility in the supply chain is discussed on page nineteen of Cubic’s Code of Business Conduct (available [here](#)) and page three of our Code of Conduct for Third Parties (available [here](#)). Our Code of

Business Conduct states, among other things, that we will take all reasonable steps to ensure that our supply chain is free of products made by forced labor; while our Code of Conduct for Third Parties obligates our suppliers to obey all applicable laws regarding the prohibition on use of trafficked or child labor and to cooperate with us in our diligence process to ensure no such practices exist in our supply chain. Our values, embodied in our code of business conduct, serve as the foundation for supplier relations. These core values guide our interactions with customers, suppliers, co-workers, team partners and associates in the United States and around the world – wherever we conduct business. Consistent with our standards of integrity, we pursue relationships with suppliers who demonstrate high ethical standards and conduct business within the spirit and letter of the law. Cubic and its partners must consider the effect of our words and actions on our customers, employees, stakeholders, the public and the environment. Cubic provides overview training on anti-human trafficking to all employees as new hires and again as an annual refresher. Select Purchasers/Subcontract Administrators and Purchasing management receive annual training regarding supply chain modern slavery risks specific to Cubic and how their actions can mitigate those risks.

Cubic's processes and procedures require suppliers to be surveyed prior to onboarding, and high-risk suppliers are audited annually for social responsibility while lower risk suppliers are surveyed at least every three years. Supplier compliance diligence and documentation is kept on a shared folder for easy accessibility by those who may need the information.

Cubic's Supply Chain Compliance Group's annual process review meetings incorporate insight from its consultations with departments throughout the corporation and worldwide, including stakeholders from the Quality, Engineering, Legal, and Procurement departments. Cubic's Senior Counsel maintains oversight of the processes and presents the processes and progress to the CEO and Board of Directors quarterly. Cubic's Modern Slavery statement is sent to the CEO and Board of Directors for review and approval prior to publication.

About Our Progress This Year

With the increased growth of Modern Slavery reporting legislations worldwide, Cubic created a world-wide due diligence framework. The creation of this framework serves as the foundation of risk evaluations and process improvement throughout Cubic. Facilitation of this framework is done by the software solution, OneTrust, which allows us to automate supplier verification of known indicators of human trafficking risks. This software solution will allow Cubic to further assess supplier risk and focus our audits on suppliers whose practices most affect modern slavery risk. Although Cubic has been unable to perform on-site supplier audits, Cubic's Supply Chain Compliance Team is trained to perform Corporate Social Responsibility Audits and is prepared perform on-site audits alongside its Quality Audit team when on-site audits begin again.

Cubic has maintained membership in the Social Responsibility Alliance (SRA) since 2017 to provide valuable industry expertise in the continued development of open-source tools to assist organizations in determining areas of risk within their supply chains. The most recent version of the SRA's flagship risk template, the Slavery and Trafficking Risk Template (STRT), can be downloaded at <http://www.socialresponsibilityalliance.org/>. Cubic considers this template, including the Department of State (DoS) Trafficking in Persons (TiP) Report, the Department of Labor (DoL) Goods Produced by Child

and Forced Labor List, and benchmarking data from KnowTheChain, the United Nations Global Compact, and the Global Slavery Index as the foundation of its risk assessment processes.

Cubic annually updates its statement in the UK and Australia Modern Slavery Registries to help increase awareness of Cubic's developing program and to ensure Cubic implements leading practices into its program going forward.

Part of the UK government's efforts to eradicate modern slavery within its supply chains involved the requirement of their vendors to complete of their Modern Slavery Assessment Tool. Completion of this tool highlighted several areas where Cubic's program can be further developed to improve the effectiveness of our program. Specific improvements will be made by developing additional policies defining Cubic's processes for managing the remediation process, by improving language within existing policies and contractual language to ban key practices that contribute to or decrease controls over higher risks within our first tier suppliers and beyond, by defining which metrics most accurately reflect the state of our program, by expanding training both in availability to relevant stakeholders within Cubic and within our supply chain and in content including by incorporating the International Labour Organization (ILO) 11 indicators by name of circumstances where forced labor may be found.

Additionally, Cubic complies with the newly enacted Canadian law called the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "**Supply Chains Act**") to prevent/reduce the risk that forced, or child labor is used. Cubic utilizes this statement to cover the annual reporting obligation. Throughout our Modern Slavery Statement, we include our structure, activities and supply chain. We have documented our policies and due diligence process in relation to forced labour and child labour. Below we discuss our risk and risk assessment processes to identify the parts of our business and supply chain that could potentially carry a risk of forced labor or child labour and the steps we take to assess and manage that risk. This includes measures taken to remediate any forced labour or child labour. What we do, and how we do it, makes a difference – every day. As a company and as individuals we must be committed to impeccable ethics in all aspects of our business. With this commitment comes the personal responsibility of every Cubic employee to practice and uphold the standards we have set. It is not just what we do, but how we do it that creates our reputation and dictates our success. All employees receive annual ethics and compliance training. We also make training available to all employees on recognizing and mitigating the risk of human trafficking and modern slavery in supply chains. Cubic assesses its effectiveness through grievance reporting mechanisms as outlined in our Cubic Worldwide Policy on Human Rights. Cubic retains a [Cubic Helpline](#) to allow individuals both domestic and abroad to state their concerns regarding any issues pertaining to ethics and compliance. Our Helpline is administered by an independent third-party reporting service that allows one to share concerns anonymously and confidentially – online or by telephone – anytime, day or night. No concerns were made during the Reporting Period. We have not identified any instances of Modern Slavery or Human Trafficking in Cubic's supply chain. This remains dependable with our assessment that our subjection to human trafficking and modern slavery is relatively low. The Canadian law also requires a mandatory questionnaire. This questionnaire provides documentation of the successes within Cubic's Supply Chain and areas that are a work in progress. Collecting this information each reporting period is expected to improve Cubic's capacity to identify, prevent, reduce, and address forced labour and child labour risks.

About Our Risks and Risk Assessment Processes

Reflected in our Due Diligence Framework, Cubic's due diligence program was built according to the OECD Due Diligence Guidance for Responsible Business Conduct. This internationally recognized guidance lays out best practices for designing a robust diligence program by laying out steps to identify actual and potential risks within our operations and supply chain and to design responses to effectively mitigate those risks.

To identify and assess risks, our Supply Chain Compliance Group engaged the engineering group to perform a supply chain risk mapping exercise using the DoL Goods Produced by Child and Forced Labor and the DoS Trafficking in Persons report as a guide for which commodities pose the greatest risk of human rights abuses. We create a list of internal commodities sorted by risk that the Supply Chain Compliance Group uses to quantify the amount of business Cubic does with its suppliers that have exposure to high-risk industries. A similar process is used to identify and assess risk of human rights abuses in the supply chains of the Conflict Minerals. Cubic buys a large volume of various electronics, electronic/mechanical components, and sheet metal parts for its business which contain minerals or components implicated in many countries as being high-risk for forced labor. Cubic is a member of the Responsible Mineral Initiative and uses its membership to support the audit of raw mineral smelters on responsible mineral sourcing and groups that work to maintain transparency in the raw mineral supply chain. These minerals are ubiquitous in electronic component manufacturing, in which much of Cubic's products can be classified. To assist in the identification and assessment of risks with the Asia-Pacific region, where Cubic's offerings are primarily service-based, the procurement function has instituted formal assessments at supplier on-boarding, using a modified version of the Slavery & Trafficking Risk Template (STRT).

To mitigate the risk of modern slavery within its supply chain, Cubic has: 1. included clauses prohibiting forced labor in our standard terms and conditions and contracts; 2. communicated its third party code of conduct including the requirement to respect human rights in their business operations and supply chain; 3. provided training to purchasers directing them to tie a supplier's ethical performance to procurement decisions when it is appropriate; and 4. included protections against modern slavery in its supplier corrective action platform. These processes, paired with our on-site supplier audits, are designed to create an expectation for our vendors to follow the law and preserve human rights, remediate insufficient controls, and incentivize the development and maintenance of good controls.

To verify that Cubic's supply chains are well-prepared to protect material supply chains from human trafficking and slavery, Cubic has a dedicated team that performs on-site audits of its top tier suppliers. Although these audits are announced audits, Cubic retains the right with its suppliers to perform unannounced audits. The standard audit form includes a review of contractual requirements for suppliers to maintain compliance with labor, health, safety, and environmental laws, regulations, or codes of conduct as well as documented procedures to verify that child labor is not in use in their supply chain and labor agencies do not use forced, involuntary prison, indentured, bonded, trafficked or slave labor.

Cubic assesses the effectiveness of its Modern Slavery program through several means. Most of Cubic's direct suppliers/service providers are located within the United States, the United Kingdom and European Union, and Australia where the risk of modern slavery in industrial settings is low. Cubic, therefore, determines its effectiveness by processes identified to decrease the likelihood of slavery within global

supply chains. Suppliers are sorted by the amount of business identified as potentially high risk through our Supply Chain Risk Mapping exercise. This business is quantified, and these figures serve as the basis for risk quantification regarding the reach of our supplier audits and what controls are in place within our supply base (policies, contractual requirements, codes of conduct, etc.). Implementation of the Slavery and Trafficking Risk Template (STRT) into Cubic's OneTrust supplier risk management software allows Cubic to automate supplier risk evaluation and expand the scope of its effectiveness to include other factors contributing to forced labor worldwide, such as use of at-risk workforce, policy communication, and process controls. Cubic expects these metrics to change as its program develops and industry reporting standards are formalized.

By keeping up to date with reported findings, Cubic maintains awareness and bridges communication throughout our supply chain, ever increasing our awareness of, and compliance with, industry best practices and the needs of human rights legislations worldwide.

Stevan Slijepcevic

Stevan Slijepcevic (Mar 27, 2024 13:45 PDT)

Signature

Date

Stevan Slijepcevic
President & Chief Executive Officer
Cubic Corporation