



KITCHEN • BATHROOM • LAUNDRY



Modern Slavery Statement 2021

E&S Trading Co. (Discounts) Pty Ltd ABN 71 007 449



INTRODUCTION

This statement, made pursuant to section 14 of the Modern Slavery Act 2018 (Cth), is our second Modern Slavery Statement and is published on behalf of E&S Trading Co. (Discounts) Pty Ltd ABN 71 007 449 265 (E&S).

The purpose of this statement is to outline our approach to ensuring that E&S has comprehensive frameworks and processes in place to minimise the risks of modern slavery in our business operations and supply chain.

E&S is committed to operating responsibly and establishing and adhering to the highest ethical standards with a goal of identifying and working with its supply chain to eradicate the various forms of slavery.



40 million people are estimated to be trapped in modern slavery worldwide:

1 in 4 of them are children

Almost 71% of them are women and girls

Source: Anti-Slavery International. Photo: Bharat Patel

E&S acknowledges that slavery can occur in many forms. Through supply chain the most common are:

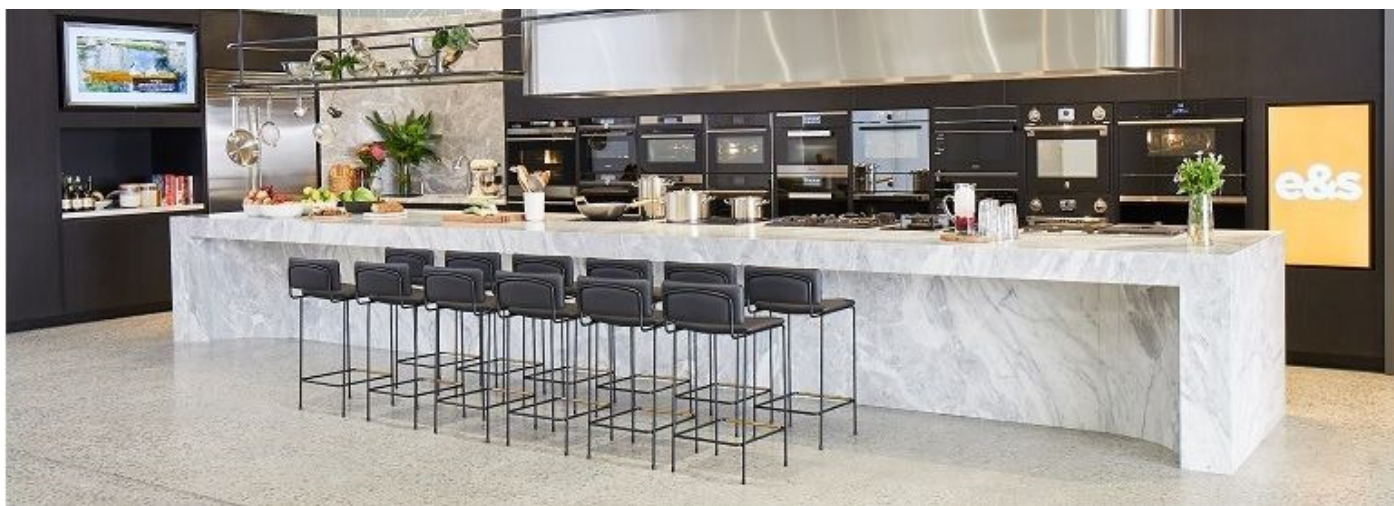
Human trafficking. The use of violence, threats or coercion to transport, recruit or harbour people in order to exploit them for purposes such as forced prostitution, labour, criminality, marriage or organ removal.

Forced labour. Any work or services people are forced to do against their will under threat of punishment.

Debt bondage/bonded labour. The world's most widespread form of slavery. People trapped in poverty borrow money and are forced to work to pay off the debt, losing control over both their employment conditions and the debt.

Descent-based slavery. Most traditional form, where people are treated as property, and their "slave" status was passed down the maternal line.

Slavery of children. When a child is exploited for someone else's gain. This can include child trafficking, child soldiers, child marriage and child domestic slavery.



OUR STRUCTURE, OPERATIONS AND BUSINESS

E&S Trading Co. (Discounts) Pty Ltd (E&S) ABN 71 007 449 265 is a privately owned and operated company, registered in Australia.

E&S is a retailer of home appliances, specialising in kitchen, bathroom and laundry product. We operate nine retail outlets, a commercial division, warehouse a distribution facility, clearance centre and support centre, all located in Victoria. Through online and commercial activities, we supply product to many states in Australia.

We are a family owned and operated business, now is our 60th year of operation.

Products we sell are sourced from all over the world, including Australia, Europe, USA, Thailand and China, to name a few. These products are generally sourced and/or manufactured by large, multinational suppliers.

As at the 30th of June 2021, in Australia E&S employed 324 people, 19 temps sourced through a labour hire company, 5 independent contractors, and an additional 4 people in the Philippines via a labour hire company.

As a business we are committed to only supporting well recognised global and local brands, where we have high levels of confidence in their capacity and determination to stamp out modern slavery practices in their respective supply chains.

OUR SUPPLY CHAIN

Our supply chain is split into two categories. Trade Suppliers & Goods Not For Resale Suppliers

Trade Suppliers

E&S sources product from a variety of local and international suppliers who manufacture in a number of different countries.

Our top 9 suppliers in this segment represent more than 70% of our total purchases and provide products under 15 different brands. Of these suppliers, all but one are global brands, many of them listed companies who have stringent modern slavery initiatives and compliance programs in place.

Goods Not For Resale

E&S participates heavily in the NARTA Goods Not For Resale (GNFR) program. These suppliers are included in the NARTA Modern Slavery Initiative and form part of their annual auditing activities.

RISK IDENTIFICATION

E&S has continued to review of the potential risk of modern slavery practices across our operations and supply chain taking into consideration factors such as sector, industry, product and service type and geographic location. In last years activities, we identified that the collection of data from many of our supply chain partners was proving difficult. To assist with this, we approached The National Associated Retail Traders of Australia (NARTA), who provide services to many hundreds of businesses like ours, who source product from common suppliers.



After this approach, NARTA has introduced the Modern Slavery Initiative (MSI), an industry focused program which supports businesses in reviewing practices within their supply chain to deliver best-in-class ethical standards and meet reporting requirements under the Modern Slavery Act 2018.

Since January 2021, NARTA members have been involved in this partnership to create best practice standards and advocate the protection of human rights, with a committee of retailers including Winning Group, JB Hi-Fi, Bing Lee and E&S, as well as suppliers such as Samsung, Breville, Electrolux and Smeg. Peter Barry, our General Manager of Merchandising & Marketing sits on this committee. NARTA's Compliance records are available to E&S via the NARTANEXUS portal.

In addition to the activities of NARTA and their Modern Slavery Initiative, E&S conducts it own reviews of suppliers who are not participating in the NARTA Modern Slavery Initiative.

As part of our risk identification, we have established that there is an estimated \$12b worth of goods provided in Australia that are At-risk of being produced with some form of Modern Slavery, at a total of \$354b estimated to be At-risk across G20 countries, \$200b of which comes from electronics such as laptops, phones and PC's (*source: Global Slavery Index 2018 Dataset, Walk Free, available from www.globalslaveryindex.org*); product categories that we do not participate in.

RISK MANAGEMENT AND DUE DILIGENCE

During the 2020/21 financial year, E&S compliance activities included...

- Participation in the NARTA Modern Slavery Initiative as a committee member. Brands involved with the NARTA activities represented approximately 74% of all E&S purchases in this reporting period.
- Sent out 29 Modern Slavery self assessment questionnaires
- Sought additional information from more than 22 of our core suppliers
- Assisted 4 suppliers in understanding their obligations regarding Modern Slavery compliance

ONGOING ASSESSMENT OF RISK

E&S will continue to work to increase collaboration with internal and external stakeholders to prevent and address any contribution that E&S may have to the global issue of modern slavery, including being an ongoing and active participant of the NARTA Modern Slavery Initiative.

E&S will achieve this by focusing on raising awareness of the forms of modern slavery among our employees and suppliers, continuing to evolve our due diligence processes to aid in the identification of risks, expanding the scope of our supply chain risk assessment, reviewing existing processes and exploring ways to improve identification and action on risks throughout our supply chain.

2021/22 Commitments

- Continue to work with our suppliers in a collaborative and supporting manner
- Review each supplier identified at a higher risk and work with them to establish confidence in their ability to identify and abolish modern slavery
- Provide educational resources to our suppliers and our employees on the risks associated with ethical sourcing and modern slavery
- Continue to contribute to and share information with the NARTA Modern Slavery Initiative

Reporting Entity

E&S Trading Co. (Discounts) Pty Ltd ABN 71 007 449 265

Director Approval

This statement was approved by the board of E&S Trading Co. (Discounts) Pty Ltd ABN 71 007 449 on the 14th February 2022.

Signed:  _____

Date: 28-02-2022

Director: Michael Sinclair

E&S Trading Co. (Discounts) Pty Ltd ABN 71 007 449

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