

Brightstar Logistics Pty Limited

2020 Modern Slavery Statement

Brightstar Logistics Pty Limited ACN 111 399 7521 ("**Brightstar Logistics**", "the **Company**", "**we**", "**us**", or "**our**") acknowledges its responsibility to the *Modern Slavery Act 2018* (Cth) ("the **Modern Slavery Act**" or the "**Act**") and will continue to promote transparency within our supply chain and operations.

Brightstar Logistics has zero-tolerance for modern slavery. We are committed to conducting business in an ethical manner and are continuously improving our approach in identifying modern slavery risks in our supply chain and operations. At Brightstar Logistics, we believe human rights are everyone's right.

Brightstar Logistics is an Australian proprietary limited company and a wholly-owned subsidiary of Brightstar Corp., a US-based private corporation. Brightstar Corp. is a subsidiary of Brightstar Global Group Inc. ("**BGG**"). On 22 October 2020, Brightstar Capital Partners ("**BCP**"), a private US-incorporated equity firm, acquired a majority ownership interest in BGG and is the ultimate parent entity that exercises control over the Brightstar Group companies.

Brightstar Logistics primarily derives its revenue from mobile device and accessory distribution, supply chain and logistics services, retail services, financial services, and device protection services. The Company employs approximately 250 staff across its operations in Australia and is administered from its head office in Melbourne, Victoria.

For the fiscal year ending 31 December 2020, Brightstar Logistics controlled a majority interest in the following two Australian entities and one foreign entity:

- Risk Insure Pty Ltd ACN 090 918 399 – an Australian proprietary limited company which is a general insurance broker that specialises in providing mobile phone insurance solutions to commercial and corporate businesses;
- Prepaid Partners Pty Ltd ACN 125 920 032 – an Australian proprietary limited company which is currently in Members' Voluntary Liquidation; and
- Brightstar India Shared Services, LLP ("**BISS**") – a limited liability partnership incorporated under the laws of India which provides shared services such as accounting services and IT support to all Brightstar Group companies globally, including Australia.

We reviewed the annual consolidated revenue of each of these entities to determine whether they would be considered a reporting entity for the purposes of the Modern Slavery Act. Other than Brightstar Logistics, none of these entities meets the reporting entity criteria under the Modern Slavery Act. As such, this Modern Slavery Statement (or "**this Statement**") covers Brightstar Logistics only.

We periodically review and update our understanding of our highest risk areas for modern slavery exposure. We identified one area in our business during our review where the potential for modern slavery risks is higher than in other areas. This area of risk is our indirect workforce. To combat this risk, Brightstar Logistics will continue implementing and enforcing policies, procedures, and initiatives that prevent modern slavery from permeating our workforce and supply chain.

1. Workforce

- We believe that our risk of exposure to modern slavery in our direct workforce is low. This is due to our employees being primarily based in Australia, educated and/or skilled, and operating in a work environment where established training courses, policies, and processes are in place and enforced. Nevertheless, we will continue to strive to remain attentive to any signs of modern slavery within our direct workforce.
- We have assessed that our risk of exposure to modern slavery increases when workers are not directly engaged by Brightstar Logistics (i.e., an indirect workforce). This is due to the limited visibility into our partner's operations and hiring practices.
- However, to combat potential modern slavery risks associated with an indirect workforce, Brightstar Logistics requires its partners to adhere to the minimum employment age limits, wage minimums, working hours, and benefits as defined by applicable laws and regulations.
- Furthermore, the indirect workforce most relevant to Brightstar Logistics' operations (e.g., cleaning, security, labour-hire, and transport/freight) has been working with us for some time, and it is our intention to continue to work with them over the long term. We know them, and they know we are committed to conducting business with integrity and adherence to all applicable laws and regulations.

2. Supply Chain

- We have undertaken an analysis of modern slavery risks in our supply chain, which is primarily made up of suppliers of finished products, suppliers of indirect services, and distributors.
- According to the most recent Global Slavery Index, the countries we import most of our products from, and the types of products we import, have been identified as high risk of modern slavery. However, as Brightstar Logistics does not manufacture its own products, we source more than 90% of our direct supply of products from large global Original Equipment Manufacturers ("OEMs") who supply us with finished products. These OEMs are themselves required to publish statements setting out the steps they have taken with respect to complying with modern slavery laws. We have reviewed those statements, where available, and will continue to do so periodically.
- The remainder of our direct supply comes from low-risk countries. So, for example, many of our suppliers have Australian-based entities that we deal with directly.
- We generally consider our suppliers of indirect services (e.g., consulting, advisory, marketing, insurance, and IT licensing and support) and our distributors at low risk of exposure to modern slavery. This is due to their workforce being primarily based in Australia and either educated and/or skilled.

3. Policies, Procedures, and Initiatives

- Our suppliers are subject to our supplier onboarding process. This includes our Principles of Vendor Conduct (or "**Principles**") (https://www.brightstar.com/wp-content/uploads/2017/01/Principles_of_Vendor_Conduct.pdf) which reinforces our commitment to eradicating modern slavery from our supply chain. The Principles expressly set out our expectations that our suppliers must adhere to and be committed to conducting business with integrity and our minimum standards required to transact business with Brightstar Logistics. We also expect our suppliers to monitor their compliance with our Principles when they perform work for us or on our behalf and notify us of any potential non-compliance.
- Generally, suppliers to Brightstar Logistics are subject to terms and conditions that govern supply terms, including compliance with all applicable laws. Our suppliers may also be required to demonstrate conformance and assurance that, where applicable, they have flowed down our requirements to their suppliers.

- Brightstar Logistics performs assessments of potential suppliers as part of our supplier onboarding process to ensure they will comply with applicable laws. These assessments aim to obtain pertinent information about a supplier's profile to evaluate financial, operational, reputational, and legal risks.
- "Restricted Party Screening" is a compliance control that the Company also uses to prevent us from transacting business with prohibited/restricted companies, entities, or individuals. This control requires the Company to pre-screen our suppliers against numerous "Restricted Parties List" to comply with governmental requirements prohibiting transactions with certain suppliers.
- Our employees and suppliers are required to comply with all applicable laws and, where applicable internal policies and procedures, including Brightstar's Code of Conduct & Ethics (<https://www.brightstar.com/wp-content/uploads/2017/05/Code-of-Conduct-ENGLISH.pdf>). Employees must also act within these laws and internal policies and procedures to act ethically and responsibly when selecting suppliers. Employees who violate applicable laws or company policies are subject to disciplinary action, including, in some instances, termination of employment.
- Brightstar Logistics provides our employees, suppliers, and the public with an independent and confidential Ethics Helpline (<http://www.brightstar.ethicspoint.com>) that they can use to report any legal or ethical concerns or suspected wrongdoings, 24 hours a day, 7 days a week, in six languages.
- Ethics and compliance initiatives are provided under the guidance and support of Brightstar's Ethics & Compliance Office. Other initiatives include resources for employees such as policies, training courses, and tools that ensure business is fair, honest, and transparent at all levels of our corporation. Employees who fail to complete or adhere to ethics and compliance initiatives without a valid reason may face disciplinary actions.

Brightstar Logistics assesses the effectiveness of these actions by regularly participating in audits of our internal controls, procedures, and initiatives. We may also exercise our rights to audit our suppliers to demonstrate their compliance with applicable laws.

Brightstar Logistics is required to consult with its owned and controlled entities under section 16.1(f) of the Modern Slavery Act. We reviewed the annual consolidated revenue of such entities and determined they would not be considered a reporting entity for the purposes of the Modern Slavery Act. However, officeholders of these entities have been advised of the Act and provided with information regarding the requirement to identify, manage and mitigate the risk of modern slavery in their operations and supply chain.

This Statement will be reviewed and published annually. It is made pursuant to section 13 of the Modern Slavery Act. It constitutes the Company's modern slavery statement for the year ending 31 December 2020 and actions that we have taken as of the date of submission of this Statement in connection with our effort to improve our ability to assess and address modern slavery risks. This Statement has been approved by the board of the Company.



Andrew Hage
Director, Brightstar Logistics Pty Limited

25 June 2021