

## MODERN SLAVERY STATEMENT 2021

### 1. Introduction

This Modern Slavery Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (**Act**) for Alloys Computer Unit Trust trading as Alloys International Printer and Hardware Division Pty Ltd ABN 71 534 566 842 (**Alloys**) for the reporting year ending 30 June 2021 (**reporting period**).

The ‘Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities’ describes modern slavery as situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It refers to serious exploitation and encompasses human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruitment, and the worst forms of child labour.

Alloys is committed to operating our business lawfully and with high ethical standards. We will take measures to minimise the risks of modern slavery in our business operations and supply chains.

### 2. Our structure, operations and supply chains

Alloys is an Australian family owned and operated business, with its head office based in Victoria. The only other entity that Alloys has common ownership and control with is Proscan NZ Ltd (**Proscan**). Proscan is based in New Zealand, is not a reporting entity under the Act but is reported on and included in this statement in line with the Act.

Alloys and Proscan (together referred to as **Alloys, we, us** or **our**) is a specialist information technology distributor that provides our valuable partners with knowledge and growth opportunities. Our mission is to improve the capabilities, profitability and opportunities of SME technology resellers.

We are strategically located to service our partners, with four branches across Australia – Melbourne, Sydney, Brisbane and Adelaide – each with its own showroom and distribution centre. In New Zealand, we are supported by a local third-party logistics company to warehouse our products and despatch orders at Alloys’ directions. The Proscan business, for all intents and purposes, is managed from Australia by members of the Alloys leadership team, corporate functions and employees, subject to Alloys policies and processes.

At the end of the reporting period, our workforce consisted of 70+ employees based at our four Australian branches, an outsourced support team of 9 based in the Philippines, and a third-party logistics provider of 1 based in New Zealand.

Our operations include largely selling and distribution of products within three specialist divisions to predominantly Australian resellers. The three divisions are Print and Imaging, Audio Visual, and Technology Solutions. A new, small part of our business also provides technical and on-site installation services of the products we sell in Australia.

Our main supply chain comprises of 40+ international and local supplier partners that provide the products we sell. In addition, Alloys also sources other products and services to support our operations, including couriers, on-site installation services providers, professional services suppliers, outsourced support team, third-party logistics provider, ICT infrastructure, utilities, facilities management and maintenance, equipment, office consumables and other supplies, from predominantly Australian suppliers and some overseas suppliers.

### 3. Risks of modern slavery practices in our operations and supply chains

The 'Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities' describes the risks of modern slavery practices as the potential for an entity to cause, contribute to, or be directly linked to modern slavery through its operations and supply chains.

As Alloys maintains full control of our operations in Australia, there is minimal risk of Alloys causing modern slavery as we have policies, procedures and practices in place to ensure that our business remains legally compliant and ethical in terms of our employee entitlements and workplace conditions, and that our employees treat each other with fairness, respect and dignity. We are proud of our culture and values, and our employees continue to be highly engaged as demonstrated by Alloys' high engagement score.

Alloys acknowledges there is potential risk of modern slavery practices in engaging a business process outsourcing services provider in the Philippines to provide a support team for our day-to-day operations, given the country's higher prevalence risk of modern slavery based on the 2018 Global Slavery Index. To minimise this risk, when we sourced our Philippines outsourcing supplier in 2016 we ensured that the organisation has values and practices aligned with Alloys'. Further, we continue to have controls in place to keep this risk low.

As an information technology distributor, Alloys recognises that the industry in which we operate has the potential to be at a higher risk of being connected to modern slavery practices given many of our multi-national supplier partners have manufacturing operations, and/or sourced parts, components or raw materials from third parties, in countries where corruption levels and human rights violations can be considered on the higher side, with a lack of legal entitlements and/or enforcement of protections for workers.

In terms of our other supply chains that operate and deliver services in Australia and New Zealand (couriers, on-site installation services, professional services, third-party logistics provider, ICT infrastructure, utilities, facilities management and maintenance), this area is considered low in modern slavery risk.

### 4. Actions taken to assess and address modern slavery risks

During this reporting period, Alloys continued to improve on our frameworks and processes to mitigate modern slavery risks in our operations and supply chains, as follows:

- **Modern slavery training**

We developed training material on modern slavery risk indicators, impacts and compliance. Alloys leadership team and employees in the products, purchasing and finance teams undertook this training. We also implemented for the training material to be reviewed and staff training to be refreshed periodically, as well as new leaders and team members engaging with suppliers to undertake this training as part of their onboarding.

- **Supplier onboarding process**

We reviewed our supplier onboarding process and incorporated a new modern slavery supplier questionnaire for completion by new suppliers to enable initial risk assessment. The supplier questionnaire assesses the supplier's policies and practices to identify, assess and mitigate modern slavery risks in their operations and supply chains. The disclosure of any modern slavery practices

would mean a prospective supplier would not be onboarded as a new supplier. This has not happened as yet.

As with all other Alloys processes, the supplier onboarding process and questionnaire will be reviewed periodically to ensure they are current and meet our purpose.

- **Engaging with supplier partners**

We commenced engaging with our supplier partners to ask them to provide their modern slavery statement and/or complete the supplier questionnaire. As anticipated, many of our major supplier partners who are large multi-national companies already published modern slavery statements under the US, UK, and/or Australian legislation and have modern slavery compliance measures in place. Responses received from other suppliers also show no obvious risks of modern slavery.

We are continuing to follow-up on outstanding supplier responses and will report on the data collated from all targeted supplier partners in our next reporting period.

## 5. Assessing the effectiveness of actions taken

During this reporting period, Alloys did not detect any modern slavery violations in our Australian operations, the Philippines outsourcing supplier providing our support team and the New Zealand third-party logistics company providing warehousing support. We also did not detect any modern slavery violations from the responses we have received from our supplier partners, and will provide a full report on all targeted suppliers' responses in our next reporting period.

We will continue to monitor the effectiveness of the policies, procedures, processes and practices in place to mitigate modern slavery risks in our operations and supply chains by tracking our actions and outcomes, engaging and working with our suppliers and other external partners, and undertaking periodic internal governance and external assurance processes. From these results, we will strengthen our actions where needed to continually improve our response to prevent modern slavery.

## 6. Consultation with Proscan

As mentioned in section 2, Proscan is managed by members of the Alloys leadership team, corporate functions and employees, subject to Alloys policies and processes.

The consultation process included working with members of Alloys leadership team managing Proscan, including common owners of Alloys and Proscan, to prepare this statement.

This statement was approved by the Board of Alloys.



Paul Harman  
Chief Executive Officer

Date: 21 December 2021