

Datacom Anti Modern Slavery Statement RYE 2020

*This statement is made in accordance with the Modern Slavery Act 2018 (Cth) for the year ending on 31 March 2020 ('**RYE 2020**').*

Introduction

Datacom Australia Holdings Pty Limited (ABN 45 094 235 373) is reporting on behalf of itself and its '**Reporting Entities**¹' in relation to how we are approaching the global social evil that is modern slavery, and how we are addressing that problem within our own operations and supply chains. We are very committed to this cause, and so have voluntarily applied our anti-modern slavery programme for our entire Datacom Group of companies, owned or controlled by Datacom Group Limited (our parent company incorporated in New Zealand). In this statement a reference to '**Datacom**' means any and all of our companies with our Datacom Group.

We oppose all forms of modern slavery practices and are committed to eradicating these practices from our own operations and supply chains. Modern slavery can take many forms, and even in Australia, New Zealand and the other countries in which we operate, modern slavery still exists. Some of its forms include forced or compulsory labour, servitude, trafficking in persons, debt bondage, forced marriage, forced prison labour and child labour. We are committed to identifying, preventing, mitigating and remediating modern slavery impacts connected to our business.

We recognise that as a large purchaser and supplier of a diverse range of products and services, we must embed appropriate practices in our business and seek to work with suppliers who are aligned to our values.

In this statement we set out the actions Datacom has taken to recognise and minimise the risk of modern slavery in our business operations and supply chain in the reporting year ending on 31 March 2020.

¹ Our Reporting Entities are Australian companies owned or controlled by Datacom Australia Holdings Pty Limited or companies in the Datacom Group carrying on business in Australia, being **Datacom Data Centres Pty Limited** (ABN 58 110 978 179), **Datacom Systems (AU) Pty Limited** (ABN 39 135 427 075), **Datacom Connect Pty Limited** (ABN 16 103 112 303), **Datacom New Zealand Limited** (a New Zealand incorporate company, ABN 95 875 120 116) and **Datacom Systems Limited** (a New Zealand incorporate company, in process of registration with ASIC).

Our structure, operations and supply chains

Datacom works with organisations and communities around the world to solve their biggest challenges, imagine new possibilities, and help move them to a better place by connecting people and technology.

Built on strong local values, world-class technology, and experienced people who genuinely care, Datacom sets a new standard in IT services. Datacom supports customers through a broad range of services and solutions that span technology, operations, digital and products, all underpinned by robust industry experience and insight. With almost 7,000 people working across Australia, New Zealand, Asia, Europe and the Americas, Datacom is truly world-class in capability, and proudly local at heart.

Datacom has a wide range of services and products including professional and technology management services, data centres, cloud services, integrated SaaS solutions, security offerings and management, hardware and software reselling, and contact centres. Often our customer selects the IT technology that we procure for on-supply. That means that although these suppliers are within our supply chain, we do not make the procurement decision.

In Australia, Datacom employs over 3,450 people, with over 3,150 people in New Zealand.

The majority of Datacom Group's businesses operate in Australia and New Zealand, with some technical operations in Malaysia and the Philippines, and very small satellite functions in Singapore, United States and the United Kingdom.

Datacom Australia Holdings Pty Limited is a wholly owned subsidiary of Datacom Group Limited and operates the Australian business. All controlled entities within the Australian business are wholly owned by Datacom Australia Holdings Pty Limited.

You can find further information about Datacom in our latest Annual Review on our website: www.datacom.com.au.

We work with approximately 7,000 suppliers globally. Our suppliers range from large vertically integrated global providers to small businesses, mainly based in Australia, New Zealand, Asia, the United States of America and the European Union.

Our relationships include suppliers from the following sectors: technology, hardware and equipment, facilities management, waste management, office supplies, catering, cleaning, labour hire, professional services and marketing. We utilise these products and services in our business and we also operate as a reseller of products and services such as software, technology infrastructure and associated hardware.

Potential modern slavery risks

Our initial risk assessment and prioritisation of work focussed on the aspects we considered to be higher risk and to coincide with a broader programme of work we had commenced to improve and consolidate our procurement practices generally within Datacom. We have also paid greater attention to the modern slavery risks that would cause the greatest harm to individuals.

Internal operations

We assessed our internal operations and identified that our operations present a lower risk of modern slavery. As a part of this assessment, we paid particular attention to areas that could be considered to be higher risk such as operations outside Australia undertaken by businesses within the wider Datacom Group, recruitment practices and temporary workforce arrangements.

The majority of our workforce are permanent employees and would be considered to be in the higher skill and lower risk brackets. Our employees are employed on contracts with standard terms allowing the employee to terminate their employment on notice and all employees are paid at or above the relevant minimum wage or other award or entitlement bands. We manage and work with our recruitment and temporary workforce providers in our supplier chain and have only a few individual contracted employees.

We also recognise that some of the Datacom Group's operations in countries outside Australia are located in higher risk geographies (particularly in Asia). While these operations are not controlled entities of Datacom Australia Holdings Pty Limited, the services they provide are used by the wider Datacom Group. To address the geographic risk we have performed a high-level review of the operational practices of our off-shore businesses and consulted with them to explain and help identify any potential modern slavery risks. This included considering and reviewing processes and systems and conducting interviews and discussions with key representatives. We will continue to work with these teams to assess these businesses in more detail.

We have also assessed the suppliers to our operations within our broader supplier assessment categorisation and will prioritise working with these suppliers further according to the higher risk categories we identified as a part of the general supply chain review and procurement consolidation process we are undertaking at a Datacom Group level.

To embed ongoing monitoring and vigilance, Datacom's anti-modern slavery programme will be further rolled out to our business units with training to ensure widespread implementation by those businesses as well.

Supply chain

For our supply chain, as a result of our supplier risk assessment outlined above, we identified very low risk suppliers through to those within a potentially high-risk category. In the higher risk category, we identified suppliers of technology products and services (for both internal use and on-supply or resale to customers), cleaning, maintenance services, field services, application development services, construction and building works, freight, catering, office supplies, waste management and marketing products.

Of course, as this supplier risk assessment was primarily focused on industry and function, there is still more work for us to do to dive deeper into our major suppliers to look at specific geographies and actual practices of the specific suppliers.

We also understand that our suppliers have their own suppliers, which may also connect us to modern slavery risk. We do not currently have a detailed understanding of this risk beyond our first-tier suppliers. We are aware, however, of some industry risks that will be in the lower tiers of our supply chain. For example, some of our suppliers that provide IT hardware, for example with rechargeable batteries, will have significant modern slavery risk in their supply chains. This is an area for further work in the next reporting years.

We intend to prioritise our supplier engagement activities according to those higher risk categories over the next reporting year. But this will not be at the expense of excluding all other suppliers, including further down the supply chain or in geographies that are considered to be higher risk.

Our Human Rights Policy and Protected Disclosure Policy (Whistleblower Policy) specifically recognise the risk of modern slavery and encourage our employees, contractors and suppliers to report and act on any modern slavery concerns. Where concerns are investigated and substantiated, we are committed to taking appropriate action. Further information regarding the investigation process is publicly available in the Whistleblower Policy on our website (at <https://www.datacom.com.au/Legal.aspx>).

We intend to set up a programme in the next reporting year to promptly respond to and remediate any modern slavery situations, if they arise. We envisage that the programme would include working with the relevant supplier to manage the risk of modern slavery, remediate any harm caused, and put in place processes to prevent from happening again. If cooperation is not forthcoming in a satisfactory manner, termination of the supplier contract may be warranted. Our preference, however, is to work with suppliers so that they can improve the conditions and rights of workers and require that those suppliers remediate any harm caused.

COVID-19 impact

We recognise the increase in vulnerability of workers in global operations and supply chains to modern slavery arising from the global response to COVID-19. While this did not have an impact in the current reporting year (ending 31 March 2020), we are aware of this heightened risk and expect to be able to report on our approach to COVID-19 modern slavery risk in the next reporting year.

Action to assess and address modern slavery risks

Our activities in the current reporting year to 31 March 2020 focused on undertaking a scoping exercise of our potential risks, the update of policies, creation of supplier assessment documentation, contractual provisions and the design of a training and compliance programme.

This has allowed us to better understand our principal areas of risk and will enable us to embed the programme in the next reporting year.

Actions have we taken in RYE 2020
Launched our Datacom Code of Conduct
Launched our Whistleblowing Policy
Drafted our Human Rights Policy
Undertook a modern slavery risk assessment
Drafted Supplier Code of Conduct and new supplier on-boarding procedures
Drafted and commenced implementing anti-modern slavery commitments into our supplier contracts
Designed training and compliance materials for the business
Commenced an awareness campaign with Board and senior leadership

We undertook a number of activities to recognise, map and address modern slavery risk in our operations and supply chain. These activities included:

- Undertaking an initial, high-level modern slavery risk assessment to identify and assess the risk of modern slavery according to industries, products and services, geographic locations and business models. This was conducted on a line of business level and involved the business leadership and key stakeholders.

- Launching a Datacom Group Code of Conduct, for all our staff and contractors. This is our commitment to ethical business practices:

Datacom Code of Conduct
Commitment to our Code of Conduct, or ethics, demonstrates that Datacom will operate responsibly and in accordance with all relevant social expectations, laws and regulations. Our ethics embody who we are and how we operate.
Specifically we will: <ul style="list-style-type: none"> • promote ethical business practice; • support equal opportunities; • promote a safe and healthy work environment; • strive to minimise the risk of adverse human rights impacts; • value diversity in the workplace; • trade ethically; and • provide a safe route for people to highlight non-compliance.
These practices support principles of trust, integrity, simplicity, agility and innovation and together act at the heart of all our dealings and drive the way we work for the benefit of our people, customers, suppliers, shareholders and other stakeholders.

- Drafting a Human Rights Policy declaring our commitment to creating and supporting a workplace and supplier culture that promotes human dignity and the conduct of business in an open and accountable way – consistent with our values and the laws in which we operate.
- Implementing a Protected Disclosures Policy (Whistleblowing Policy) to provide an avenue for a variety of stakeholders to raise concerns and reassurance these concerns will be addressed in a timely and confidential manner – without the fear of any reprisals or victimisation.
- Drafting a Supplier Code of Conduct reinforcing our expectations around anti-bribery and corruption, diversity and inclusion, health and safety, human rights (particularly anti-modern slavery) and sustainability.
- Drafting a new supplier on-boarding procedure, including supplier due diligence and a detailed supplier questionnaire - involving the business, finance, sales enablement and procurement stakeholders.
- Drafting training information and designing a compulsory compliance module for all staff and contractors.
- Including anti-modern slavery compliance clauses to include in our tender documents and our template supplier agreements.
- Engaging with all lines of business and communicating awareness of modern slavery risks to Datacom employees.

During the risk assessment process, we considered potential risks that may possibly cause, contribute and be directly linked to modern slavery practices, in accordance with the Australian Government's Department of Home Affairs draft guidance document (2018).

Our planned actions for next reporting year

Over the next year (ending in 31 March 2021), our key focus areas will be:

- Assessing any COVID-19 impact or areas of additional concern or risk raised
- Continuing with internal stakeholder engagement and ongoing review of business practices, including delivering appropriate awareness training on modern slavery principles to relevant lines of business
- Embedding our existing policies, and implementing the Supplier Code of Conduct and Human Rights Policy
- Rolling-out our supplier on-boarding procedures and supplier due diligence, as well as reviewing our supplier contract terms - with a focus on the higher risk categories of supplier and better understanding their operations and supply chains;
- Designing and implementing a programme to monitor and assess compliance within our supplier community and address any areas of remediation (with appropriate escalation points)
- Rolling-out a training and compliance module throughout Datacom
- Developing expertise in risk in the IT products we resell so that we can educate our customers in relation to that risk, given that they are often the decision-maker in relation to the IT products that we supply to them.

Assessment of our effectiveness

To date, we believe that we have effectively put in place the initial foundation to assess and mitigate the risks of modern slavery in our internal operations and supply chain, and have started the process of raising awareness on this important topic. But we appreciate that there is a lot more still to be done, and in the next reporting period we will develop processes for measuring and assessing the effectiveness of our modern slavery programme.

We intend to continue with our actions listed above, and importantly, continue to educate and train our business lines so they are alert to the risks. We plan in time to develop a program of monitoring and auditing of our anti-modern slavery programme, including reviewing selected suppliers. This will be incorporated into an internal audit programme of work under the Datacom Group Chief Risk Officer, which we are in the process of designing.

Most importantly, we recognise this is not a static programme. We will seek to adopt a process of continuous improvement, assessing if processes are up-to-date and effective, and will endeavour to focus on the areas with the highest potential impact on people.

Consultation with the Reporting Entities

Datacom Australia Holdings Pty Limited owns 100% of our Reporting Entities, and Datacom Group Limited owns 100% of any Datacom Group company carrying on business in Australia. These entities operate as part a fully integrated business in Australia and part of the wider Datacom Group, with a central Datacom Group Board, centralised leadership team from all lines of business and a Datacom Group corporate support function that supports all lines of business (including HR, risk, property, procurement, finance and legal).

The consultation process included working with representatives of all lines of business dealing with procurement, human resources, business operations, sales and finance, risk and legal. This included interviews, sharing and completion of risk review documentation, analysis and agreement on prioritisation, review of underlying data and documents including contracts, supplier information and the procurement analysis of suppliers.

Individual Reporting Entities Directors, and the Group Leadership Team as a whole, were made aware of the anti-modern slavery programme proposed, consulted on the programme's planned content and application. They have fully supported the Group-wide adoption of our programme.

Approval

Datacom Group Limited approve this statement on behalf of the Board of each of the Reporting Entities and the wider Datacom Group.



Tony Carter – **Chair**

DATACOM GROUP LIMITED