

MODERN SLAVERY STATEMENT 2023

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 2023 (**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 offshore support team of 12 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 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, offshore 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 continue to 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 an offshore services provider located 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 2023 Global Slavery Index. To minimise this risk, when we sourced our Philippines offshore supplier in 2016 we did so with an Australian based organisation and ensured that they have values and practices aligned with Alloys'. Although the supplier was acquired by another global entity in early 2022, the alignment of our values and culture is retained, any change to the way the organisation operates has been negligible, and we continue to have controls in place to ensure the risk remains 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 multinational 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**

All new team members joining the products, purchasing or finance team and who would be engaging with suppliers as part of their role undertook and completed their modern slavery training.

- **Supplier onboarding processes**

From our last review of supplier onboarding processes, we identified these processes needed to be strengthened to ensure new suppliers comply with providing their modern slavery statement and/or completed supplier questionnaire to us in a timely manner to enable initial risk assessment. The revised and comprehensive supplier onboarding processes for both products and services, including modern

slavery component, have since been approved and are being implemented. These processes will be reviewed and reported on in the next reporting period.

In terms of obtaining modern slavery information from our existing supplier partners, we had also refined our processes to include escalating and working with the manager responsible for the relevant supplier where requests for information have not been forthcoming to resolve. This has been effective.

- ***Engaging with supplier partners***

During the reporting period, we engaged with prospective suppliers and existing dormant partners who had re-supplied to provide their modern slavery information. We received responses from these suppliers in most instances, and continue to work with the few outstanding partners.

Based on our high-level analysis of supplier responses received, there was no obvious risks of modern slavery in their operations and supply chains.

We will continue to engage and work with our existing and new suppliers to mitigate the risks of modern slavery practices through our supply chains.

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 offshore 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 supplier responses we received.

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: 22 December 2023