

Modern Slavery Statement

Our Stance on Modern Slavery

Year Ending 30th June 2024

About this Statement

The Board of Directors (“**Board**”) of Spirit Technology Solutions Ltd (ABN 73 089 224 402) (ASX: ST1) (“**Company**” or “**Spirit**”) is responsible for addressing modern slavery risk across the Company and our controlled entities (collectively, the “**Group**”).

At Spirit, we are committed to the highest standards of ethical behaviour and integrity in all our business activities. As a leading provider of modern and secure digital workplaces, we recognise our responsibility to combat modern slavery and human trafficking in all its forms.

Modern slavery, encompassing slavery, servitude, forced and compulsory labour, and human trafficking, is a heinous crime and a violation of fundamental human rights. We are dedicated to ensuring that our business operations and supply chains are free from these practices. As a company at the forefront of technological innovation, we understand that our influence extends beyond our products and services. We have a duty to leverage our resources and expertise to promote ethical practices and safeguard human dignity.

This Modern Slavery Act Statement (“**Statement**”) has been prepared in respect of the financial year 1 July 2023 to 30 June 2024 (“**FY24**”).

This Statement outlines the steps we have taken and continue to take to identify, prevent, and address the risks of modern slavery within our organisation and supply chains. We believe that a proactive approach is essential to fostering a fair and equitable working environment for all, and we are committed to continuous improvement in this vital area.

This Modern Slavery Statement is available under the Corporate Governance section under the Investor Hub page on our website (<https://spirit.com.au/investor-hub>).

This Statement was approved by the Board on 29 January 2025 prior to submission and publication.

Statement from our Managing Director and CEO

At Spirit, we are deeply committed to conducting our business with integrity, transparency, and respect for human rights. As the Managing Director, I am proud to lead an organisation that prioritises the fight against modern slavery and human trafficking in all its forms.

Modern slavery is a pervasive issue that continues to affect millions of individuals around the globe. It encompasses forced labour, debt bondage, human trafficking, and other forms of exploitation that strip individuals of their freedom and dignity. As a company that operates at the cutting edge of the digital workplace solutions industry, we recognise our unique position and responsibility to address these challenges both within our organisation and throughout our supply chains.

To this end, we have implemented policies and practices designed to identify, prevent, and address modern slavery. This includes thorough due diligence processes, ongoing training for our staff, and strong partnerships with suppliers who share our commitment to ethical conduct.

We did not identify any instances of modern slavery in our operations or supply chain throughout the reporting period. However, we acknowledge that managing modern slavery risk is complex, and the risk landscape is ever evolving. Our ongoing efforts are guided by a firm belief in the importance of ethical leadership and corporate responsibility. We are dedicated to fostering a culture of vigilance, and accountability, and to actively maturing our approach over time.

This Statement reflects our unwavering commitment to these principles and our determination to make a meaningful impact in the fight against modern slavery.

Julian Challingsworth

Managing Director and CEO

of Spirit Technology Solutions Ltd

1. About Us

Spirit Technology Solutions Ltd is an Australian public listed company (ABN 73 089 224 402) (ASX: ST1) (“**Company**” or “**Spirit**”) listed on the Australian Securities Exchange (“**ASX**”).

Spirit wholly owns a group of subsidiary companies incorporated in Australia (collectively, the “**Group**”).

Spirit’s head office is based in Melbourne. The Group has offices in Australia across Sydney, Dubbo, Parramatta, Brisbane, and the Gold Coast.

2. Our Structure, Operations, and Supply Chains

2.1 Our Structure

As an ASX-listed entity, we are governed by stringent corporate governance frameworks and adhere to all relevant Australian laws and regulations. The Board is responsible for providing strategic guidance on the performance and operations of Spirit, setting the Group’s values and governance framework, and monitoring the Company’s culture. The Board is assisted by the Board Committees and the Management team in discharging its responsibilities.

2.2 Our Operations

Spirit is one of Australia’s leading providers of modern and secure digital workplaces.

The Group breaks down its operations in the following segments:

- **Collaboration and Communication:** offering award-winning voice solutions, managed service solutions, data, and office technology for small businesses.
- **Cyber security:** offering specialist cyber-managed services and industry leading solutions to corporate and enterprise customers delivered through a 24/7 Security Operations Centre and professional service teams. This capability also enables Spirit to put cyber security at the core of all key market solutions provided across our segments, improving the resilience and security of all our customers.
- **Managed Services (ICT):** offering a comprehensive range of managed IT and professional services including end-user, public cloud, infrastructure and networking, data, and voice solutions to SMB and mid-market customers.

Our vision is to create and be part of a thriving and resilient Australian economy, community, and environment through improved use of advanced technology. We aim to make our customers secure, sustainable, and scalable.

2.3 Our Supply Chains

In FY24, Spirit had a global supply chain made up of approximately 1,200 suppliers that are both domestic and international corporations.

Spirit undertook a review of its key suppliers during FY24 (as detailed under Section 4.1).¹ Of those key suppliers, 27 were from a jurisdiction other than Australia. Of those overseas suppliers, only four (4) of those suppliers were based in medium or high-risk countries.² The total spend by Spirit with those four (4) key suppliers was 1.5 per cent of the total spend with all suppliers for FY24.

Spirit relies on our first-tier suppliers for a wide array of products and services representing the substantial majority of purchases. These suppliers, in turn, are supplied by their own suppliers (tier 2, 3, 4 suppliers, and so on). As we move down the supply chain, gaining visibility becomes progressively more difficult.

Most of our supplier spend is on network and IT equipment, infrastructure maintenance and IT hardware and software.

The services we procure are predominantly provided from Australia, however, Spirit predominantly obtains business process outsourcing (“**BPO**”) services from the Philippines. For more information on our workforce, please see Section 2.4.

¹ Spirit determined a key supplier to be: (a) any vendor that provided products or services to the Group during FY24 over \$50,000 (excl. GST); and (b) any vendor providing business process outsourcing services to the Group.

² Labour rights country risk ratings are based on the Walk Free Global Slavery Index’s analysis of countries’ vulnerability to modern slavery. Spirit aligns with industry peers in determining that total vulnerability score of 46 and above is high, 45–16 is medium, and 15 or below is low.

The goods we procure, while predominantly purchased in Australia, are developed across the world by large multinational companies. We do not manufacture our own products.

We recognise these suppliers may be headquartered or may manufacture, or both, overseas. Therefore, we look at both the risk posed by a direct supplier and by suppliers further down the supply chain, including their location, to identify potential risks.

In FY24, our key supplier relationships cover the following sectors: Network and IT equipment, infrastructure maintenance, IT hardware and software, professional services, business outsourced services, and corporate services (such as office supplies, office cleaning, and couriers). We address each of these supply chain risks in Section 3.2.

Spirit acknowledges and recognises the potential for modern slavery and human trafficking to occur within our supply chains, regardless of location. However, given the nature of the large, global and predominantly US-based nature of suppliers that the risk is relatively limited. Spirit is focused on identifying, assessing, preventing, and mitigating those human rights risks relating to its business.

Spirit also acknowledges and recognises that modern slavery risks in our supply chain will extend beyond the suppliers with whom we directly contract. Our suppliers are expected to manage their business and supply chain in line with our **Supplier Code of Conduct** and in a manner that respects human rights as set out in the [UN Universal Declaration of Human Rights](#) and the [UN Guiding Principles on Business and Human Rights](#).

Suppliers are also expected to ensure that all employees and contractors are legally entitled to work and that no bonded, forced, or involuntary labour, child labour, human trafficking, or other forms of slavery is employed in the delivery of their products or services to Spirit.

2.4 Our Workforce

The values and behaviours that are embedded in our business already demonstrate that we are committed to treating our employees with respect, fairness, and integrity. This ethos stretches through all levels of our business and through to our way of working with our customers and potential customers.

Spirit employs 100% of its direct workforce in Australia.

Spirit also engages an indirect workforce via BPO agents based overseas. The indirect workforce provides inbound and outbound sales teams, customer service, technical, accounting, and project management support.

As of the end of FY24, 92 per cent of the Company's indirect workforce was in the Philippines. For more information on our risk assessment of our indirect workforce, please see Section 3.1.

We are committed to complying with the relevant local and national laws, community expectations, and ethical standards related to modern slavery and human rights with respect to our employees, our customers, and our business operations.

As part of Spirit's commitment to ensuring that all employees are treated with equality and respect, we do not tolerate any form of discrimination or harassment, and we strive to be an equal opportunity employer.

We are committed to building and maintaining a safe and inclusive workplace, ensuring our employment conditions adhere to legislation that outlines minimum wages, appropriate hours of work and leave provisions, as well as the ability to sustain the health, safety, and well-being of our employees, contractors, and visitors.

In addition, our employees are required to acknowledge and complete annual compliance training, which includes understanding and acknowledging our Modern Slavery Policy. This ensures they remain informed about modern slavery and our procedures for detecting and addressing modern slavery risks.

2.5 Our Policies and Governance Framework

Spirit is committed to high standards of corporate governance. Our Board and Board Committees provide the necessary leadership to implement strong corporate governance across the Group so that our decisions and actions are based on transparency, integrity, responsibility, and performance, which promotes the long-term sustainability and ongoing success of our business. Spirit has group policies in key areas, including (without limitation):

- Corporate Governance Statement,

- Risk Management Policy,
- Corporate Code of Conduct,
- Anti-Bribery & Corruption Policy,
- Whistleblower Policy, and
- Diversity Policy.

Our employees are encouraged to report genuine concerns about any conduct or activity they believe is unethical, illegal, fraudulent, undesirable, or corrupt and we offer a variety of channels for them to do so.

Through ongoing engagement with our people, Spirit emphasizes a commitment to supporting a “speak up” culture, which enables an eligible whistleblower to anonymously report and disclose improper conduct confidentially and on reasonable grounds, without fear of reprisal or detrimental action.

Spirit makes all employee policies available on our Learning Management System. Additionally, we offer an employee assistance program which further demonstrates Spirit’s to prioritising our employees’ health and wellbeing. We continue to foster a diverse workforce and maintain an inclusive and safe workplace for all.

2.6 Training and Communications

A significant number of compliance obligations apply across our day-to-day activities at work, whether they are laws, regulations, code of conduct, or ethical standards and we are committed to educating our employees about them.

Ensuring that our people have a good understanding of and respect for human rights is important, and Spirit enables this through our organisational training and awareness programs for all teams.

We have introduced annual training of key policies as part of our employee development programs for all employees, facilitated by our Learning Management System. We continue to refine these policies and our training procedures over time.

Spirit also ensures all new employees undergo a comprehensive induction program, including an annual process for acknowledging awareness of key policies and procedures.

3. Addressing Modern Slavery Risks

3.1 Potential modern slavery risks in our operations

Following guidance material and resources (including the Global Slavery Index) available through the Australian Attorney-General’s Department and the Australian Human Rights Commission, Spirit has assessed risks in its operations and has concluded the risk of modern slavery practices is low compared to the risks within its supply chain. However, Spirit recognises its operations are not immune to modern slavery risks.

Spirit could potentially be exposed to modern slavery risk as an employer. However, we consider the risk that our direct employee workforce could be subject to modern slavery to be negligible.

We have made this assessment on the basis that our direct employees are highly skilled, working within a mature regulatory environment and undertaking largely office-based roles. Our direct employees are all based in Australia and are provided with contracts that comply with relevant Australian employment legislation and are supported by established, embedded employment-related policies and processes to ensure a safe and fair working environment.

The nature of our business and the location of our operations means that our most material risk from an operational perspective exists with respect to the support provided to our operations by our indirect workforce in the Philippines (and previously, Malaysia as well).

As outlined in Section 2.4, the indirect workforce is engaged via BPO agents. Spirit does not engage directly with these workers. Instead, Spirit engages with the BPO agent who instructs these indirect workers. The indirect delivery partner service model carries heightened risks for the workers, particularly where these workers are outside Australia and in high risk countries.

Philippines are considered higher risk locations for modern slavery.³ To mitigate the risk presented by this indirect workforce:

- All our BPO agents must acknowledge our Supplier Code of Conduct and can be asked to demonstrate compliance through Supplier Assessment Questionnaires (“**Questionnaire**”) and audits.
- Our BPO agents are contractually obliged to comply with the applicable local laws, including local laws relating to terms and conditions of employment. In Philippines this includes having their own functioning ombudsperson-equivalent and providing workers with contracts in a language they can understand. Terms and conditions of employment between the BPO agent and the worker must be clearly set out in employment contracts.
- The workers with direct access to Spirit’s systems must complete our training or lose access to these Spirit systems. This alerts workers to how Spirit expects workers to be treated and to whistleblowing services should they need to report mistreatment.

3.2 Potential modern slavery risks in our supply chain

Spirit recognises that we may be exposed to higher levels of modern slavery risk through our procurement of goods and services. The nature and extent of modern slavery mean there is some inherent risk of its presence in the managed services industry's supply chains.

We have assessed that our procurement of products and services relating to the provision of network and IT equipment, infrastructure maintenance, IT hardware and software procurement, professional services, business outsources services, and corporate services (such as office supplies, office cleaning, and couriers) represents potentially higher-risk categories for our business as we continue to focus on providing modern and secure digital workplaces.

We recognise that there is potential for workers in the below sectors to be vulnerable to exploitation:

Sectors	Region of origin	Services provided	Potential risk factors
Network and IT equipment	Australia	Equipment used to operate Spirit’s networks and systems.	Sector and industry risk, Geographic risk
Infrastructure maintenance	Australia	Network construction and infrastructure maintenance in Australia for the Spirit business.	Sector and industry risk Low skilled labour
IT hardware and software	Global	Hardware and software sold by the Group.	Sector and industry risk, Geographic risk
Professional services	Global	IT implementation, consulting services and other professional advisers of the Group.	Sector and industry risk, Geographic risk
Business outsourced services	Global	Inbound and outbound sales teams, customer service, technical, accounting and project management support	Geographic risk
Corporate services	Australia	Supply of office essentials, cleaning and courier services	Sector and industry risk Low skilled labour

Our risk analysis identified that modern slavery risks could also arise in other areas of our supply chain that may not be as material with respect to our spending, for example, marketing, waste management, and transport. These potential risks arise as they may involve base-skilled workers who may be vulnerable to modern slavery or involve goods or services provided from or manufactured in countries that present a higher geographic risk.

We regularly work with our suppliers to assess their adherence to our standards. Many of our suppliers have robust risk management processes in place and collaborate with us to meet our requirements.

4. Actions Taken to Assess and Address Modern Slavery Risks

In FY23, Spirit remediated potential risks of human rights and modern slavery abuses in our operations and supply chain by:

- Creating awareness of what modern slavery means and how it potentially impacts Spirit’s operations.

³ See above n2.

- Completing assessments of our supply chain (extending the assessment to product level) to mitigate potential modern slavery & human trafficking risks.
- Collecting data on suppliers who undertook the Questionnaire, and subsequently conducting engagement risk assessments to flag potential human rights issues.
- Keeping abreast of industry-related trends and developments to proactively identify potential modern slavery & human trafficking risk areas.

Spirit undertook a review of its key suppliers for FY24.⁴ Of those key suppliers in high risk countries, only two (2) did not have modern slavery statements. In FY25, Spirit is conducting due diligence on these two suppliers to identify and assess actual or potential modern slavery risks in its supply chain.

4.1 Supplier Due Diligence

We increased the scope of our modern slavery risk assessment in FY24, expanding our assessment to include:

- Any of our suppliers following our FY23 assessment, on the basis that they did not respond to our Questionnaire.
- Any of our new key suppliers who provided Spirit with products or services from potentially high-risk categories:
 - **Products:** ICT products.
 - **Services:** Network construction and infrastructure maintenance services, cleaning, transport, and logistics.

Questionnaires were sent to six (6) suppliers in the calendar year 2023, requiring them to provide details and evidence of their modern slavery risk management, due diligence, and governance processes.

We received responses to our questionnaire from 100 per cent of these suppliers. Of these responses, 100 per cent were deemed satisfactory.

We monitor responses to our Questionnaire to identify trends and emerging risks that warrant further investigation or action. For those key suppliers without a modern slavery statement, we send a Questionnaire on an annual basis. Where necessary, this process helps us to further engage with suppliers about how Spirit is seeking to address modern slavery risk.

Our Supplier Code of Conduct sets out Spirit's expectations and the minimum standards of behaviour required of our suppliers in the areas of ethical business practices, conflicts of interest, environmental impacts, and health and safety. It also specifically addresses labour rights, human rights, and modern slavery standards. The Code is publicly available on Spirit's corporate website and staff are instructed to provide this to suppliers during the contract procurement and negotiation process. It is a requirement that all suppliers state that they have read and understand the Code as part of the Questionnaire.

To minimise the risk of modern slavery within our supply chain, Spirit enforces responsible purchasing and procurement practices. These practices involve timely payment to suppliers, careful order planning to prevent sudden workload changes, and fostering strong, collaborative supplier relationships.

4.2 Workforce Awareness

We require all new Spirit employees to review and confirm their understanding of our key policies, which includes the Modern Slavery Policy, as part of their onboarding process. The Policy addresses Spirit's responsibilities under modern slavery laws and the actions we take to evaluate and mitigate modern slavery risks. The Policy is available on our employee Intranet.

4.3 Environmental, Social and Governance reporting

Spirit has taken steps to embed sustainability into its core principles. We expect the growth of corporate sustainability requirements will continue to grow the market for services that mitigate risk and maximise opportunity.

Spirit has committed to being an industry leader in sustainability, by achieving long-term corporate objectives alongside achieving sustainability and impact performance objectives. It has codified this commitment within its Sustainability Statement.

The Sustainability Statement specifies performance metrics across environmental, social and governance matters. These performance metrics are categorised as both quantitative and qualitative assessments.

⁴ See above n1.

Modern slavery risks are to be assessed and reported on their social impacts within the Sustainability Statement.

5. Planning Ahead

At Spirit, our approach to addressing modern slavery will continue to evolve, focusing on continuous improvement.

We recognise that consistency and capability building is key to facilitating the effective implementation and continuous improvement of a modern slavery reporting model.

In the coming financial year, our focus will be on delivering against our FY24 modern slavery commitments, being:

Commitment	Status	Comments
Modern Slavery Policy and Framework	•	Develop and finalise Spirit's Modern Slavery Policy and Framework.
Modern Slavery & Human Rights Awareness Sessions	•	Deploy targeted Modern Slavery training and awareness sessions on current and emerging modern slavery risks and indicators for directors, executive leadership team, and relevant employees.
Recruitment & Labour Provider Practices	•	Identify, remediate/ eliminate risks regarding recruitment practices of third-party labour providers in Spirit's operations and supply chains.
Supplier Assessment Questionnaire	•	Questionnaire to be issued to medium/ high risk suppliers.
Supplier Code of Conduct	•	Embed the Supplier Code of Conduct into our supplier agreements to better capture our commitment to managing modern slavery risks.
Modern Slavery Risk Clauses ⁵	•	Ensure our supplier agreements contain modern slavery clauses.
Sourcing Practices	•	Enhance due diligence processes for operations and suppliers considered to have significant Modern Slavery risk (i.e. from type of operation, type of supplier, countries or geographic areas considered at risk)
Supplier Relationship Management	•	Identify and use opportunities for closer collaboration – with suppliers to verify and help eradicate Modern Slavery, creating a “slave-free” supply chain.
Grievance Reporting	•	Evaluate the number and type of grievances reported with associated impacts related to a salient human rights issue and measure the impact to the business.

• : Complete

• : On-Going or Partly Complete

• : New

6. Consultation

This Statement has been prepared by the Group in consultation with relevant stakeholders and involved engagement and input from the stakeholders. Spirit has also reviewed modern slavery statements of industry peers in the preparation of this Statement.

⁵ This commitment relates to new or renegotiated contracts with 'key suppliers' only (see n1) and excludes instances where Spirit does not have the ability to negotiate terms.

7. Measuring effectiveness

During FY24, Spirit received no reports of actual or suspected modern slavery incidents via the grievance mechanisms outlined in this Statement or otherwise.

As part of our ongoing evaluation of our approach to reducing modern slavery risks, we will continue to monitor the participation rates of suppliers with our supplier assessment Questionnaire, including providing further explanatory information to suppliers to encourage them to complete the Questionnaire.

8. Approval

This Statement was approved by the Board of Directors on 29 January 2025 and is signed on its behalf by the Chair of the Board.

This Statement is made in accordance with the *Modern Slavery Act 2018* (Cth).

Signed by:

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Shan Kanji
Chair of the Board

Date: 29 January 2025

9. Appendix

Mandatory Criteria	Reference
Identify the reporting entity.	Page 4
Describe the reporting entity’s structure, operations, and supply chains.	Page 4
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Page 7 to 8
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	Page 8 to 10
Describe how the reporting entity assesses the effectiveness of these actions.	Page 8 to 10
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	Page 11
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	None.