

MODERN  
SLAVERY  
STATEMENT

Reporting Year 2019-2020



## **Reporting Entity:**

This statement is written to outline Associated Retailers Limited (ARL) ACN 004 520 030 approach towards modern slavery and is made with regards to the Modern Slavery Act, 2018 (Cth). ARL recognises that all businesses have an obligation to prevent modern slavery and will do all in its respective power to identify and mitigate modern slavery and human trafficking within its business and supply chains through which it operates.

### **ARL Corporate Office Details:**

#### **Melbourne, Australia**

Associated Retailers Limited  
5 Kingston Town Close  
Oakleigh Vic 3166  
Australia

#### **Auckland, New Zealand**

Associated Retailers (NZ) Limited  
170 Parnell Road  
Parnell Auckland 1052  
New Zealand

## **Introduction to ARL:**

Associated Retailers Limited (ARL) is one of Australasia's largest independent retailer buying groups that operates as a co-operative with retail stores across Australia and New Zealand.

The principal activities of ARL include the licensing of the ARL owned brands; Camping World, Compleat Angler, Mensland, Shoex, SportsPower and Toyworld and providing members with retail and marketing services. These services provide access to team rates from selected third party services, campaign marketing, promotions, brand support and a centralised accounting system.

ARL provides the member the strength of national brands, trademarks, advertising, marketing systems and major products with full flexibility over what and how they choose to retail. ARL also wholesales to members exclusive and own label product to optimize margins at store level. ARL Members are able to combine their independence with the benefits of membership of one of Australia's largest multi-brand retail buying groups.

## **Structure, Operations and Supply chains:**

Established in 1956, ARL is a co-operative buying group that was founded to provide a range of services and benefits to independent retailers. Our product ranges include Toys, Bikes, Sports Equipment, Camping Products, Fishing Products, Clothing and Footwear. Our retail group has over 400 stores nationally. All stores are independently owned and operates its own product range. ARL currently employs approximately 78 people.

ARL's global supply chain comprises of approximately 92 direct suppliers and 392 indirect suppliers from 11 countries namely, China, Hong Kong, New Zealand, Taiwan, USA, Vietnam, India, Indonesia, Australia, Japan, and Finland.

## **Risk of Modern Slavery:**

### **1. Within the Company**

To avoid any risk of internal modern slavery within our company, ARL operates a rigorous recruitment selection process for all hiring decisions which includes obtaining documented proof of age and of the individual's right to work in the country. We also have policies for our zero tolerance approach towards bullying through our Harassment and Bullying Policy; our commitment to conducting business in an open and ethical way through ARL code of conduct addressing bribery and money laundering; and our goal to provide safe working conditions to our people through extensive policy and procedures on health and safety. Also, ARL's company handbook addresses equal employment opportunities.

### **2. During COVID -19**

The COVID-19 has completely changed our working scenarios. We are continuously making efforts to further protect our workplace while doing business as usual. COVID-19 has provided us with unprecedented challenges to our business operations. ARL acted promptly to ensure the welfare of its staff, as well as to reduce impact to the future operations of ARL and our supply partners.

We recognise that COVID-19 has influenced modern slavery risks and to mitigate these risks we have implemented different working conditions like work from home, 20% to 70% employee's capacity at the workplace as per government regulations and flexible working hours. Our employees and any guest are required maintain social distancing within the company, and are required to register themselves through QR code for contact tracing purposes.

### **3. Our Suppliers**

We recognise that the probability of modern slavery risks within the supply chain are impacted by the country where the suppliers operate in. Additionally, we recognise that certain commodities have greater risk of modern slavery.

We have used the services of Ethical trade Alliance (ETA) to perform gap analysis on our suppliers and estimate the probability of risk within our supply chain. We categorized our suppliers based on country of origin and their volume of supply. To support our assessment, we have used the risk profile of individual countries and commodity based on the Global Slavery Index and 2020 ITUC GLOBAL RIGHTS INDEX as a benchmark.

We are committed to ensuring a robust and dedicated approach to minimize any risk of modern slavery taking hold across our supply chain. Previously we have assessed suppliers against their SKU safety standards. However, we now have commenced supplier questionnaires to ask them about their modern slavery and

Human rights policies and procedures. If any supplier is unable to provide such information, then we will reassess their suitability as part of any future supplier relationship.

### **Current Assessment:**

Although we have just commenced our suppliers risk assessment, we currently have no knowledge of modern slavery existing within our supply chain.

### **Modern Slavery Framework:**

To assess our progress, we have categorized our activities based on Modern slavery framework.

#### **1. Action Taken (Design and Implementation):**

We have begun the process with our existing suppliers to ensure they are able to declare their modern slavery compliance to ARL. We are reviewing our onboarding process to include relevant assurance questions about modern slavery to ensure any future partners are compliant. If in the instance we are made aware of any human rights violations within our partner network, we will act quickly and proportionally.

In this first modern slavery reporting we are engaging Ethical Trade Alliance (ETA) to assist us in identifying possible modern slavery risks in relation to our suppliers. ARL with ETA has undertaken a mapping of the supply chain in Australia and abroad to gain understanding of the risks in its supply chain. This supply chain mapping exercise has provided the foundation for greater due diligence in future years. ETA has provided awareness training to ARL on corporate social responsibility (CSR), modern slavery and sustainability to all general managers within the company, who will provide this training within their departments. This activity was performed to build awareness across all ARL employees.

ETA has also helped us to identify and mitigate modern slavery risks by including questionnaire activity for ARL's both domestics and international suppliers. These questionnaires require the suppliers to detail any policy and procedures in place to mitigate the probability of having modern slavery within its supply chain. We have requested all of ARL suppliers to submit a declaration addressing that they have modern slavery policy and procedures in place.

As of the date of submission, 43% of our direct suppliers have submitted their modern slavery declaration. We are currently in process of following up with all of our remaining suppliers. These suppliers' declaration will be required annually from all of ARL suppliers in future.

## **2. Assessment and Mitigation:**

To support our values, we encourage all of our employees and other business partners to report any concerns or circumstances which may give rise to the risk of slavery or human trafficking. The reporting process is designed to make it as easy as possible for people to make disclosures about any concerns.

Employees are encouraged to report to their managers or in case of partners, to the person they are in contact with from ARL. We have also made a separate email address [modern.slavery@arl.com.au](mailto:modern.slavery@arl.com.au) as a point of contact for any modern slavery related queries or reporting.

In addition, we have updated our employee handbook to make clear the actions and behaviours expected of our employees when representing the organisation. We strive to maintain the highest standards of employee conduct and ethical behaviour across all aspects of our supply chain.

## **3. Future Action Plans (Remediate):**

Over the coming weeks and months, ARL will be undertaking the following actions:

- i.** Develop and implement an overarching CSR framework, which will incorporate these areas:
  - Human rights
  - Modern slavery
  - Bribery
  - Animal welfare
  - Conflict
  - Environment
  - Occupational health and safety.
- ii.** We will be reviewing and updating all of our policies and procedures to reflect our CSR framework.
- iii.** We will design and implement suppliers' engagement and awareness programs for the CSR framework.
- iv.** We will design and implement CSR goals, KPI's and reporting tools.

## **4. Monitor Review:**

We will be continuously monitoring and reviewing the effectiveness of the modern slavery policy and procedures through our progress towards modern slavery goals.

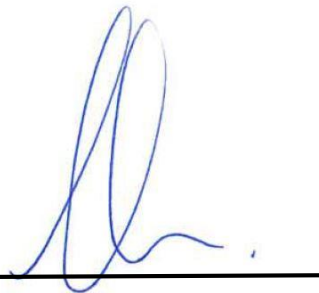
## **5. Reporting:**

We have established direct mechanism for internal and external reporting of modern slavery. The reporting representative will have full legal rights and protections from ARL.

## **Approval:**

This modern slavery statement has been approved and endorsed by the board of directors of Associated Retailers Limited (ARL) ACN 004 520 030.

For and On Behalf Of  
Associated Retailers Ltd  
ACN 004 520 030



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Franco Godinich, CEO