



# 2021 MODERN SLAVERY STATEMENT

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# INTRODUCTION FROM OUR MANAGING DIRECTOR



At Rexel Australia we are proud of our commitment to eliminate all forms of modern slavery within our supply chain and business operations. As Rexel Australia is part of a large global group of companies spanning 25 countries with 24,000 employees, modern slavery is an issue that we have been aware of and committed to eradicating for some time. We welcome the opportunity to present this, our first Modern Slavery Statement, for review.

Our Statement is structured to address each of the key criteria required in the legislation and details the steps that we have undertaken at a local and global level to address modern slavery. We look forward to continuing to provide yearly updates on our progress toward our commitment to upholding human rights and eliminating modern slavery in our Australian operations.



**Leading the way in electrical product distribution**

supporting our customers with sustainable and innovative services and solutions

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## CRITERIA 1 – IDENTIFY THE REPORTING ENTITY

### ABOUT REXEL AUSTRALIA

Rexel Holdings Australia Pty Limited (Rexel Australia) is the reporting entity for the purposes of the Modern Slavery Act 2018 (Cth) (the Act). This is our first Modern Slavery Statement.

At Rexel Australia, we are committed to eliminating all forms of slavery and we will not tolerate any of these practices in our business or in our supply chain. As at the date of publication, we have not been made aware of any circumstances of modern slavery occurring either within our business or within our supply chains.

This statement has been prepared in accordance with the Act. The Act requires that Rexel Australia submit a statement for FY2020 by 30 June 2021. This statement sets out:

- the steps taken by Rexel Australia, and its relevant subsidiaries, to assess the risks of modern slavery within our supply chain;
- the actions undertaken to address any risks, including implementing relevant controls, policies and practices; and
- a view of the actions we intend to focus on for the next reporting period.

## CRITERIA 2 – DESCRIBE THE STRUCTURE AND OPERATIONS OF REXEL AUSTRALIA

### REXEL AUSTRALIA'S STRUCTURE

Rexel Australia is part of the Rexel Group and our ultimate parent company is Rexel SA, headquartered in Paris, France. Rexel SA is listed on the Eurolist market of the Euronext Paris stock exchange.

Rexel Australia's annual turnover for the financial year ending 31 December 2020 was \$801,862,000.

Our current company structure is set out below.



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## OUR BUSINESS

Rexel Australia supplies professional Electrical Products such as cable, lighting and switchgear to electrical contractors and commercial, industrial and government organisations. Our products are sold through a chain of 137 branches located around Australia and we are in the process of expanding our online channels. Our branch locations while owned by Rexel Australia are “local businesses” and operate under one of four brands – John R Turk (predominantly NSW and QLD), Lear and Smith (predominantly NSW), Ideal (predominantly Queensland) and Rexel (present throughout Australia except the ACT). We currently employ about 1000 people in Australia and our Australian Headquarters are in North Ryde, NSW.

Rexel at a global level is the second largest Electrical products wholesaler in the world. Our goal is simple: to help our customers be their best in running their business by providing a broad range of sustainable and innovative products, services, and solutions. Rexel does not manufacture any goods itself. We purchase and re-sell products from over 1000 different suppliers based mainly in Australia. We do re-sell some own brand product under the Bizline brand. Bizline is a wholly owned brand of the Rexel Group and is distributed exclusively through Rexel owned branch outlets in several countries including Australia. Bizline product is manufactured by third parties under contract to Rexel to strict quality and ethical standards. Bizline sales currently represents just under 2% of our national turnover.



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## CRITERIA 3 – DESCRIBE THE RISKS OF MODERN SLAVERY WITHIN THE OPERATIONS AND SUPPLY CHAINS OF REXEL AUSTRALIA

### OUR SUPPLY CHAINS

Rexel Australia predominately purchases goods and services from suppliers with an Australian presence. We have established strong and long-lasting relationships with a mix of global market leading manufacturers and local (Australian) SMEs, with a mix of local and offshore manufacturing facilities. All suppliers of goods for resale are approved centrally by our category/supplier managers within our commercial category function.

Rexel Australia does not engage in manufacturing, however, there is still a risk of Modern Slavery occurring in our supply chain via our suppliers who do manufacture and we are working to implement checks and balances to mitigate and reduce this risk even further. Based upon an independent expert assessment that Rexel Australia commissioned (further detail in Criteria 4 below), we consider the risk at this stage to be a medium to low risk given the nature and quality of the suppliers we use and the obligations we impose upon our suppliers to comply with modern slavery laws (see Criteria 4 below). However, it is still a risk we are aware of and are working to reduce as much as possible.

Separately, suppliers of goods/services that are consumed by Rexel Australia and our operating entities (our indirect suppliers) are generally managed centrally within Rexel Australia, with the exception of incidental purchasing at the local retail presence level.

## CRITERIA 4 – DESCRIBE THE ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS

Prior to the commencement of the Act, Rexel Australia already had a very strong commitment to anti-slavery practices and a strong ethical purchasing commitment as part of its business. We have a number of existing policies which entrench this commitment within the organisation. In addition to those policies, since the commencement of the Act, Rexel Australia has also undertaken a number of specific actions to assess and address the risk of modern slavery.



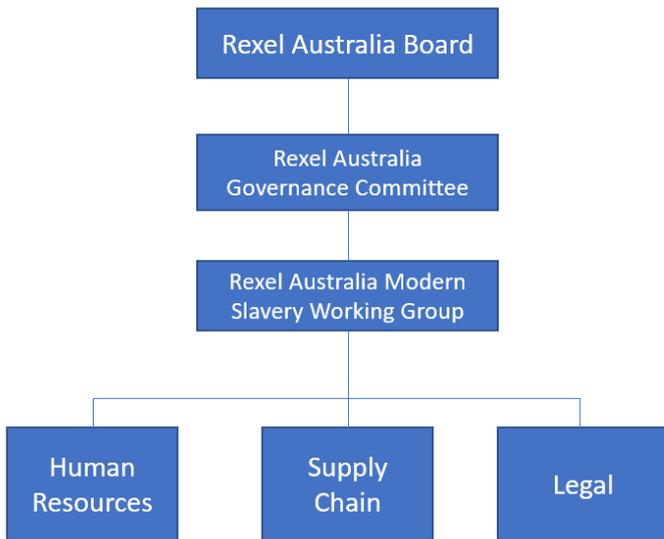
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# 1

## Establish a Modern Slavery Working Group

Rexel Australia established, in response to the Act, a working group which is comprised of key senior representatives to identify, address, and monitor any incidents of modern slavery in Australia, including within our supply chain. The working group has responsibility and ownership of the preparation of this Modern Slavery Statement and must present regularly to the Governance Committee on any issues relating to Modern Slavery.



# 2

## Engagement of external consultancy to assist with Modern Slavery Review

In late 2019 Rexel Australia engaged Fair Supply. com.au Pty Limited (“Fair Supply”) to undertake an initial assessment of Rexel Australia’s business to map its supply chains and operations and identify modern slavery risks. In undertaking this assessment Fair Supply utilised its “proprietary algorithm1” and data-analysis system to identify and examine, on a preliminary basis, Rexel’s modern slavery risks. As a result of that assessment, Rexel Australia was able to identify the industry categories of highest risk from a modern slavery perspective and, therefore, determine what detailed due diligence Rexel Australia needed to undertake.

# 3

## Supplier Due Diligence and desktop analysis

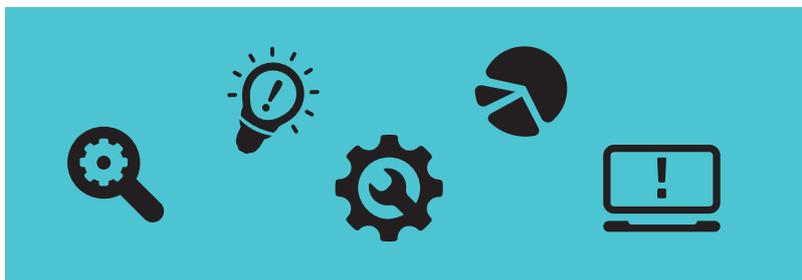
Following receipt of the assessment conducted by Fair Supply, Rexel Australia undertook a due diligence exercise with its top 5 suppliers based upon annual spend and a further 5 suppliers that represented high risk industry categories identified by Fair Supply. This due diligence exercise targeted approximately 25% of Rexel’s annual supplier turnover.

This exercise was done to understand what actions the targeted suppliers were undertaking to address modern slavery within their own supply chains. This assessment was then supported by a due diligence process, and subsequent desktop analysis by Rexel Australia to verify the results, and pleasingly no instances of modern slavery were disclosed or identified.

# 4

## Rollout of internal training on Modern Slavery

We are actively working to increase awareness in our Business of the presence of modern slavery. We have launched an online training module which is available to all Rexel Australia employees via our online learning academy. The training is compulsory for all existing and any new employees. The purpose of this training is to educate staff about the concept of modern slavery, the risks locally and globally and seeks the support of employees to help eradicate modern slavery by advising about how employees can report any risks or cases of modern slavery if they become aware of it. Separately, training commenced with our senior sales team at our annual conference in December 2019.



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# 5

## Adoption of our global Sustainable Supplier Charter and implementation of contractual controls on suppliers

Rexel Australia, as a member of the global Rexel Group, has committed to our new global Sustainable Supplier Charter (“Charter”). The object of the Charter is to formalise Rexel Group’s expectations globally and Rexel Australia’s expectations at a local level towards our suppliers. Specifically, it sets out the commitments that Rexel Australia (and Rexel Group) expect from our Suppliers in terms of ethics, respect for human rights, protection of employee rights and compliance with applicable laws and regulations. The principles contained within the Charter are principles that Rexel Australia and its employees are committed to.

The Charter will be incorporated into our contractual framework with Suppliers as their contracts come up for renewal, Rexel Australia already requires (as part of its standard terms of purchase), that our Suppliers comply with all laws within Australia. In particular, in supplying goods to Rexel Australia our suppliers are obligated to operate in accordance with national and international laws, comply with principles of fair competition, reject all forms of corruption, and operate in a manner consistent with the principles of the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, and conventions of the International Labor Organization.

In addition, Rexel globally has also partnered with the EcoVadis group who is the world’s most trusted provider of business sustainability ratings for global supply chains. EcoVadis use sustainability scorecards to provide detailed insight into environmental, social and ethical risks across 200 purchasing categories and 160 countries. Rexel globally is among the top 5% of companies assessed by EcoVadis in the world and the top 1% in its sector of activity.

# 6

## Human Resources strategies to preventing Modern Slavery within our hiring practices

We are an Australian employer subject to Australian employment laws and have well developed practices and controls in place to prevent the risk of modern slavery occurring in our business. These practices are under constant review to ensure continuous improvement. The following is a brief summary of our internal processes and controls:

### Permanent Employees:

Rexel Australia does not normally engage staff on a contractor basis. All recruitment is managed through a centralised recruitment function and staff are appointed via a permanent or fixed term employment contract. Any new appointment is interviewed by the direct line manager, and the “next up” manager and by a member of the HR team. All candidates are vetted by our Human Resource Function before they are offered a role. HR ensures that candidates’ Right to Work checks have been conducted prior to offers being made.

### Temporary Employees:

We use temporary labour in our operations in very limited circumstances (e.g. warehouse operatives and drivers). To control any risk of modern slavery, (where possible) we channel temporary appointments through a small number of well-recognised agencies. These agencies have robust recruitment and vetting processes to help ensure that there is no existence of modern slavery in any of our temporary/ agency appointments.



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## 7

## Ongoing awareness and enforcement of internal policies

Rexel Australia has a number of existing policies and procedures in place to support our anti-slavery commitment. Rexel staff are required to undertake awareness training of these key policies via our online learning academy, upon commencement at Rexel. The policies are also readily available to all employees via our internal intranet.

- Rexel Group Ethics Guide:** Our foundation document, the Rexel Group Ethics Guide, establishes the fundamental values that embody our identity. Amongst other things, it requires compliance with the core conventions of the International Labour Organization relating to minimum wages, working hours, protection of the environment & health and safety. You can read our Rexel Global Ethics Policy [here](#).
- Whistleblowing:** Our whistleblowing policy sets out the internal process to follow for employees to make a disclosure should they observe any misconduct including the mistreatment of our people. If any employee or supplier has any misgivings about Rexel's conduct, they are encouraged to speak with their Line Manager and/or HR department but, if they are not comfortable doing so, they can contact our whistleblowing hotline which is manned by an independent company – StopLine. To encourage disclosures, the caller can retain their anonymity should they wish. Disclosures can be made by phone, email, or online. All reports to the hotline are taken seriously and are fully investigated. At the date of this statement, we have not received any disclosures relating to modern slavery.
- Equal employment opportunity, discrimination, harassment and bullying prevention policy:** This policy entrenches the idea that employees should be treated fairly and with respect and therefore the concept of modern slavery will not be tolerated in the workplace. Rexel aims to provide an environment where employees and others in the workplace are treated fairly and with respect, and are free from unlawful discrimination, harassment and vilification. By ensuring Equal Employment Opportunity principles are upheld, all employees are provided with the opportunity to contribute to their full potential and behaviour that constitutes discrimination, vilification, sexual harassment, bullying and victimisation will not be tolerated at Rexel Australia.

## CRITERIA 5 – DESCRIBE THE EFFECTIVENESS OF THE ACTIONS

Rexel Australia is committed to eliminating modern slavery within its supply chain and business at both a local and a global level. We feel strongly that the actions we have outlined in this Statement that we have undertaken in response to the rise of modern slavery, are both effective and significant steps towards addressing modern slavery.

Our Modern Slavery Working group has been established to provide ongoing monitoring of the actions outlined in this Statement and leadership within the organisation to continue to promote our commitment to eliminating modern slavery within our supply chains.

Education and awareness is critical in ensuring reporting of modern slavery in our business and the training program we have deployed to staff is one of the main ways of ensuring ongoing surveillance of our operations to ensure we are notified and can take action in response to any instances or suspicion of modern slavery.

We will continue our commitment to undertaking due diligence with new and existing suppliers and educating our suppliers on our Supplier Charter while in parallel seeking a strong commitment to uphold those same principals outlined in the Charter.



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## CRITERIA 6 – DESCRIBE THE CONSULTATION PROCESS WITH ENTITIES OWNED BY REXEL AUSTRALIA

The Rexel Australia entities outlined in Criteria 2 above are operated and managed by the same executive team who operate and manage Rexel Australia. The Modern Slavery Working Group represents all 3 companies and associated brands and all actions described under Criteria 4 have applied to all 3 entities. We have also undertaken to brief Rexel SA on our Modern Slavery Statement and the Rexel Australia Governance committee, which meets quarterly. The Rexel Australia Board has reviewed and approved this Modern Slavery Statement. The Modern Slavery Working Group will provide ongoing reports to the Rexel Australia Governance committee regarding compliance with modern slavery.

## CRITERIA 7 – OTHER RELEVANT INFORMATION

### COVID-19 AND MODERN SLAVERY

When the Covid-19 pandemic became a significant issue in Australia in 2020, Rexel Australia was cognizant of the pressure on our supply chain and were proactive in the steps we took to ease this pressure. We openly communicated with our customers during Covid-19 regarding delayed shipping and manufacturing of goods, which helped to relieve pressure on our suppliers and their workforces to perform in very difficult circumstances during the height of the Covid-19 pandemic. We maintained regular communication with our suppliers to address any concerns regarding delivery. We proactively worked to identify potential supply risks, especially in relation to our larger contract customer requirements.

### LOOKING FORWARD TO 2021-2022

Rexel Australia is committed to the ongoing monitoring and eradication of modern slavery within its supply chain. In the next reporting period our priorities in this area will be:

- Continue to raise internal awareness of modern slavery via our online learning for new employees and a general education campaign to coincide with the lodging of our first statement;
- Undertake due diligence of our next 10 major suppliers, including where possible for local manufacturers, face to face assessments;
- Undertake a more detailed review of indirect suppliers that supply Rexel with goods and/or services; and
- Roll out to major suppliers the new Sustainable Supplier Charter as part of a firm contractual commitment to the principles of anti-slavery that Rexel Australia seeks to uphold.

This Statement was approved by the Board of Rexel Holdings Australia on 17<sup>th</sup> June 2021.



Rob McLeod  
Managing Director  
17<sup>th</sup> June 2021

