

# TradeTools

## Seriously Better

Modern Slavery Statement 2023



## The TradeTools Group

Founded in 1987 and with Australian Headquarters on the Gold Coast, TradeTools is a successful, progressive, privately owned Queensland company with a long and proud history of selling the very best industrial tools and equipment to the many tradespeople, apprentices, businesses, industries, and people that form the backbone of Australia.

We're a close nit company with industrial tool stores throughout Queensland and Northern New South Wales, e-commerce sales channels, manufacturing facilities, repair and servicing departments, warehousing and distribution, freight and logistics teams, and an importing and wholesale arm of the business. All run and supported by over 270 great people who help make us unashamedly Australia's very best industrial tools and equipment company.

This statement, pursuant the Australian Modern Slavery Act 2018 (Cth), sets out the actions taken by the TradeTools Group to address modern slavery risks in our business and supply chain over the year ending 31 December 2023.

This statement is submitted as a joint statement on behalf of all entities within the TradeTools Group. Within this statement we:

1. Identify the reporting entity and any other included reporting entities,
2. Describe our structure, operations, and supply chain,
3. Comment on the risks of Modern Slave Labour within supply chains,
4. Describe the actions taken to assess and address these risks,
5. Describe how we assess effectiveness of actions taken, and
6. Comment on the consultation processes taken for group entities covered in this statement.
7. Provide any other relevant information.

The TradeTools Group is opposed to slavery in all forms.

### *Governance*

The Board of Directors is comprised solely of Executive Directors, each with operational responsibilities, and our founding Chairman.

The TradeTools board, and the boards and directors of Group subsidiaries have the commitment and oversight of the TradeTools Groups' entities and subsequently its approach and response to Modern Slavery risk management within the group.



## Group Structure and Operations

### *The TradeTools Group*

*For the purpose of this report, TradeTools, TradeTools Regional, ToolBrokers, and TradeTools' manufacturing operations are referred to as The TradeTools Group, Group, Group Operations, we, us, or our. The TT Diner has not been included in this report.*

#### **Retail and Supporting Operations**

*The TradeTools Group's retail operations are undertaken by TradeTools Pty Ltd, and its wholly owned subsidiary, TradeTools Regional Pty Ltd. TradeTools and TradeTools Regional operate 19 retail stores and an online e-commerce store.*

*Warehousing, distribution, freight and logistics, service and repair centres also form an important part of TradeTools Group retail operations. Two affiliate stores located in Bundaberg and Hervey Bay, and an additional branded store in Vanuatu are independently owned and operated and are excluded from this report.*

#### **Importing and Wholesale Operations**

*Importing and Wholesale operations during this reporting period were conducted by ToolBrokers Pty Ltd. and TradeTools Pty Ltd. As a wholly owned subsidiary of TradeTools, ToolBrokers is included in this report.*

#### **Manufacturing Operations**

*TradeTools manufactures and assembles many of the famous Renegade Industrial range of Air Compressors on the Gold Coast with components sourced from international and local suppliers. TradeTools manufacturing operations are included in this report.*

#### **The TT Diner**

*The TT Diner is a Burger Bar where car clubs, motorcycle clubs, jazz, blues and rock enthusiasts can meet & congregate amongst likeminded people in a 50's style diner setting. The TT Diner ceased operations in October 2020 due to COVID-19 restrictions and is planned to re-open in 2024. The TT Diner is not included in this report. Prior to closing, the TT Diner sourced all products locally.*

### *TradeTools Group Suppliers*

*The TradeTools Group takes great care when choosing to engage with the almost 3,000 registered and approved factories, resellers, agents, distributors, service providers, partners, and individual contractors with which we work.*

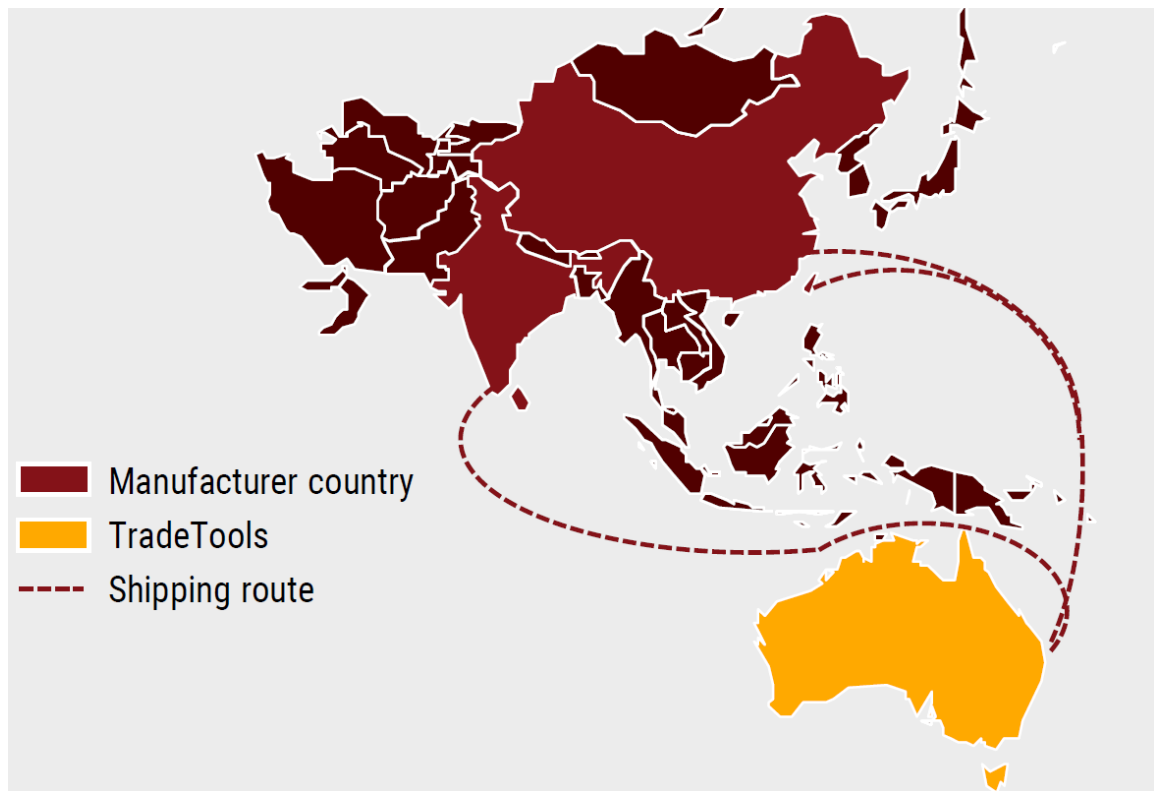
*Our core beliefs of providing the very best quality service, range, advice and equipment at the very best prices, and upholding fairness and equity requires us to have a disciplined approach to ensuring we only partner with manufacturers, distributors, wholesalers, and service providers who share our commitment to quality, fairness and equity.*

*With few exceptions the TradeTools Group do not own or operate the factories where the*

*products we sell are manufactured. Rather, third party suppliers based in Australia and overseas manufacture, distribute or re-sell products or services sold and distributed to and through Group companies.*

*Selected Renegade Industrial Air Compressors and petrol equipment are assembled in the Group's Gold Coast facilities from components sourced from overseas and locally. Other select items are manufactured from locally sourced raw steel components.*

*Where locally manufactured Air Compressors or other items have internationally sourced components, the suppliers of these components have been subjected to our risk assessment and management processes.*



## *Risks of Modern Slavery in Operations and Supply Chains*

*All products and services carry some level of risk of modern slavery within their supply chains.*

*Products the TradeTools Group acquire and re-sell, and the service partners we engage with are sourced and accessed from across the world with each supplier and region subject to varying risks of Modern Slavery within their respective supply chains.*

*Over 91% of Group suppliers are Australian based, with 7% based in China, 1.8% in Taiwan and the remainder in other countries including the United States of America, India and Europe.*

*The TradeTools Group undertook assessments to determine regions and suppliers that posed heightened Modern Slavery risk.*

*Risks of Modern Slavery within supply chains is higher in China and India, while Australia, Europe, Taiwan, and The United States of America pose reduced risks of Modern*

*Slavery within suppliers based in these regions.*

*Within the scope of the Australian Modern Slavery Act 2018 (Cth), Modern Slave Labour is defined as including eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour where children are subjected to slavery or similar practices or engaged in hazardous work<sup>1</sup>.*

*Additional risks which we consider include:*

- poor working conditions,*
- ineffective health and safety assessment, management, and control measures,*
- excessive working hours,*
- unpaid work,*
- child labour,*
- persecution based on gender, religion, ethnicity social background and cast.*



### *Very Low Risk of Modern Slavery in TradeTools Group and Australian Suppliers*

*The risk of Modern Slave Labour within the TradeTools Group and the Group's Australian suppliers was assessed as very low.*

*The TradeTools Group employees along with the Australian based employees of suppliers are covered by Industrial Relations Legislation, Modern Awards and employment contracts which, along with state and national Regulators, serve to aid in identifying, managing and protecting workers from slave labour within Australian borders.*

*Further, TradeTools Group recruitment and employment practices routinely assess*

*prospective employees' eligibility and rights to work, and we have policies to monitor and report breaches.*

*The TradeTools Group has established and communicated policies that cover various elements of human and labour rights, and the Group has established procedures to allow Group employees to discuss issues and grievances.*

*While we assessed a very low risk of Modern Slavery existing within Australia, we acknowledge that there is still risk within our Australian suppliers extended supply chains.*

### *Very Low to Moderate Risk of Modern Slavery in International Suppliers*

*TradeTools Group had 163 active suppliers and service providers based in Asia, India, Europe, and the United States during the 2023 reporting period.*

*It should be noted that not all registered suppliers were engaged with for products or services during the reporting period.*

*Suppliers within these countries were assessed as having varied levels of very low, low and moderate risks of slave labour within supply chains.*

*We have assessed our European and US based suppliers as having very low risks of modern slavery.*

*Chinese electronics manufacturing sectors, particularly manufacturers of phones and computer goods pose documented risk of Modern Slavery. TradeTools do not source these goods directly from manufacturers, rather, we procure telecommunication devices from Australian based suppliers<sup>2</sup>.*

*We acknowledge that some risk of slave labour exists within the factories and partners we engage with. Factory inspections, long*

*standing relationships, supply agreements and criminal liability for forced labour, under section 244 of the Chinese Criminal Code, leads to an assessment of low risk of modern slavery within our Chinese partners who do not produce electronic equipment, and a low to moderate risk for those who do manufacture electronic equipment.*

*We note that it is not feasible to trace modern slavery risks to the source of raw materials used in the manufacture of electronic components.*

*The Global Slavery Index indicates Bonded Labour remains prevalent within granite quarries agriculture, textile and other sectors within India<sup>3</sup>.*

*The TradeTools Group does not directly source products or services from suppliers within these high-risk sectors, however we acknowledge that extended supply chains pose some level of modern slavery risk and, depending on the nature of the product, low to moderate risks of modern slavery exist in Group extended supply chains.*



## *Assessing and Managing the Risks of Modern Slavery Within Group Supply Chains.*

*The TradeTools Group has long standing relationship and supply agreements with the majority of our suppliers. In many cases, particularly in China and Taiwan, these strong and trusted relationships have been forged and developed for more than 30 years.*

*TradeTools Group Directors, employees, and representatives have regularly travelled to many of our Asia based suppliers and conducted site visits, inspections, and tours of facilities.*

*In the 2020, 2021 and 2022 reporting periods, the COVID-19 Global Pandemic continued to pose challenges and restrictions to site visits with heightened risks to Group employee health and safety. These challenges continued into the 2023 reporting period.*

*These restrictions on international travel presented significant barriers and limitations in assessing slave labour risks through on-site activities in this reporting year.*

*Risk Management processes and ethical sourcing policies were maintained, despite the challenges and limitations during the reporting period.*

*In addition, during 2020 through to 2023, the TradeTools Group obtained signed statements from key international suppliers and manufacturers, declaring that goods supplied to Group companies are compliant with the Australian Modern Slavery Act 2018 (Cth), and that the supplier conducts checks of their Quality Assurance Processes to ensure adherence with the TradeTools Group's arrangements and agreements.*

## Assessment of Effectiveness

*Despite the challenges presented by closed international borders and travel restriction, we engage with our international suppliers regularly.*

*When travel restrictions ease, we will assess the viability of resuming supplier visits and inspections of our partners facilities.*

*A risk management approach based on country of origin, type of product sourced and information on specific manufacturers and suppliers will continue to form an important pillar of our risk management approach.*

*The TradeTools Group intends to further our assessments of slave labour within supply chains in 2024 and beyond through engaging with our Australian based suppliers to assess and identify risks of Modern Slavery within supply chains.*

*The TradeTools Group monitors and self-assesses the efficacy of our Modern Slavery identification and risk management processes annually, or sooner if deficiencies are identified.*

## Consultation within Group Entities

*All TradeTools Group entities covered in this statement are managed from our Gold Coast Group Head Office.*

*Appropriate Directors and senior managers were engaged and consulted with during the reporting period and in the production of this statement.*

*This report has been approved by the Directors and Board(s) of TradeTools Group companies.*

TradeTools Pty Ltd ACN 010 700 053

TradeTools Regional Pty Ltd ACN 127 910 623

ToolBrokers ACN 060 285 976

*The TradeTools Group is committed to managing and reducing the risk of modern slavery within Group supply chains, and to ongoing risk management and process improvement.*



Jeremy Stewart

Managing Director

February 2024

### References:

- 1 Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities
- 2 Global Slavery Index – China
- 3 Global Slavery Index – India.