

ETHANGROUP

MODERN SLAVERY STATEMENT



Modern Slavery Statement

1 INTRODUCTION AND PURPOSE

Ethan Global Pty Ltd and its group of companies (set out in **Annexure B**) (**Ethan**) is committed to identifying and combatting Modern Slavery throughout all facets of our business activity. Each company within Ethan uses similar policies and processes, and identical suppliers in carrying out their operations, as such, this statement contains a consolidated description of Ethan's approach to addressing Modern Slavery risks.

Ethan's approach to combatting Modern Slavery includes the detection and eradication of coercion, threats, or deception used to force a victim to provide labour or services; human trafficking; debt bondage; and forced marriages. Our efforts in combatting Modern Slavery ensures that we fulfil our responsibilities under the *United Nations Guiding Principles on Business and Human Rights*, the *Modern Slavery Act 2018* (Cth) (**Act**) and protects the integrity of our business and the quality of our supply chains.

Modern Slavery does not include underpayment of workers or substandard working conditions. Despite this, Ethan understands that substandard working conditions and underpayment should be addressed seriously, as they are harmful, may be illegal, and can develop into Modern Slavery.

This statement communicates and discloses Ethan's structure, operations, supply chain and the policies and procedures we have implemented to assess and address the risk of Modern Slavery for the financial year ending June 2021 (**FY21**).

2 OPERATIONS AND SUPPLY CHAINS

Ethan is an Australian-owned information technology and communications service provider. Ethan offers systems integration, technology sourcing, business systems architecture, telecommunications, and information communications technology (ICT) consulting services to more than 1,000 customers in five countries.

Our primary operations are conducted within Australia to Australian based customers, and we have offices in most Australian states. Ethan's customers include SMEs, large multinationals and listed entities, and government and public sector organisations.

2.1 SUPPLY CHAIN

In terms of the goods and equipment that Ethan sells to its customers, Ethan sources these from local distributors who operate in a global supply chain. Our local distributors' suppliers are global ICT hardware vendors, which have production facilities in the United States, Europe and the UK and Asia (including China and Vietnam). Ethan does not manufacture any goods or equipment itself and functions only as a reseller in this regard. In FY21 Ethan had over 100 trade suppliers.

The IT services Ethan sells are either provided directly by Ethan, or from the supplier of such services (for example: software as a service; from the software developer). Aside from Ethan, these services are provided by international organisations the vast majority of which have an Australian trading entity.



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For Ethan's internal functions, we rely on suppliers from the following areas:



Office facilities (including, landlords, cleaners, electricity)



Professional services (including accountants and auditors, finance, legal, insurance, marketing, and branding)



Events (including event organisers/providers, venue hire, venue catering)



Personnel (including recruitment services, independent contractors) and



Information Technology (including data centre providers; telecommunications and internet providers; and cloud, backup, and disaster recovery services).

3 RISKS OF MODERN SLAVERY PRACTICES

3.1 RISKS OF MODERN SLAVERY WITHIN ETHAN'S SUPPLY CHAINS

Ethan procures products and materials from supply networks across the world. As with all companies that work with international supply chains, there are risks that our suppliers may operate in jurisdictions which may not have local laws protecting vulnerable groups against forced labour, human trafficking, and other forms of Modern Slavery. This is an ongoing risk and Ethan acknowledges that in FY21 with the ongoing impacts of COVID-19 on the international economy, the risk in some geographical areas was greater than last financial year.

Ethan also sources electronic products through its distributors and suppliers, which require rare minerals to function. These supply chains involve risk of forced or child labour in certain mining region communities.

In respect of goods supplied to Ethan, all our distributors or international suppliers are large entities which also are required to comply with and report on Modern Slavery aspects under Australian law, and similar laws in other jurisdictions such as the United Kingdom. In turn, Ethan relies on reports and declarations provided to it by these entities in assessing and controlling any risks of Modern Slavery.

Within Australia, there is an immaterial risk of Modern Slavery practices occurring within Ethan and within our local suppliers which provide Ethan with the bulk of the services we obtain. Ethan's employees are engaged directly under standard employment terms (which must comply with the National Employment Standards) and they are able to terminate their employment upon written notice. All employees are paid at or above minimum wages as required under relevant legislation or a modern award or enterprise agreement.

For services provided to Ethan from outside Australia (usually specialist programming or consulting skills) there is an immaterial risk of Modern Slavery practices occurring as Ethan conducts due diligence on the service provider prior to engagement, implements contractual protections for Modern Slavery risks, and these service providers are often entities required to report on Modern Slavery practices in their own right.



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Where Ethan engages a contractor, we require our contractors to comply with our Supplier Code of Conduct, and our standard engagement terms include warranties in respect of compliance with employment laws, payment of employees and subcontractors, and other anti-Modern Slavery provisions.

3.2 RISKS OF MODERN SLAVERY WITHIN ETHAN'S GROUP OF COMPANIES

In FY21, Ethan has not identified any instances of Modern Slavery within its group of companies.

There is an immaterial risk of Modern Slavery practices occurring in our member companies, and Ethan (as the parent company) has visibility on its owned or controlled entities. Ethan also serves as a facilitator of goods and services for its member companies and as such is aware of and able to control any Modern Slavery risks for its group.

3.3 INSTANCES OF MODERN SLAVERY IN FY21

Ethan has not identified any actual or received any information concerning suspected instances of Modern Slavery within its supply chains in FY21.

4 ACTIONS ETHAN HAS TAKEN TO ASSESS AND ADDRESS THOSE RISKS

Ethan has previously implemented both a Human Rights Policy and a Supplier Code of Conduct. These documents are provided to all our suppliers and we request that they comply with its terms over the course of their business with us. These documents, in summary, set out Ethan's zero tolerance towards Modern Slavery activities, and require the adoption of fair and ethical workplace practices.

In FY21 Ethan has sought information from and posed questions to each of our suppliers to identify and assess any Modern Slavery risks or instances of Modern Slavery. Ethan has undertaken this process with new suppliers when onboarding them, and Ethan has issued our annual Modern Slavery compliance questionnaire to all our major suppliers.

Our annual questionnaire requires an authorised officer to respond to a variety of questions about the supplier's practices in relation to their workplace, sourcing of materials and Modern Slavery generally.

For our supply chains, our account managers regularly engage with our suppliers in relation to their business which includes monitoring for Modern Slavery (among other) risks that might occur.

Ethan has also undertaken training for all our staff in respect of identifying and responding to risks or instances of Modern Slavery. This training also includes information on Ethan's Modern Slavery policies and how to report compliance issues both formally or anonymously via Ethan's Whistleblowing Policy.

Staff are also trained in how Ethan responds to identified Modern Slavery issues and our staged remediation process with our suppliers.

With all new contracts, Ethan has implemented anti-Modern Slavery provisions which give Ethan information and audit rights, as well as the right to require a supplier to take certain actions in response to a Modern Slavery incident. Where a supplier cannot or does not take such action, Ethan also maintains termination rights to end its relationship with a non-compliant supplier. To date, Ethan has not been required to invoke these clauses.



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5 ASSESSING THE EFFECTIVENESS OF THOSE ACTIONS

Ethan is constantly reviewing and evaluating the actions taken above. Ethan has undertaken consultation with a number of its suppliers to educate them as to Ethan's Modern Slavery requirements and to encourage the provision and sharing of supply chain information. This has resulted in increased efficacy of response to our annual supplier questionnaires; however, the impact of COVID-19 has been attributed to a lower overall response rate than FY20.

As a result of our measures, Ethan has assessed its tier 1 suppliers as having minimal risks of Modern Slavery, and we are reassured by the speed and quality of their responses to any of our annual or out of cycle inquiries in this regard.

Several suppliers who did not provide or provided unsatisfactory responses to Ethan in FY20 have, because of our consultation, provided detailed information to Ethan in FY21 in respect of their approach to Modern Slavery. The quality of these responses has given Ethan further oversight of some of its supply chains and in turn, removed some of the 'unknowns' that could have been potential Modern Slavery risks.

Ethan continues to refine its Modern Slavery management strategy and is intended that for FY21-22 Ethan will be able to demonstrate a further strengthening of its rights to obtain information and oversight of its supply chains, with a focus on a tier 2 suppliers.

6 GROUP STRUCTURE & CONSULTATION

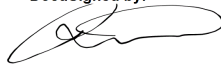
Each other entity in Annexure B is a wholly owned subsidiary of Ethan Global Pty Ltd, except for Ethan Indigenous Pty Ltd which is a joint venture between Ethan Global Pty Ltd and David Liddiard Group Pty Ltd. The entities in Annexure B share the same registered company office located at 13-15 Lyonpark Road, Macquarie Park, NSW 2113.

Each of these entities in Annexure B share common directors, and with only a few unique exceptions, all staff are employed by Ethan Global Pty Ltd as the parent company.

In preparing this report, information concerning Modern Slavery risks and compliance has been obtained from key staff and reviewed by the boards of each company.

7 APPROVAL

This Modern Slavery Statement was approved by the Board of Ethan Global Pty Ltd on behalf of each of the Ethan entities in Annexure B.

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Paul Kawtal

Chief Executive Officer

Date: 30 November 2021 | 5:30 PM AEDT



Modern Slavery Statement

Annexure A – Modern Slavery Act – Criteria Mapping

Modern Slavery Act Mandatory Criteria	Section reference
Identify each reporting entity covered by this statement	Section 1 and Annexure B.
Describe the structure, operations and supply chains of each reporting entity covered by this statement	Section 2 and Section 6.
Describe the risks of Modern Slavery practices in the operations and supply chains of each reporting entity covered by this statement and any entities owned or controlled by the reporting entity.	Section 3.
Describe the actions taken by the reporting entity covered by this statement to assess and address these risks, including due diligence and remediation processes	Section 4 and 5.
Describe how the reporting entity covered this statement assesses the effectiveness of actions being taken to assess and address Modern Slavery risks	Section 5.
Any other relevant information	n/a.



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Annexure B – List of Ethan Entities

Name	ACN	Ownership Structure
Ethan Global Pty Ltd	ACN 099 503 456	Parent entity.
Ethan Group Pty Ltd	ACN 139 681 584	Wholly owned subsidiary.
Ethan Indigenous Pty Ltd	ACN 623 264 120	49% owned by Ethan Global Pty Ltd.
Ethan Capital Pty Ltd	ACN 634 577 067	Wholly owned subsidiary.
Ethan Print Pty Ltd	ACN 641 566 805	Wholly owned subsidiary.