Cyber Security + Customer Experience

MODERN SLAVERY STATEMENT
1 July 2023 – 30 June 2024

1. ABOUT THIS STATEMENT

CyberCX is pleased to present its 2024 Modern Slavery Statement (**Statement**) covering the period 1 July 2023 to 30 June 2024 (**Reporting Period**) in accordance with the *Modern Slavery Act 2018 (Cth)* (the **Act**).

This is our fourth Modern Slavery Statement. Headquartered in Melbourne, Australia, the CyberCX group consists of over 20 wholly owned, related bodies corporate across Australia, New Zealand, the United Kingdom and the United States.

The Modern Slavery Act defines 'Modern Slavery' as including eight types of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, the worst forms of child labour and deceptive recruiting for labour or services. Further, the *United Nations Guiding Principles on Business and Human Rights*[1] provide guidance for companies to prevent, address and remedy human rights abuses committed in business operations, which is consistent with the Modern Slavery Act.

As a people-focused business with the purpose to 'protect the communities in which we live', we take seriously the importance of human and workplace rights, the principles set out in the United Nations' Universal Declaration of Human Rights[2], and the United Nations' Guiding Principles on Business and Human Rights[3].

CyberCX leverages these frameworks in undertaking its Modern Slavery assessments and disclosure, consistent with best practice.

CyberCX is committed to continuous improvement and taking proactive steps to ensure that Modern Slavery does not occur in our own business and supply chains, as now overseen by our Modern Slavery Working Group, our Risk Committee and ultimately our Board.

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[1] Available at www.business-humanrights.org/en/big-issues/un-guiding-principles-on-business-human-rights/
[2] United Nations, 1948. Universal Declaration of Human Rights available at www.un.org/en/about-us/universal-declaration-ofhuman-rights
[3] United Nations UN Guiding Principles on Business and Human available at www.business-humanrights.org/en/big-issues/un-guiding-principles-on-business-human-rights/

2. OUR REPORTING ENTITIES

In accordance with the Act, the **Reporting Entity** for this Statement is CyberCX Pty Ltd ACN (629 363 328). The Reporting Entity is the main trading and operating entity of the CyberCX group of Australian companies.

3. CYBERCX'S BUISNESS, STRUCTURE, OPERATIONS AND SUPPLY CHAINS

3.1 Our business

CyberCX has not changed its business structure materially from previous statements. CyberCX is Australia and New Zealand's largest, leading independent cyber security services organisation, unifying the largest number of cyber security and cloud security experts to provide the most comprehensive range of cyber security services to our customers.

Our Vision is to be *'The greatest force of cyber security experts in Australia and New Zealand – with global ambitions'* and our Purpose is to *'Secure our communities'* by providing the most comprehensive range of end to end cyber security services to our clients.

Headquartered in Melbourne, Australia, the vast majority of our 1400+ team is located in Australia and New Zealand; we also provide services to customers in the United Kingdom, European Union and the United States through small teams on the ground in those locations.

We partner with enterprise and public sector organisations to support their cyber risk management and reduction practices in an increasingly complex and challenging threat environment. We strive to make the online environment safe and to secure and support the communities in which we live. This purpose is described on our website and embedded in our Code of Conduct. Consistent with this purpose, we are committed to preventing slavery and human trafficking in our operations and supply chains.

3.2 Operations

CyberCX is principally involved in the delivery of critical, complex cyber security consulting services to government and business customers. While we partner with and resell leading technology (SaaS and hardware) providers to support our customers' needs, our DNA is grounded in people-orientated consultancy services to advise our clients on industry best practices and support their pathway to being cyber secure.

Our facilities consist of 13 corporate offices which our team members work and collaborate in (3 being serviced offices managed by a third-party provider), spread across Australia, New Zealand and the United Kingdom.

3.3 Key supply chains areas

Our supply chain has remained consistent with previous Statements, and our key areas of expenditure relate to goods and services that provide the infrastructure, facilities and other support required to enable the delivery of our services in the following key categories: Technology & hardware; Premises & facilities; Professional services; Staff items; and Travel & expenses.

4. RISKS: FY2024 ASSEMENT OF OUR MODERN SLAVERY RISKS

Consistent with previous Statements, in the Reporting Period our legal, finance and vendor sourcing teams have continued to map our evolving supply chain to assess potential Modern Slavery risks.

In the Reporting Period, CyberCX had over 720 suppliers in our operational supply chain. Less than 150 suppliers received an annual expenditure from CyberCX of more than AUD$100,000, and of those, 121 were for internal consumption (the majority being soft-services such as insurance, accounting, telecommunications/utilities, cleaning, marketing and software).

Excluding remuneration, our major categories of procurement are:

	AREA	EXPOSURE TO MODERN SLAVERY RISKS
	Technology and hardware *Data storage, hardware and software supply, including resale to customers*	Electronics is recognised as a high-risk industry globally. We procure from leading Tier 1 globally recognised suppliers who have mature measures to reduce Modern Slavery risks in their supply chains, including independent auditing and public reporting of key measures and KPIs.
	Premises and Facilities *Rental, cleaning, energy and related*	Cleaning services are recognised as high-risk services globally. CyberCX uses the cleaning services provided by the building management (usually large, superannuation-backed infrastructure managers with mature reporting arrangements) at each of our office sites.
	Professional Services *Insurance, audit, legal, accounting and taxation services*	While professional services can pose modern slavery risks, given that CyberCX sources these services predominantly from Australia and New Zealand, these are not considered high risk.
	Staff items *Staff apparel and merchandise* *Coffee and other office consumables*	Textiles is considered a high-risk industry globally. We procure staff apparel and merchandise from local suppliers. We acknowledge production of a portion of our merchandise is likely to be undertaken in China, a country which may present a higher risk of Modern Slavery practices.

While our coffee is sourced from trusted local partners and distributors, the coffee supply chain to the farm, may present a higher risk of Modern Slavery practices.

Travel and expenses

Not considered high risk services given that nearly all travel occurs within Australia, and international travel will be with major airlines and at reputable and well regarded hotels.

To better understand our risk profile in these areas, the Committee (see further information at paragraph 5.1) has mapped our suppliers in aggregate to a risk matrix, by considering industry/service type and geographical location as the key risk factors for assessing Modern Slavery risk.

This allows us to better focus on higher-risk supplier-types as part of our efforts:

	Likelihood assessed by industry			
	Unlikely *It is unlikely there will be a risk of modern slavery in these industries.*	**Possible** *It is possible there is a risk of modern slavery in these industries.*	**Likely** *There is likely to be a risk of modern slavery in these industries.*	**Highly likely** *There is a high likelihood of modern slavery in these industries.*
Low *Australia, Scandinavia, United States, Austria, Belgium, United Kingdom, Singapore, Japan*	X – Professional Services/consultants	X – IT Software and Hardware Distributors X – Unskilled labour	X – SaaS providers	
Minor *Croatia, Albania, Japan, Argentina, Brazil*				
Moderate *Mexico, Peru, Ecuador, Turkey, Colombia, Guyana, Hong Kong, Honduras, Vietnam, PNG, Vietnam*				X – Outsourced coding
Major *Venezuela, Sudan, DRC, Chad, Somalia, Colombia, Taiwan, Indonesia, Belarus, Macedonia, Turkmenistan, Russia*			X – IT Hardware and Software	
High *Philippines, Cambodia, The Central African Republic, PNG, North Korea, Malaysia, Thailand, India, Pakistan, China, Bangladesh*			X – Apparel and merchandise manufacturers	

Likelihood assessed by country (vertical axis label)

Note: based from the Global Slavery Index 2023

This Risk Matrix provides a general overview of our risk positions with respect to Modern Slavery, enabling a more targeted approach in our mitigation actions across future reporting periods.

5. ACTIONS: FY2024 ACTIONS TO MITIGATE OUR MODERN SLAVERY RISKS

5.1 Governance and management

CyberCX has a mature corporate governance policy framework to deal with the identification and management of risk across the business; specifically concerning Modern Slavery:

Supplier Code of Conduct– sets out the minimum standards of behaviour that CyberCX expects of suppliers who provide us goods and services consistent with international (UN) and domestic treaties and legal frameworks, and codifies our expectations that each supplier must:

- support the protection of human rights of Workers and their communities, monitor their work environments and supply chains for any instances of Modern Slavery, and prevent such instances occurring.
- notify CyberCX on becoming aware of any instances of Modern Slavery in its workplaces or supply chain.

Each supplier to CyberCX is expected to comply with this Code. As part of our annual modern slavery audits of our suppliers, we provide an updated copy of the Code annually and make iterative improvements as necessary.

Contractual Obligations – CyberCX are continuing to work towards the incorporation of contractual terms in all our supplier agreements. These contractual terms set out the minimum standards that CyberCX expects of our suppliers with respect to identifying, assessing, and managing modern slavery within their supply chain. During this Reporting Period we have increased our focus in this area, uplifting and finalising a new Modern Slavery Schedule that we endeavour to incorporate into supplier contracts moving forward.

CyberCX Code of Conduct – provides that CyberCX seeks to foster a culture of compliance with all relevant laws, regulations, and internal policies; and that each director, employee and contractor must act lawfully and with integrity, should report via the whistleblower channels any instances of suspected unethical or illegal conduct, and that when engaging with external stakeholders and contractors outside of the workplace should consider the appropriateness of those activities and whether they accord with the Code.

These statements are supported by our **Whistleblower Policy** (which encourages notification of illegal or unethical conduct or wrongdoing, such as Modern Slavery via our anonymous whistleblower service) and our **Environment Social and Governance (ESG) Policy** (which outlines a core principle of promoting the elimination of all forms of forced and compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation).

In the Reporting Period we have taken the following steps to improve our Modern Slavery governance and management practices:

- Firstly, we have continued to advanced our governance controls by implementing the standing governance working group which we have stood up in the last Reporting Period to administer and guide our overall Modern Slavery risk management approach (**Committee**). The Committee reports to the Group General Counsel and is made up of cross-functional representatives who have responsibility for supply chain management in their functional areas (eg, IT; operations, administration and property; human resources). The Committee has met regularly (no less than quarterly) and provides a quarterly report to the CEO and CFO on actions taken to identify and manage Modern Slavery risks in our supply chain. This is fed into the formal CyberCX risk management reporting to the Board on bi-annual basis.
- Secondly, we continued our ongoing review and stress testing of our employment wages and conditions which did not identify any issues in the Reporting Period.

- Thirdly, we have assessed a number of Modern Slavery training courses for roll-out to (i) core CyberCX team members who (in their day to day role) have an active responsibility in managing and mitigating Modern Slavery risks and (ii) our general employee base. We have selected a preferred set of training modules which we are currently adapting to use for deployment in H2 FY2024/25.

5.2 Ongoing supplier assessments

By and large, our top supply chain participants by spend have not changed over previous years, being large, global IT hardware and services providers. Given that we are unlikely to be able to materially influence their supply chain decisions, in this Reporting Period, we have focused efforts on conducting a desktop assessment of the Modern Slavery materials that are publicly available for our top 5 global IT vendors by revenue – Cisco, CrowdStrike, OKTA, Palo Alto, Splunk and Tenable - to confirm they are taking steps to identify, manage and reduce Modern Slavery risks. Based on the information available, no remediation actions have been identified through that desktop assessment.

Building on our previous report, in the Reporting Period CyberCX conducted its annual (as well as targeted) survey and questioning of our suppliers to ascertain any Modern Slavery risks, any events of Modern Slavery, and overall compliance with the goals of our Modern Slavery Policy and Supplier Code of Conduct.

We surveyed all our suppliers with an annual spend of >AUD$100,000. For the Reporting Period we received a 25% response rate, and of those who responded 5% are considered reporting entities under the Act (or similar legislation in other jurisdictions).

Of those who have responded to our annual survey, we have made the following observations:

- 0 instances of actual or suspected Modern Slavery
- 100% of organisations (who are reporting entities) have a Modern Slavery Statement
- 46% of organisations have processes in place to manage Modern Slavery risks in their global supply chains

5.3 Targeted assessment

Through the ongoing supplier assessment and the creation of our Risk Matrix we have identified our internal cleaning suppliers as a potential risk of modern slavery. This was highlighted last year; however, we were unable to obtain responses from any of those businesses through our annual supplier assessment.

To address this in the Reporting Period, we created and distributed a survey specific to our cleaning suppliers. The survey covered the topics addressed in the annual supplier survey above, and targeted questions regarding their employment and workplace practices.

Pleasingly, we achieved a 42% response rate for this section of our supply chain. From these responses, we have made the following observations:

- 0 instances of actual or suspected Modern Slavery
- All complied with applicable labor and workplace health and safety laws
- There were no reported instances of wage theft or similar

We are pleased with the uplift in the level of oversight we have established in the Reporting Period; however, we acknowledge there is still room for improvement and will continue to monitor this aspect of our supply chain closely.

5.3 Customer onboarding

It is now standard practice for our customers to require CyberCX to contractually agree to certain Modern Slavery commitments as part of their services arrangements or request for tender processes. CyberCX readily agrees to comply with applicable Modern Slavery legislation in all jurisdictions we operate in, as well as reasonable provisions that assist our customers to comply with their obligations under the same.

5.4 Supplier onboarding

We have continued to use reasonable efforts to insert our standard contractual positions to give us insight and rights concerning Modern Slavery risks in our suppliers. In the Reporting Period, we undertook a review and uplift of these terms, creating a more robust contractual framework for our suppliers to ensure appropriate oversight into our supply chain.

6. EFFECTIVENESS: ASSESSMENT OF THE EFFECTIVENESS OF OUR FY2024 ACTIONS

We believe the actions taken in this Reporting Period have helped us make further progress to embed and improve our response and strategies toward mitigating and, where possible, eliminating Modern Slavery risks in our supply chain. Our ongoing due diligence questionnaires put to our suppliers provided us with insights into our suppliers and their activities.

Pleasingly, we have seen the following year on year growth with respect to our initiatives:

- Number of suppliers surveyed increased by 14%, meaning we are covering a larger portion of our supply chain
- Despite the increase in suppliers, our overall response rate has also increased to 25%
- Our targeted assessment of our cleaning suppliers saw a 42% increase in responses.

Our response rate from our international suppliers is traditionally low and in the Reporting Period this trend continued (with many simply referring to their published Modern Slavery Statements or reports). Of those that did respond, some of the highlights include:

(1) A small but significant proportion of our medium sized vendors are yet to include contractual provisions with their suppliers to enforce anti Modern Slavery protections.
(2) Three (3) of our vendors refused to confirm they accept (or had read) our Supplier Code of Conduct which has prompted further conversations with those suppliers.
(3) A proportion of our vendors did not have any audit methods yet in place for their supply chains. Of these, some were working on Human Rights Impact assessments, while others did not believe their professional services businesses had a need for one in relation to the goods they supply to us. A number of these vendors noted their internal consumption relied on large suppliers' (such as Apple and Microsoft) public Modern Slavery reports and statements.
(4) A small number of our vendors were yet to conduct any training or internal awareness raising about Modern Slavery. Of these, several were smaller businesses with minimal capacity for such (and in most cases, not bound by any Modern Slavery reporting legislation).
(5) None of our suppliers were aware of any actual or suspected instances of Modern Slavery in their supply chains, nor had been subject to any legal claims related to Modern Slavery or breaches of any industrial relations laws in their jurisdiction. In Q3/Q4 of FY2025 we intend to make further inquiries here due to the mismatch between some supplier's lack of Modern Slavery awareness and their capacity to make this representation.

The results of this latest round of due diligence will be further analyzed by our Committee and recommendations made as to any education, training or remediation support we can offer to these vendors while factoring in those vendor's size and capacity. For any large vendors that are substantially non-compliant, CyberCX would seek to work with them to improve their attitudes to Modern Slavery identification and mitigation, and otherwise, we may reconsider our relationships with such vendors.

In our last report we noted we were working towards improved systems for due diligence and monitoring, and while we have made progress in the Reporting Period, we feel we have further improvements to be made in this area. This will be a goal of the Committee's work across future reporting periods.

7. NEXT STEPS AND COMMITMENTS

Our focus areas for FY2024-2025

Based on the work undertaken to date to understand, manage and mitigate risks in our supply chain, in FY2025, our focus areas for continuous improvement are:

- Continuing the activities of our Committee to broaden and deepen our approach to Modern Slavery across the business and reporting up to and including the Board.
- Undertake an annual review of our Modern Slavery Risk Matrix as part of embedding Modern Slavery risks into our broader CyberCX Risk Management framework.
- Conducting a 'deep dive' into our corporate merchandise suppliers, in the same manner we have for our cleaning suppliers.
- Rolling out comprehensive Modern Slavery training to key business stakeholders with Modern Slavery accountabilities, and general Modern Slavery training to the entire business.
- Continued work to identify "high risk" suppliers in our supply chain where we can influence Modern Slavery outcomes, and conducting a further deep dive as applicable.
- Continued implementation of appropriate Modern Slavery contractual requirements as able.
- Actioning as appropriate customer-received observations.
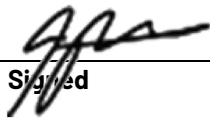
8. OUR CONSULTATION APPROACH

All various wholly owned subsidiaries in the CyberCX group are integrally connected to CyberCX, with shared management, governance, risk and other corporate functions. Given this, we have conducted an internal consultation process across key stakeholders of our executive leadership team, finance and relevant supply chain managers to execute activities and write this Statement.

9. APPROVAL

In accordance with Section 13(2) of the Modern Slavery Act, this Statement was approved by the Board of CyberCX Holdings Pty Ltd on 9 December 2024.

The Board is the principal governing body of CyberCX for the purposes of approving this Statement. This Board has authorised John Paitaridis, Chief Executive Officer, to sign this Statement.
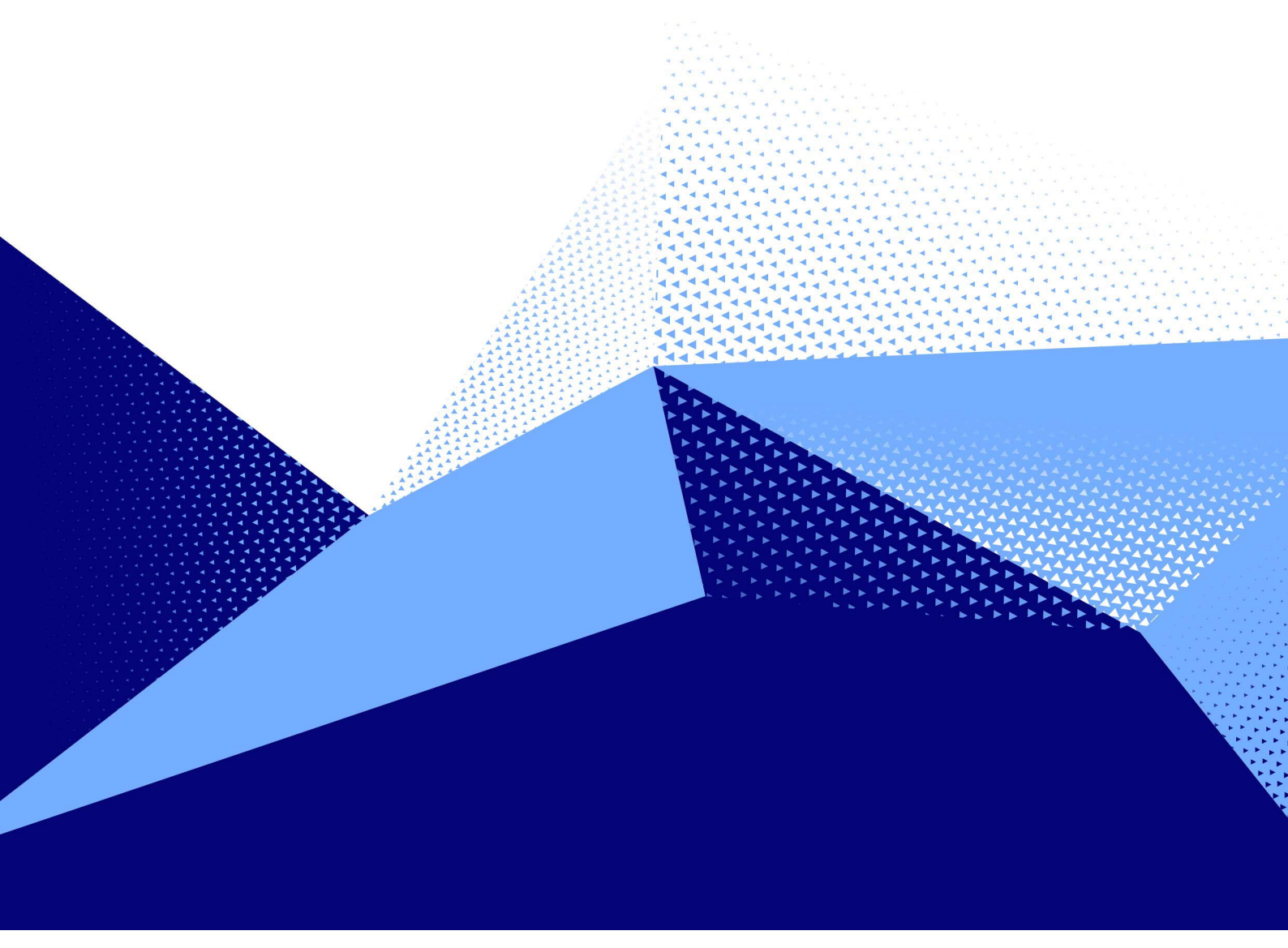
Signed	10 December 2024
	Date

John Paitaridis
Chief Executive Officer
CyberCX

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