



## Modern slavery and human trafficking statement 2019/20

This statement covers the activities of Synnex Australia Pty Ltd ABN 40 052 285 882 (“Synnex”) for understanding and implementing actions to minimise and mitigate the risk of modern slavery and human trafficking in our operations and supply chain.

### Introduction

This is Synnex’s first Modern Slavery Statement (“Statement”) in compliant with the Australia Modern Slavery Act 2018, covering the period from 1 July 2019 to 30 Jun 2020. The purpose of this statement is to outline our actions and approaches to ensure Synnex has sound and robust processes in place to detect and minimise the risk of modern slavery in our daily operations and supply chain. Synnex acknowledges that slavery and human trafficking occurs in many forms, such as slavery, human trafficking, forced labour, child labour, servitude, forced marriage, debt bondage and deceptive recruiting for labour or services.

Synnex is committed to conducting our business ethically and responsibly. We take ethical sourcing seriously. We embrace the commitment for fair and legitimate business interaction and respect the rights and dignity of all people, including internal employees and people impacted within our supply chain.

### Our structure, operation and supply chain

Since our incorporation in Australia in 2000, Synnex has grown to become one of the largest ICT solutions aggregator in Australia. We work with over 60 ICT vendors, providing end to end IT products, cloud solutions and life cycle management services to over 6,000 channel partners. Synnex has over 480 employees with operations across Australia. Our headquarter is located in Melbourne, with offices in Sydney and Perth. As Synnex does not have any subsidiary, this statement covers the activities of Synnex only.

We believe the respect for human rights are a fundamental value to our customers, our business partners and the broader community. To prevent any possible human rights abuse, we monitor, manage and report progress on a range of indicators used to access the effectiveness of our responsibility towards modern slavery.

We have assessed our key business activities and supply chain as follow:

Main business activities	Supply chain
Provision of ICT products and services, including but not limited to hardware, software, cloud solutions and lifecycle management services, to businesses or end customers.	Over 60 international and local vendors supplying IT products, software, cloud solutions and services to Synnex for reselling purpose.
Business operations to support the daily operations of Synnex other than the supply of inventories and services for reselling purposes.	Contractors and sub-contractors who deliver services directly to Synnex (i.e. courier service)
	Rental of warehouse and offices
	Utilities
	Professional services consultants who provide services directly to Synnex
	Office consumables and promotional merchandise
Uniforms and work attire (i.e. safety vests)	

## Risk identification and our approach

In the 2019/20 reporting period, we undertook a review of the potential risk of modern slavery matters across our operations and supply chain, by reviewing three main aspects:

- 1) Internal human resources
- 2) External supply chain related to distribution business segment
- 3) Other external supply chain related to daily operation.

During the assessment process, we considered risks that might pose and/or contribute directly to modern slavery practices, in accordance with the “Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities” issued by Australian Government’s Department of Home Affairs.

### Internal risk assessment – HR practice

In 2019/20, Synnex has on average 480 staff - 76% permanent and 24% casual staff. When reviewing the internal risk for modern slavery matters, Synnex considers ourself to be relatively low risk. All staff, permanent or casual are employed in Australia. Our internal human resources policies protect them, and formal employment contracts are signed between Synnex and employees.

All staff recruited are individually assessed by our internal Human Resources (HR) department, according to our established recruitment policy. All staff signs an employment contract with Synnex and received formal induction training, which includes clear definition of their duties, rights and obligations. The HR department has documentation for ongoing review and procedures for the visa status management of non-Australian passport holders.



Given this, Synnex has identified that the internal operation has low or no risk of modern slavery, in any operational activities that are directly performed by Synnex's staff and if risks exist, are fully covered by our internal processes.

#### **External suppliers risk assessment**

Through our Qualifying Supplier Program, we ensure all our suppliers are fully aware of our position over ethical business behaviour and zero tolerance over modern slavery practices. We achieve this by ensuring our Supplier Code of Conduct (SCC) has been delivered to our suppliers, and request for their acknowledgment by obtaining their confirmation in writing. The SCC is a key tool for preventing modern slavery in our supply chain, all forms of forced labour are banned in our SCC, including physical confinement in the work location, child labour, forced overtime and withholding of deposits or personal documents for employment.

#### **External supply chain – distribution of IT products and services**

Synnex's major supply chain consists of over 60 suppliers of ICT products and services. Our top tier suppliers include leading brands like Microsoft, Apple, HP, Samsung, Intel, etc. During the first year of our reporting period under the Modern Slavery Act, we focused on addressing the modern slavery risk with our top 10 suppliers, many of them are multinational corporations with publicly assessable Modern Slavery Statements. When we reached out to them for their latest modern slavery statement, all of them responded and facilitated our assessment. 9 out of 10 suppliers are members of the Responsible Business Alliance (RBA) and have adopted the RBA's code for modern slavery risk assessment and audit procedures. The RBA facilitates industry coalition standardises the social responsibility practices and enforcement collectively. It also updates and shares the best practices in identifying and mitigating modern slavery risk. The one supplier who is not a member of the RBA focusses mainly on software development business, hence, the concentration for risk identification and assessment is internally-focused. As per risk and audit results disclosed in our top 10 suppliers' latest Modern Slavery Statement, there were no significant incidents reported which were considered high risk.

#### **External supply chain – daily operation**

Other than suppliers for inventories and IT services under our distribution business, other divisions of the supply chain that support our daily operation includes courier service, utilities, rental service, and office supplies. When combining the purchases of inventories and IT services, the daily operation purchase accounted for approximately 1% of the total purchase during 2019. As most of the services obtained were produced domestically (courier service, utilities and rental service), this area is considered relatively low in modern slavery risk.

## Our policies and procedures

We have formal policies in place to promote ethical and legally compliant business conduct and relationships. These policies contribute to our core value of “making a positive difference”. We believe in sustainable development and strive to conduct our business with uncompromising integrity and professionalism, including our commitment to preventing violation of human rights.

When procurement is made, the supplier must sign the confirmation for compliance of our SCC, which includes the terms of anti-modern slavery. We articulate our expectations to suppliers through our [SCC](#), which is available on our website. All new suppliers added to our qualified supplier list are reviewed to ensure our modern slavery processes in place are complied with.

We have established reporting procedures and mechanisms for employees and external parties to report any concerns regarding unethical or illegal conduct. Employees can report to their manager, or if they wish to do so anonymously, can notify us through our whistleblower scheme by e-mail, phone or online portal.

## Moving forward

Over the next reporting period, our key focus will be:

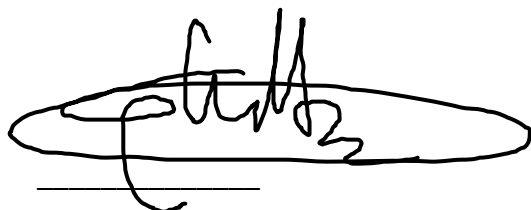
- Review and update our suite of risk-related policies and governance control measures.
- Extend the modern slavery assessment in our suppliers beyond our top ten.

Our commitment to prevent modern slavery practices in our supply chain and internal operations are ongoing. We will continually review and improve on the measures we have established.

## Approval

Preventing modern slavery and human rights abuse is consistent with the core values of Synnex.

This statement was approved by the Board of Directors of Synnex Australia Pty Ltd on 6 November 2020.

A handwritten signature in black ink, appearing to read 'Kee Ong', is written over a horizontal line. The signature is enclosed within a large, hand-drawn oval.

Kee Ong  
CEO, Synnex Australia