

Lawrence & Hanson Group Pty Ltd

ABN 69 080 350 812

## **Modern Slavery Statement**

**1 January 2021 - 31 December 2021**

**28 June 2022**

## Foreword from our Managing Director

Lawrence & Hanson Group Pty Ltd (**Lawrence & Hanson**) is part of the Sonepar Group, the leading global group in B-to-B distribution of electrical products, solutions and related services spanning over 40 countries with 45,000 associates. Lawrence & Hanson is committed to key attributes of compliance, integrity, honesty and trust. These attributes underpin our business operations and have guided us in our journey as Australia's most recognised electrical wholesaler. We believe that these attributes should never be sacrificed in the pursuit of profits. Moreover, these attributes ensure that we act ethically and mitigate modern slavery and human trafficking risks in our operations and supply chains.

Lawrence & Hanson acknowledges that modern slavery and human trafficking is a global and complex challenge and this is an issue which the Sonepar group has taken steps to manage for some time. Lawrence & Hanson complies with Sonepar's global policies and procedures in this space but also takes steps locally to address this complex issue.

This modern slavery statement (**Statement**) under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) covers the reporting period from 1 January 2021 to 31 December 2021 (**FY21 Reporting Period**) and:

- **outlines the steps we are already taking** at a global and local level to identify modern slavery risks and assess and address these risks including our Code of Conduct, Supplier Code of Conduct, Preferred and Approved Supplier Program and contractual controls;
- **identifies our key risks and priority areas that we will focus on moving forward** which have been identified based on our high level risk mapping. These include:
  - a number of our key direct suppliers who provide higher risk products being Personal Protective Equipment, Electrical Components and Equipment and who have not been through our Preferred and Approved Supplier Program;
  - our cleaning service providers for our approximately 160 branches.
- **sets out the steps we intend to take as part of our modern slavery compliance roadmap over the next few reporting periods** including training and education, implementation of our Anti-Modern Slavery Policy, refining our existing processes including our Business Partner Assessment Process and rolling out detailed modern slavery risk assessments with key suppliers in line with our identified priorities.

We are proud of the approach the Sonepar group has taken to date and Lawrence & Hanson is committed to upholding the aims and requirements under the Modern Slavery Act. We understand ethical procurement is an important part in being Australia's electrical wholesaler of choice.

We recognise the major role that market leaders such as Lawrence & Hanson have to play in combatting modern slavery in global supply chains.

### Principal Governing Body Approval

This modern slavery statement was approved by the Board of Lawrence & Hanson Pty Ltd (ABN 69 080 350 812) in their capacity as principal governing body of Lawrence & Hanson (in accordance with section 13 of the Modern Slavery Act 2018 (Cth)) on 27 June 2022.

**Signature of Responsible Member**

This modern slavery statement is signed by Gavin Street in their role as Managing Director of Lawrence & Hanson Pty Ltd (ABN 69 080 350 812) (in accordance with section 13 of the Modern Slavery Act 2018 (Cth)) on 28 June 2022.



Gavin Street  
**Managing Director**

## 1. Criterion 1 Identify the reporting entity

- 1.1 The reporting entity is Lawrence & Hanson Group Pty Ltd (ABN 69 080 350 812) , Level 2, 1 Chapel Street, Blackburn VIC 3130 (referred to as **we, us, our or Lawrence & Hanson** in this Statement).
- 1.2 Lawrence & Hanson is a reporting entity under the Modern Slavery Act and this Statement is submitted and published for the FY21 Reporting Period.
- 1.3 Lawrence & Hanson makes this Statement in accordance with section 13 of the Modern Slavery Act as a single reporting entity.
- 1.4 Our Statement covers all of the 7 mandatory criteria for reporting as set out in section 16 of the Modern Slavery Act. In preparing this Statement, we have used the Commonwealth Guidance for Reporting Entities and recently issued Modern Slavery Act Supplementary Guidance to help inform and guide our approach.

## 2. Criterion 2 Describe the reporting entity's structure, operations and supply chains

### 2.1 Our Structure

- 2.1.1 Lawrence & Hanson is an Australian private limited company limited by shares and is incorporated in Australia.
- 2.1.2 Lawrence & Hanson is part of the global Sonepar Group, an independent family owned company and its ultimate parent company Sonepar SAS headquartered in Paris, France.
- 2.1.3 Lawrence & Hanson's registered office is in Blackburn, Victoria.
- 2.1.4 Lawrence & Hanson is the only operating entity in Australia and while it does own or control some other entities for the purpose of the Modern Slavery Act, these are non-operational and are in the process of being deregistered.

### 2.2 Our Operations

- 2.2.1 As per the Commonwealth Guidance, 'operations' refers to activities undertaken by the entity to pursue its business objectives and strategy in Australia or overseas. This includes the manufacturing, distribution and procurement of products and services.
- 2.2.2 We are Australia's most recognised electrical wholesaler and have over 160 branches across Australia.
- 2.2.3 We have a wide range of key operations. These are:

**Physical and online stores** – we offer a wide range of electrical products and have long-standing relationships with the most trusted local and global suppliers in the electrical industry. We also operate an online store via our eBranch where we sell individual products. We set out our product range in the diagram below.



**eBusiness Solutions** – we offer a wide range of digital eBusiness solutions to help our customers improve the efficiencies of their business. Our eBusiness solutions include: Spend Reports, Integrated Solutions, Automated Data Export, Punchout & OCI, eInvoicing and Electronic Document Interchange.

**Lawrence & Hanson Pacific Datacom** – we offer copper, fibre, and wireless premise network cabling products and materials, turnkey product solutions, wireless network design and configuration services, and supply chain optimisation services.

**Lawrence & Hanson Solar + Solutions** – we supply a wide range of solar and renewable energy solution products. Our solutions are provided to domestic, commercial and industrial customers.

**Lawrence & Hanson Specialised Lighting Solutions** – we assist in lighting design, installation and maintenance projects.

**Supply and distribution of industrial consumables** - we supply industrial products to the construction, industrial and the original equipment manufacturer markets. We also provide project management services and distribute industrial automation services to a variety of industrial customers.



Tools & Safety



Installation Materials



Renewable Energy



Heating, Cooling & Air

## 2.3 Our Supply Chains

- 2.3.1 Our supply chain is complex and long and we have a wide range of suppliers with a mix of Australian and overseas suppliers.
- 2.3.2 However, for our direct suppliers, approximately 77 percent of our total spend is with 30 of trusted suppliers who we have a close and long term relationship with and are on our Preferred and Approved Supplier Program.
- 2.3.3 In order to be part of the Preferred and Approved Supplier Program, these supplier are required to agree to our modern slavery contractual controls contained in the Lawrence & Hanson Trading Terms (**Trading Terms**) and the Sonepar Supplier Code of Conduct (**Supplier Code of Conduct**). For more information on the Preferred and Approved Supplier Program please see Section 0 **below**.
- 2.3.4 A number of our key suppliers are companies who themselves are required to report under the Modern Slavery Act. We have mapped out our supply chains at a high level as set out in the following table.

No.	Product / Service category	Key themes
<b>Key direct suppliers used in relation to core product and service offerings</b>		
1.	Switches and Outlets	
2.	Circuit Distribution	As Australia's leading electrical wholesaler, Lawrence & Hanson procures a wide range of electrical products such as switches and outlets, renewable energy products, and electrical tools. These supplied products support our key product and service offerings to Australian businesses and organisations (see section 0 above).
3.	Lighting and Lamps	
4.	Heating, Ventilation and Air Conditioning	
5.	Installation Materials	
6.	Safety	
7.	Tools	As outlined above, of our direct suppliers, approximately 77 percent of our total spend is with 30 of trusted suppliers who we have a close and long term relationship with and are on our Preferred and Approved Supplier Program.
8.	Power Cable	
9.	Fire, Automation and Security Systems	
10.	Connect	We have identified that a number of these suppliers also have modern slavery reporting obligations.
11.	Renewable Energy	
12.	Data and Communications	
13.	Industrial Automation	
<b>Indirect Suppliers</b>		
14.	Office Supplies	To support our key product and service offerings, Lawrence & Hanson engages a range of other suppliers who supply goods or services that are not integrated or used in our electrical products and services.
15.	IT Equipment	
16.	Cleaning Services	
17.	Professional services (i.e. Marketing, Legal)	

No.	Product / Service category	Key themes
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These are suppliers from whom we purchase goods and services relating to, for example, cleaning services, office supplies and professional services and more.

We have identified that a number of these suppliers also have modern slavery reporting obligations.

### 3. Criterion 3 Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.

3.1.1 In this section we identify the ‘risks of modern slavery practices’, meaning the potential for Lawrence & Hanson to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains.

3.1.2 In this context, ‘risk’ means to people, rather than the risks to Lawrence & Hanson (such as reputational or financial damage).

3.1.3 Although Lawrence & Hanson together with Sonepar have been committed to combatting modern slavery for some time, we understand that we are in the first few years of our formal modern slavery journey under the Modern Slavery Act.

In accordance with the Government Guidance and known modern slavery indicators, we have done a high level risk mapping exercise of our operations and supply chains which is set out in the table below:

#### High level risk mapping exercise of our suppliers

Category of modern slavery risk indicators	Explanation	Suppliers Identified
Sector and industry risks	<p>A sector or industry that is informal and unregulated or has limited visibility over lower tier suppliers, is higher risk.</p> <p>A sector or industry that uses seasonal, low-paying or low-skilled labour or dangerous work is higher risk.</p> <p>Personal protective equipment (PPE), electrical components and equipment and cleaning are higher risk industries. The PPE industry has been noted to be at high-risk of modern slavery during the COVID-19 pandemic. Electrical components and equipment has a long international supply chain for its raw materials manufacture and product assembly – we consider the lack of visibility in these supply chains to be a modern slavery risk.</p>	<p>Lawrence &amp; Hanson’s business involves the use of several direct suppliers in respect of PPE, and electrical components and equipment.</p> <p>We also use cleaning services for our branches and office premises.</p>

<p>Product and service risks</p>	<p>Some products and services are considered higher risk because of the way they are produced, provided or used.</p> <p>The development of a product or delivery of a service may have been reported as involving labour exploitation by international organisations or non-governmental organisations.</p> <p>E.g. Raw materials are recognised as high risk globally.</p> <p>E.g. cleaning services are high risk services.</p> <p>E.g. PPE is recognised as high risk.</p>	<p>As above we have identified PPE, electrical components and equipment and cleaning services as higher risk product and service risks.</p>
<p>Geographic risks</p>	<p>Victims may be working in a country that has a high prevalence of human rights violations, has inadequate protections for workers, forces parts of the population to work for development purposes (for example, to assist on a compulsory basis with construction or agriculture projects) or has a high prevalence of people who are vulnerable to exploitation.</p> <p>The Global Slavery Index is a useful tool to identify the prevalence of modern slavery and human trafficking in a particular country, and to assess the adequacy of a government's response to modern slavery and human trafficking risk (see the list below of countries identified in the Global Slavery Index as taking the least action in respect of modern slavery). However, we recommend that you do not rely on numerical scores alone, as some regions or economic sectors may be at disproportionate risk of modern slavery and human trafficking, when compared to a national average. For example, there are extensive reports regarding the use of forced labour involving the Uyghur minority in mainland China, especially but not exclusively in the Xinjiang region.</p> <ol style="list-style-type: none"> <li>1. North Korea</li> <li>2. Eritrea</li> <li>3. Libya</li> <li>4. Iran</li> <li>5. Equatorial Guinea</li> <li>6. Burundi</li> <li>7. Democratic Republic of the Congo</li> <li>8. Congo</li> <li>9. Russia</li> <li>10. Somalia</li> </ol>	<p>We have not identified any suppliers who are based in the highest risk countries.</p> <p>However, we understand that some of our <b>direct suppliers</b> may have manufacturing operations in higher risk countries such as China, Taiwan, South Korea and Malaysia.</p> <p>However, we have controls in place with our Preferred and Approved Supplier program.</p> <p>Accordingly we have identified direct suppliers who we have significant spend with but are not captured by the Approved and Preferred Supplier Program as an area of focus.</p>
<p>Entity risks</p>	<p>Some businesses or other entities may have a higher risk because of poor governance structures, a record of treating workers poorly or a track record of human rights violations.</p>	<p>A significant portion of our spend is with suppliers on our Preferred and Approved Supplier Program. We consider these suppliers to have lower risks because of the controls on this Preferred and</p>



	<p>An example of a red flag would be if you found a supplier to have been the subject of media reports of poor treatment of its workers.</p>	<p>Approved Supplier Program (see section 0 below for more information).</p> <p>As above, we have identified certain direct suppliers who are not currently part of the Preferred and Approved Supplier Program as potentially having higher entity risks and we intend to investigate this further.</p>
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### 3.2 Analysis of which suppliers are also reporting entities under the Modern Slavery Act

We have also undertaken a high level assessment of our some of our Preferred and Approved Suppliers to identify which of these entities have also submitted modern slavery statements to the Australian Government run register under the Modern Slavery Act, this assessment has helped us to gain an understanding of which entities may or may not have reporting obligations under the Modern Slavery Act. A number of our Preferred and Approved Suppliers are themselves reporting entities under the Modern Slavery Act and have submitted modern slavery statements. This process has also helped inform us of our prioritised risk based approach to focus on the suppliers listed in section 3.4.

### 3.3 Our priorities

3.4 Based on this high level risk mapping exercise we intend to take a prioritised risk based approach as recommended by the Government Guidance.

3.5 In the next few reporting periods we will be focussing our efforts on the following key areas which we have identified as having higher risks and where we have the most leverage:

- key direct suppliers who provide higher risk products being PPE, Electrical Components and Equipment and who have not been through our Preferred and Approved Supplier Program; and
- our cleaning service providers for our approximately 160 branches.

## 4. Criterion 4 Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

### 4.1 Actions taken in the reporting period

Set out below in this section is an overview of the steps we have taken during this reporting period to assess and address the risks in our operations and supply chains.

### 4.2 Global Policies and Procedures

Lawrence & Hanson is part of the Sonepar Group which has a number of policies and procedures in place designed to assess and address the risks of modern slavery.

- **Global Code of Conduct:** our Global Code of Conduct applies to all our employees and staff. The Code of Conduct ensures that our staff uphold commitments to respecting human rights and the prohibition of all forms of child and forced labour, human trafficking and unlawful discrimination.
- **Whistleblower Policy and Platform:** we have a Whistleblower policy and accompanying platform to uphold our commitment to ethics and legal compliance. The Whistleblower policy is designed to

be a safe vehicle to report violations of our Code of Conduct and Supplier Code of Conduct which expressly prohibits the use of modern slavery in child labour, forced labour and human trafficking.

- **Global Supplier Code of Conduct:** those suppliers who form part of the Preferred and Approved Supplier Program are required to sign our supplier code of conduct which acknowledges that our suppliers must ensure that their manufacturing, production, products and services are in compliance with applicable laws and regulations, both local and otherwise. Notably, this supplier code of conduct prohibits the use of human trafficking, child labour and forced labour in our supplier's business operations.

#### 4.3 Local Policies and Procedures

- **Preferred and Approved Supplier Program:** our Preferred and Approved Supplier Program is the key centrepiece control which we have in place to assess and address modern slavery risks. We currently have a list of preferred and approved suppliers, who make up approximately 77 per cent of our total spend.

In order to become a part of the Preferred and Approved Supplier Program, these suppliers must:

- agree to the **Lawrence & Hanson Trading Terms (Trading Terms):** the Trading Terms expressly prohibit modern slavery compliance and require our key direct suppliers to comply with applicable modern slavery laws.
- agree to the Supplier Code of Conduct (see Section 4.2 above);

**4.3.1 Business Partner Assessment:** prior to engaging certain overseas suppliers, we perform a mandatory business partner assessment, which is our pre-screening process as part of Sonepar's global Compliance Program. This pre-screening process includes running due diligence checks on overseas suppliers through well-known external records databases such as the Bureau Van Dijk and Dow Jones. Relevantly, this process assists us in potentially mitigating modern slavery risks by alerting us to publicised connections that an overseas supplier (or its directors) may have to corruption, child labour and human trafficking practices as well as any criminal offences. We then take additional steps, including to further assess and address risks prior to any engagement with the supplier.

#### 4.4 Our future modern slavery roadmap

In order to prepare this Statement, we also conducted a detailed gap analysis of the steps we are currently taking and what measures and controls we can aim to implement to improve our ability to assess and address modern slavery risks in our operations and supply chains.

Section 0, sets out our future modern slavery compliance roadmap together with key deliverables we intend to implement. These steps have been informed by the Government Guidance together with our consideration of emerging market practice in Australia.

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## 5. Criterion 5 Describe how the reporting entity assesses the effectiveness of these actions

5.1 Lawrence & Hanson intends to use key performance indicators (**KPIs**) to measure how effective we have been in identifying and mitigating modern slavery risks in our supply chain. Based on these KPIs, we will continually assess and improve our modern slavery compliance framework. Some of these KPIs include the following for FY22 while future KPIs will be driven by our modern slavery roadmap (see 'looking ahead') in Section 0:

No.	Key objective	Key performance indicator
1.	Implement and approve the Anti-Modern Slavery Policy.	Whether the Anti-Modern Slavery Policy has been approved by the Lawrence & Hanson Board in FY22.
2.	Communicate to all staff (for example via email or our Intranet) about the Anti-Modern Slavery Policy to raise awareness of the Policy and what is required of staff.	Whether the Anti-Modern Slavery Policy has been communicated.
3.	Commence the roll-out of our anti-modern slavery training program with key staff (such as those in procurement) to raise awareness of key concepts of modern slavery and human trafficking.	Obtaining qualitative feedback from some members of the key staff who have participated in the training.
4.	Prompt remediation of critical issues or incidents which are recorded through our current reporting processes.	Recording the number of promptly resolved modern slavery issues or incidents which have been raised through our current reporting processes.

**6. Criterion 6 Describe the process of consultation with any entities the reporting entity own or controls (a joint statement must also describe consultation with the entity giving the statement)**

As set out in section 2 above, we are the only legal reporting entity in Australia. Whilst we do own or control some other entities for the purposes of the Modern Slavery Act, these are non-operational and are in the process of being deregistered. As such, it was not necessary to consult with any other entities to prepare this Statement. Our Risk Committee which involves a number of Lawrence & Hanson's executive team has also been involved in the development and review of this Statement prior to Board approval.

**7. Criterion 7 Provide any other relevant information**

**7.1 The Impacts of Covid-19**

7.1.1 The impact of the COVID-19 pandemic on workers, government, civil society groups and organisations has been significant. We have needed to dedicate time and resources to deal with other immediate consequences of COVID-19 on our business, which has resulted in less time and resources available in this reporting period to address modern slavery risks.

## 7.2 Looking ahead

7.2.1 Lawrence & Hanson is looking to formalise our priorities in relation to modern slavery for the next 2 years and beyond. We have created a strategic roadmap to address our modern slavery risks and set this out below:

### **Before 30 June 2022**

7.2.2 We intend on implementing the following project.

**A high level risk assessment of our operations and supply chains** - as per the Government guidance this will identify our most high-risk suppliers.

### **FY 22 (1 January 2022 – 31 December 2022)**

7.2.3 We intend on implementing the following projects.

- (a) **An Anti-Modern Slavery Policy** – this will help Lawrence & Hanson monitor high risk suppliers, mitigate risks and set out our expectation regarding modern slavery risks and reporting on modern slavery incidents.
- (b) **Educate staff on the Anti-Modern Slavery Policy** – we appreciate staff need to know the Policy exists and how to escalate and deal with issues.
- (c) **Modern slavery training for key staff** – this will help key staff (including procurement staff) better identify and understand modern slavery risks and incidents and build awareness.
- (d) **Supplier pre-screening questions for modern slavery** – this will supplement our current practice of requiring suppliers to sign our Supplier Code of Conduct, Trading Terms, and undergoing our Business Partner Assessment (for overseas suppliers). The addition of the supplier pre-screening questions will bolster our modern slavery due diligence process to better manage modern slavery risks.
- (e) **Targeted risk assessment for our Preferred and Approved Suppliers** – while our Preferred and Approved Suppliers undergo our contractual controls and are therefore lower risk from a modern slavery perspective, this will strengthen our understanding of the modern slavery risks in our supply chain.
- (f) **The development of an external supplier survey for our key suppliers** – this will bolster our modern slavery due diligence process to assist us in identifying modern slavery risks in our supply chain.
- (g) **The establishment of an Lawrence & Hanson modern slavery working group** – we will aim to establish a working group to ensure ownership and responsibility within the organisation for driving our modern slavery journey.

### **FY 23 (1 January 2023 – 31 December 2023)**

7.2.4 We intend on implementing the following projects.

- (a) **Building on our anti-modern slavery training and education program** – this will involve considering any feedback received from the training rolled out in FY22 and continuing to roll out training and education to appropriate staff.
- (b) **A modern slavery response guide** – this response guide will detail how Lawrence & Hanson deals with modern slavery risks and impacts internally. The response guide would

detail clear, internal reporting channels for modern slavery risks and incidents, including mechanisms for continuous feedback, management oversight, escalation processes and accountability reporting to the Lawrence & Hanson leadership team.

- (c) **The continued rollout of additional supplier surveys** – we will rollout the supplier survey to the next tranche of identified high risk suppliers.

- 7.3 We consider that these steps in our modern slavery compliance roadmap will put Lawrence & Hanson in a good position to identify and mitigate modern slavery risks in our business operations and supply chains.
- 7.4 These projects set out in the Road Ahead are of crucial importance to us. We understand the role we have to play in combatting modern slavery as Australia’s largest electrical wholesaler and electrical wholesaler of choice.


## MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

### Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of Lawrence & Hanson Pty Ltd (ABN 69 080 350 812) as defined by the *Modern Slavery Act 2018* (Cth) (“the Act”) on 27 June 2022.

### Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of Lawrence & Hanson Pty Ltd (ABN 69 080 350 812) as defined by the Act



Gavin Street  
**Managing Director**  
28 June 2022

### Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	4
b) Describe the reporting entity's structure, operations and supply chains.	4-7
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	7-9
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	9-10
e) Describe how the reporting entity assesses the effectiveness of these actions.	10-11
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	11
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	Forward (page 2) 11-13