



Tech Data Advanced Solutions (ANZ) Limited (ABN 77 107 656 833)

Modern Slavery Statement 2021

1 February 2020 – 31 January 2021

A Note from the Board

*Tech Data was built on a strong foundation of shared values — principles that continue to keep us grounded in our mission and help us navigate uncharted territory in an ever-changing IT landscape. These values — **Integrity, Excellence, Accountability, Collaboration and Inclusion** — serve as the cornerstone of our culture, giving us a shared sense of purpose as we strive to deliver the best experience possible to our channel partners and to each other.*

We are committed to ensuring that our values are reflected across our entire organisation, which includes our supply chains. We understand that we have a responsibility to know and put into practice principles and standards to address the risks of modern slavery and the exploitation of vulnerable workers that may exist in our operations and supply chains.

Modern slavery is a global and complex challenge faced by both governments and businesses. We provided our first modern slavery statement under the Modern Slavery Act 2018 (Cth) in October 2020. The Modern Slavery Act requires large entities who meet the reporting threshold and do business in Australia to prepare and publish a modern slavery statement for each financial year of the organisation. Tech Data fully supports the aims of the Modern Slavery Act and is committed to complying with and embracing these laws.

While Tech Data has not identified any specific instances of modern slavery instances or harm, we have systems and processes in place to help identify risk areas in our operations and supply chains.

We recognise the important role that reporting entities such as Tech Data play. During the financial year ending 31 January 2021, we have taken further steps to identify and address modern slavery risks in our operations and supply chains. This statement covers the steps that Tech Data has been taking during the financial year ending 31 January 2021 and we remain committed to developing and evolving our approach to this complex issue over the coming years.

Approval and Signing

This statement was approved by the board of Tech Data Advanced Solutions (ANZ) Limited (ABN 77 107 656 833) on 22 July 2021.

Siau Miin Chang

Chang Siau Miin
Director – Tech Data Advanced Solutions (ANZ) Limited
22 July 2021

1. Criterion 1: Identify the reporting entity

- 1.1.1 This modern slavery statement (**Statement**) is made by Tech Data Advanced Solutions (ANZ) Limited, ABN 77 107 656 833, Deutsche Bank Place, Level 4, 126-130 Phillip Street, Sydney NSW 2000 (referred to as **we, us, our, Tech Data** in this Statement).
- 1.1.2 Tech Data is a reporting entity under the Commonwealth *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) and this Statement is submitted and published for the financial year ending 31 January 2021.
- 1.1.3 Tech Data fully supports the aims of the Modern Slavery Act and makes this statement in accordance with section 13 of the Modern Slavery Act, as a single reporting entity.
- 1.1.4 Our Statement covers all of the 7 mandatory criteria for reporting as set out in section 16 of the Modern Slavery Act. In drafting this Statement we used the 'Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities' published by the Commonwealth Government (**Commonwealth 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 Tech Data is an Australian unlisted company that is limited by shares and incorporated in Victoria, Australia.
- 2.1.2 Tech Data is wholly owned by Tech Data Corporation, which is incorporated in the United States and is one of the world's largest wholesale technology distribution companies.
- 2.1.3 Tech Data does not own or control any subsidiaries.

2.2 Our Values

- 2.2.1 Tech Data's Shared Values of Integrity, Excellence, Accountability, Collaboration and Inclusion reflect our commitment to acting ethically and with integrity in all our business relationships. Tech Data requires all employees to demonstrate honesty, respect for others and trustworthiness in all we do, and to demonstrate ethical behaviour in all of our interactions with customers, suppliers and colleagues.

2.3 Our Operations

- 2.3.1 According to the Commonwealth Guidance, 'operations' refers to activities undertaken by the entity to pursue its business objectives and strategy in Australia or overseas, which includes the provision and delivery of products or services or distribution, purchasing, marketing and sales.
- 2.3.2 Tech Data is a major trade-only distributor of IT, communications and consumer electronic products and computer and mobile communications industry, operating through a number of product divisions addressing different sectors of the market.
- 2.3.3 Our core distribution business involves the purchase of products manufactured by others and the sale of those products to our customers, including resellers, direct

marketers, retailers and corporate resellers. Tech Data's operations do not involve manufacturing or contracting to manufacture goods.

2.3.4 We operate in Australia out of offices located in New South Wales (**NSW**) and Victoria and a warehouse space for distribution of products located in NSW.

2.3.5 Tech Data employs 95 (Ninety-Five) employees across Australia and New Zealand.

2.4 Our Supply Chains

2.4.1 Tech Data procures hardware and software technologies for resale into the Australian and New Zealand markets to support our partner and customer base.

2.4.2 The majority of our supply chain and our spend is on information and communications technology service providers, including procurement of hardware and software technologies. These hardware and software technologies are procured into the Australian market to support our partner base for the needs of our end-user requirements.

2.4.3 The supply chain also includes goods and services required to support our sales, marketing and promotions operations.

2.4.4 The largest suppliers by value are based in:

- (a) USA;
- (b) Singapore;
- (c) Malaysia;
- (d) China; and
- (e) Mexico.

2.4.5 Tech Data has supplier agreements in place to ensure mutual understandings of requirements between both parties and these agreements can be evergreen or stable long term agreements outlining pricing structures, incoterms and purchasing parameters and legal requirements of the agreement.

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 Tech Data 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 Tech Data (such as reputational or financial damage).

3.1.3 While Tech Data has not identified any specific instances of modern slavery instances or harm, we have systems and processes in place to help identify risk areas in our operations and supply chain. These are discussed in detail under Criterion 4 (Section 4 of this Statement).

- 3.1.4 In our last reporting period, Tech Data completed a preliminary scoping exercise to identify key areas of modern slavery risk in our operations and supply chain based on the known risk factors outlined in the Commonwealth Guidance. We also identified suppliers who may be considered a high risk.
- 3.1.5 During this reporting period, Tech Data prepared a supplier survey to help identify modern slavery risks in our supply chains, as well as to ascertain policies and procedures our key suppliers have in place to identify and address modern slavery risks (**Supplier Survey**). We have commenced asking our key suppliers to either provide their modern slavery statement (whether submitted for the Modern Slavery Act or an overseas reporting regime) or complete the Supplier Survey during this reporting period. We have focused on major suppliers that account for a significant amount of our business and pose a higher risk (as we identified in the last reporting period).

Many of our key suppliers are major brands in their own right and have published modern slavery statements of their supply chains. Of our analysis of our top 50 suppliers, we have previously identified that 30 of them have published a Modern Slavery Statement (or an equivalent statement in that entity's jurisdiction).

- 3.1.6 Through our review of the responses received for the Supplier Survey, we have identified the following key risks in our operations and supply chain:
 - (a) **Sector and industry risks:** electronics remains a high risk industry. We understand that our hardware procurement and supply chains pose a higher risk. We also understand that the nature of some sectors which our key suppliers operate in means that their workforce is more vulnerable to exploitation.
 - (b) **Product and services risks:** Our Supplier Survey results confirm that electronic products, particularly laptops and computers are products with a higher risk of modern slavery. Some of our key suppliers in their Supplier Survey responses have indicated that mines, smelters and refineries in their own supply chains could have higher modern slavery risks. Additionally, services such as cleaning are recognised as high risk services.
 - (c) **Geographic risks:** We recognise that some countries may have higher risks of modern slavery. The Global Slavery Index 2018 indicates that electronics in particular sourced from Malaysia and China present high risks of being implicated in modern slavery. Moreover, our Supplier Survey results received indicate that some suppliers rely on partners or suppliers in higher risk countries, including China, Thailand, Taiwan, Philippines, Malaysia, Cambodia, Turkey and Mexico. Some suppliers have mentioned in their responses to the Supplier Survey that some of their suppliers are located in countries with systemic issues like corruption and poor worker treatment, which increase risks of modern slavery.
 - (d) **Entity risks:** Some suppliers' responses to the Supplier Survey have recognised risks in their own operations and supply chains, including worker overtime issues and indirect payment arrangements.
- 3.1.7 We will continue implementing the Supplier Survey in future years. The above risk factors will help us to prioritise our supplier engagement activities going forward.
- 3.1.8 Where we become aware of a specific modern slavery incident in our supply chain, we will work towards developing and agreeing to a time-limited corrective action plan with the relevant supplier. If any supplier fails to meet the requirements of a corrective action plan or our Supplier Integrity Principles, then Tech Data may take

steps to wind down our relationship with that supplier in an effort to always account for the importance of protecting workers.

- 3.1.9 We look forward to reporting on our progress with the Supplier Survey and our supplier engagement in our upcoming statements.

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 to address modern slavery risks**

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, and the existing policies and processes we have in place that can be used to facilitate further risk assessment, prevention and mitigation.

A global approach

- 4.1.1 At a global level, Tech Data Corporation (the ultimate holding company of Tech Data) conducts assessments to identify modern slavery risks in the operations and supply chain of Tech Data Corporation and its subsidiaries.

- 4.1.2 In taking a global approach to addressing modern slavery risks and issues, Tech Data complies with the following group policies of Tech Data Corporation which work together to manage the risk of modern slavery within our own organisation and our supply chain:

- (a) **The Tech Data Corporation Global Code of Conduct** which sets out the foundation for how the organisation makes business decisions based on integrity, particularly when facing complex and challenging situations. The code reflects our commitment to conducting business in alignment with its values and in compliance with applicable laws, stating:
- (i) that we prohibit any human trafficking, forced, bonded or involuntary labour or the exploitation of children and child labour; and
 - (ii) our belief that employment must be freely chosen;
- (b) **The Tech Data Supplier Integrity Principles** which outlines the behaviours we expect of all our suppliers when doing business on behalf of and with us. We expect our suppliers' workforce to be free from any human rights violations and require our suppliers to alert our ethics and compliance team if they become aware of any instances of unacceptable working conditions in its supply chain. These principles emphasize our commitment to ensuring that all workers and employees are treated fairly and any inhumane or unlawful working conditions are prohibited and reported.

- 4.1.3 **The Tech Data Ethics Line** is also available online and over the phone 24 hours per day, seven days a week globally. The Ethics Line is a helpline that is managed by an independent third company, which is available to all Tech Data employees and staff, which seeks to encourage and foster a culture of reporting any known or suspected breaches of the Code of Conduct, Supplier Integrity Principles or any other illegal or unethical business practice.

- 4.1.4 We make it clear to our employees that Tech Data is committed to protecting the rights of individuals who report concerns about suspected misconduct in good faith.

We do not tolerate acts of retaliation because they submit a good faith report or participate in an investigation and encourage all our employees to report a concern to the Ethics Line. In doing so, we hope that any concerns relating to modern slavery will be raised, without any fear of retaliation for raising a concern.

Local approach

- 4.1.5 ***Anti-Modern Slavery and Human Trafficking Policy***: We have prepared the Tech Data Anti-Modern Slavery and Human Trafficking Policy at the Australia and New Zealand level. This policy sets out Tech Data's approach to ethical sourcing and the prevention of worker exploitation — including modern slavery and human trafficking — within our own business and within our broader supply chain. It complements the global policies and procedures in place, including our Global Code of Conduct. Specifically, this new policy explains:
- (a) the concepts of modern slavery in a digestible way;
 - (b) a zero tolerance approach within our business and supply chain;
 - (c) how to identify potential indicators of modern slavery and the risk factors such as geographic risk factors, high risk industries, suspicious behaviours; and
 - (d) the obligation of Tech Data directors, officers and employees to report actual or suspected modern slavery.

Staffing and Training

- 4.1.6 Tech Data continues in its efforts to address the risks of slavery and human trafficking violations in its own business. During pre-employment screening of potential employees, we continue to verify that individuals are eligible to work at Tech Data and meet all applicable age requirements. Tech Data follows all applicable wage and labour laws, including minimum wage, overtime and maximum hour rules. Tech Data provides Ethics and Compliance training to its employees upon joining the company and employees are also required to complete Tech Data's Global Code of Conduct Training at regular intervals.
- 4.1.7 During this reporting period, Tech Data has developed training materials to train its staff on modern slavery risk indicators and what to do if modern slavery risks or incidents are found or suspected.

Supplier due diligence

- 4.1.8 Tech Data continues to assess its operations and conduct appropriate due diligence in its supply chain to further its understanding of modern slavery risks. As mentioned in Section 3, we have prepared the Supplier Survey and requested our key suppliers to either provide their modern slavery statement (whether submitted for the Modern Slavery Act or an overseas reporting regime) or complete the Supplier Survey during this reporting period. The Supplier Survey has helped us to assess modern slavery risks in our supply chains.
- 4.1.9 Tech Data's standard supplier contracts contain Compliance with Laws provisions that require the parties to comply with all applicable laws, which includes laws about anti-slavery and human trafficking. During this reporting period, we have started implementing specific modern slavery clauses in key contracts. This includes working on a simplified modern slavery clause for suppliers who we consider to be lower risk. This is consistent with the recommendation in the Commonwealth Guidance to take a risk-based approach to addressing modern slavery risks.

4.2 Looking ahead

Looking ahead, Tech Data has developed a roadmap for future improvement, including:

- 4.2.1 **Rolling out training of our staff** using the training materials we have developed. This will help us to raise awareness of modern slavery risk indicators, the reporting obligations under the Modern Slavery Act and the expectation that our staff will report incidents or risks of modern slavery.
- 4.2.2 **Implementing the Anti-Modern Slavery and Human Trafficking Policy** which sets out our approach to ethical sourcing and the prevention of worker exploitation.
- 4.2.3 **Continuing to conduct our supplier due diligence** by continuing to survey our suppliers and review their responses to understand whether there are any modern slavery risks in the supply chains of our partners and suppliers.
- 4.2.4 **Continuing to implement specific modern slavery clauses** in key contracts in a prioritised risk based way.

As a responsible corporate citizen, Tech Data is committed to improving its response to modern slavery risks. We know there is more work to be done and are committed to our continuous improvement in taking a stand against modern slavery. Tech Data expects to implement these actions within the next 12 months across all of its Australia and New Zealand employees.

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

5.1 Measuring effectiveness

Tech Data intends to continue monitoring the effectiveness of its measures to minimising modern slavery risks on the following key performance indicators:

- (a) continuing to monitor modern slavery concerns raised to the Ethics Line;
- (b) monitoring the number of key suppliers who have been audited for modern slavery risks;
- (c) recording the number of staff who attend the training on modern slavery risks and how to respond;
- (d) monitoring the number of key contracts with specific modern slavery clauses;
- (e) whether the Anti-Modern Slavery and Human Trafficking Policy has been implemented; and
- (f) assessing whether and ensuring that there is ongoing prompt remediation of any critical issues raised.

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)

- 6.1 This Criterion is not relevant for Tech Data. We do not own or control any other entities and are not making a joint statement. Accordingly, we were not required to consult with any other entities in giving this Statement.
- 6.2 Tech Data consulted and worked with Tech Data Corporation in preparing this Statement.
- 6.3 Tech Data Corporation is required to comply with modern slavery laws in other jurisdictions and has published a slavery and human trafficking statement under the UK Modern Slavery requirements.

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 continues to be significant. Given the ever-changing nature of the pandemic, we have needed to continue to dedicate time and resources to monitor the health guidelines and COVID-19 related restrictions in order to keep our employees safe.
- 7.1.2 However, despite the COVID-19 pandemic, we have largely progressed and implemented what we set out to achieve this reporting period with only some minor delays in some tasks.
- 7.1.3 We understand that COVID-19 has increased the risk around the world of modern slavery by not only disrupting anti-slavery efforts but also increasing vulnerability and creating new risks to slavery. In light of this, we are continuing to take a global approach in our efforts to identify and address modern slavery throughout our supply chains.

7.2 Continuing to take a global approach

- 7.2.1 Given other members in the Tech Data Corporation group have reporting obligations elsewhere in the world, we will continue to share what we are doing with other group entities. We understand that the Australian Modern Slavery Act is considered a “step-up” in modern slavery reporting requirements and we will continue to keep sharing the knowledge we are building in this space with other reporting entities in the group who also have separate reporting obligations.