



NIOA

Modern Slavery Statement

24 January 2022

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1 COVERED ENTITIES

NIOA Nominees Pty Ltd as Trustee for the Bill Nioa Family Trust ABN 11 646 964 149 (**NIOA**), is filing this Modern Slavery Statement (**Statement**). NIOA does not own or control any other entities.

This is the first Statement for NIOA for the purposes of the *Modern Slavery Act 2018* (Cth) and relates to the financial year ending 30 June 2020.

2 NIOA'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS

2.1 STRUCTURE

NIOA is a 100% privately-owned Australian company and is a long-established operator in the licensed firearms, weapons and munitions market across the adjacent Sporting, Law Enforcement and Defence segments.

NIOA has strategic fixed infrastructure investments in specialist weapons and munitions storage, maintenance, manufacture and logistics facilities and specialised teams of professionals operating across all elements of the associated complex spectrum of operations, engineering, program management, manufacturing and support.

2.2 OPERATIONS (CAPABILITIES)

2.2.1 Sporting Market

NIOA is the largest supplier of firearms, optics, ammunition and accessories in the Australian market. In the Sporting market, NIOA operates a traditional linear business model by purchasing product from overseas suppliers and wholesaling to a network of licensed firearm dealerships throughout Australia, who in turn sell to customers.

NIOA's value-add process involves state of the art warehousing, customer support and product servicing in Brisbane. The distributed products help to give a diverse body of law-abiding people, of varying ableness and age, competitive access to recreational sports. The products also support Australia's agricultural industry as the leading tool for pest mitigation in Australia, encouraging the restoration of local environmental conditions.

2.2.2 Law Enforcement and Defence

NIOA's Law Enforcement and Defence value add process has historically followed the traditional linear business model in exclusivity.

Aside from traditional linear interactions, NIOA currently conducts several business activities through a variety of business models which tend toward vertical integration with the Commonwealth. These activities include conducting tendering processes, upgrading current weapon fleets, mutually assisting with product testing and manufacturing. These activities are supported through NIOA's network of business locations including Melbourne, Benalla, Canberra, Maryborough, Brisbane and Picatinny (USA). The activities in this field not only help to keep soldiers and policemen and women safe but aim to keep all Australian people safe from local and international threats.

2.3 SUPPLY CHAINS

NIOA's supply chain supports NIOA in project delivery as well as in the everyday operation of its business.

NIOA's supply chain comprises:

- goods and services to support key projects and markets, typically licensed firearms, weapons and munitions required by the Sporting, Law Enforcement and Defence sectors; and
- goods and services to support corporate operations and initiatives – typically the supply of office accommodation, utilities, IS hardware and software, cleaning, catering and stationary suppliers.

NIOA ensures that it builds appropriate engagement models with these partners and preferred suppliers to drive quality and innovation.

2.4 NIOA'S APPROACH TO MODERN SLAVERY

As a 100% privately-owned Australian company, NIOA has a strong value system which easily and overtly translates to all aspects of its business. This value system is built on foundations of positive personal relationships, honest and transparent business activity and self-motivated effort. Additionally, NIOA ensures that all business activities are carried out in a safe work environment.

NIOA's ethical standpoint is not only a statement but reflects core principles which are deeply ingrained in all levels of its business and overall culture.

Modern slavery practices therefore directly contradict NIOA's ethics. As a result, NIOA understands the importance of the opportunity to detect, manage and address any issue or risk relating to modern slavery practices within its supply chains.

3 MODERN SLAVERY RISK EXPOSURE

3.1 WORKFORCE (OPERATIONS)

NIOA has considered the location of its employees and the type of work undertaken as the basis for assessing and understanding the modern slavery risks in its current operations.

NIOA views its risk of modern slavery in its operations and supply chains as low. This is because NIOA operates within a highly regulated and complex industry which ensures that modern labour standards are applied, and our staff are well educated with regards to their rights as employees. The labour market in which we compete for resources is highly competitive and as a result, employers that fail to meet individual employee and societal expectations around conditions of work, fair remuneration, etc. readily become apparent and suffer from an exodus of staff. NIOA is proud to be able to demonstrate that our employees have willingly remained loyal throughout the ups and downs of our journey, safe in the knowledge that they are well treated. NIOA does not rely on any outsourced labour or contribution from low-cost countries in order to operate. NIOA proudly utilises an Australian based highly skilled workforce with some limited specialist support provided from the US and New Zealand.

Furthermore, a large percentage of NIOA employees are office based, such as Compliance, Commercial, Legal, IT or Engineering specialists, supporting project delivery. Our warehouse and technical support functions are accommodated in well maintained facilities and employees are engaged on terms that meet or exceed the relevant Industrial Instruments.

Due to the nature of NIOA's business and services and the Defence industry which NIOA operates within, the majority of NIOA personnel must be Australian citizens, permanent resident, or possess legal working rights in Australia. Right to work is one of the basic due diligence checks performed prior to any employee being made an offer for employment.

3.2 SUPPLY CHAINS

3.2.1 Assessment

NIOA's current risk assessment process sets a base level identification of modern slavery risk by considering risk factors such as the sector, types of products and services supplied and the geographic location of suppliers.

NIOA's assessment focused on risks in its directly contracted suppliers, with risks in NIOA's lower tier supply chain to be considered in future years.

3.2.2 Supply Chain Risk

Supply chains in the Sporting, Law Enforcement and Defence industries involve complicated relationships and constrained supply markets, which are further restricted by proprietary products or technical requirements (certifications).

Due to NIOA's extensive and highly diverse product and services portfolio, some of its supply chains

are therefore, extremely complex, globally dispersed, and subject to constant change.

Consequently, NIOA has assessed that the greatest risk of modern slavery existing within its current supply chain to be in the procurement of products sourced and manufactured outside Australia. Nonetheless, NIOA has evaluated this to be a relatively low risk for modern slavery practices because the vast majority of these suppliers/industry partners are within the same industries as NIOA and therefore, subject to similar (or even more stringent) laws and standards in their respective countries. Such risks are further mitigated by the fact that NIOA will only conduct business with reputable and qualified suppliers, who comply with applicable laws and regulations, both in Australia and their respective countries.

4 NIOA'S MANAGEMENT OF MODERN SLAVERY RISKS

NIOA outlined the following actions this reporting period to address and manage its modern slavery risks.

4.1 MODERN SLAVERY COMMITTEE

4.1.1 Establishment

In FY 2020-2021, NIOA will establish an internal Modern Slavery Committee (made up predominantly of key personnel from NIOA's Senior Leadership Team, Commercial and Procurement departments), who will be tasked with:

- conducting a risk assessment on NIOA's current key suppliers;
- assessing the effectiveness of NIOA's current supplier due diligence process; and
- developing a new and more effective supplier onboarding form, with which NIOA can conduct a more comprehensive due diligence process.

4.1.2 Training

NIOA recognizes that its people play an important role in building and maintaining a strong ethical culture. As such, to ensure a high level of understanding of the risks of modern slavery in NIOA's supply chains and its business, the Modern Slavery Committee and other key staff will receive training and be made aware of all corporate policies and procedures pertaining to modern slavery in FY 2020-2021.

4.2 SUPPLIER DUE DILIGENCE

NIOA's modern slavery risk assessment is currently conducted via a due diligence process which primarily involves the informal investigation by an assigned staff member based upon industry knowledge, product sourcing strategy, country of production, etc. for significant new suppliers.

Prior to approving and selecting new suppliers, NIOA outlines the products and services needed and shortlists potentially suitable suppliers generally using an informal assessment process. In some instances, a formal tender process is used to address the supplier due diligence requirements.

NIOA intends on implementing further processes in the next financial years to better qualify, on-board and periodically revalidate existing suppliers, to ensure compliance with non-financial risks, including but not limited to commercial, regulatory, and legal requirements.

4.3 POLICIES AND PROCEDURES

4.3.1 Corporate Policies

NIOA is governed by robust policies and procedures, such as the *NIOA Code of Conduct*.

In FY 2020-2021, NIOA intends on developing and implementing additional corporate policies and procedures which will provide a more comprehensive framework aimed at preventing modern slavery occurring in NIOA's immediate supply chain. These will take the form of:

- a *NIOA Modern Slavery Policy*; and
- an updated *NIOA Business Partner (Supplier) Code of Conduct*.

NIOA will expect all entities who have, or seek to have, a business relationship with NIOA to familiarise

themselves with *NIOA's Business Partner (Supplier) Code of Conduct* and to act in a way that is consistent with NIOA's values. NIOA intends that all suppliers make a commitment to comply with the *NIOA Business Partner (Supplier) Code of Conduct* as a precursor to approval to be a supplier to NIOA.

4.3.2 Whistleblowing

NIOA is committed to a culture where people are encouraged and confident to speak up, without fear of retaliation. Employees at NIOA and business partners are encouraged to speak up about a range of matters, including ethics concerns such as modern slavery practices.

Whilst employees are encouraged to bring such matters to the attention of line management, if an employee feels that this is an inappropriate route, they may do so under the Australian Whistleblower laws.

5 ASSESSMENT

5.1 FY 2019-2020

This is NIOA's first Modern Slavery Statement and outlines the steps that NIOA has taken and will be taken by NIOA in future to ensure modern slavery is not taking place across NIOA's supply chains.

NIOA regularly reviews and assesses the effectiveness of its company policies and procedures as part of its assurance, audit and risk frameworks.

NIOA is yet to identify any modern slavery issues internally or within its supply chain. Furthermore, no grievances or whistleblowing issues relating to modern slavery have been raised to date. Nonetheless, NIOA recognises it still faces many challenges in this complex area, but NIOA is confident that its current processes and future plans provide robust building blocks to shape NIOA's strategic approach to combat modern slavery.

5.2 PLAN FOR FY 2020-2021

NIOA is committed to continually enhancing its assessment and management of modern slavery risks. During FY 2020-2021, NIOA intends on undertaking the following steps in order to manage (and mitigate) the modern slavery risks in its supply chain:

- establish an internal Modern Slavery Committee (made up predominantly of key personnel from NIOA's Senior Leadership Team, Commercial and Procurement departments);
- develop a formal *NIOA Modern Slavery Policy*;
- commission an internal audit to assess the effectiveness of its supplier due diligence process;
- develop a new template supplier onboarding form, with which NIOA can conduct more effective due diligence; and
- update the *NIOA Business Partner (Supplier) Code of Conduct*.

6 DECLARATION & APPROVAL

This Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) and constitutes the first Modern Slavery Statement of NIOA for the financial year ending 30 June 2020.

This resubmitted Statement was endorsed by the Senior (Executive) Leadership Team on 22 December 2021 and approved by the Trustee for the Bill Nioa Family Trust (the principal governing body) on 24 January 2022, in accordance with the *Modern Slavery Act 2018* (Cth).

Modern Slavery Statement



A handwritten signature in black ink, appearing to read 'R Nioa'.

Robert Nioa
(Sole Director and Company Secretary of NIOA Nominees Pty Ltd as Trustee for the Bill Nioa Family Trust ABN 11 646 964 149)

24 January 2022