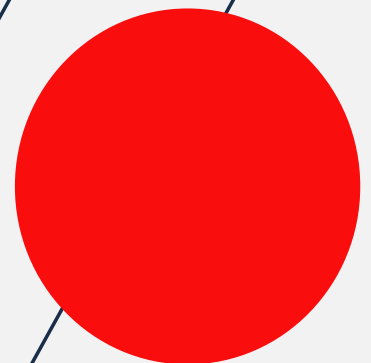




KINETIC IT 2022 MODERN SLAVERY STATEMENT.

ENHANCING THE HUMAN EXPERIENCE
THROUGH TECHNOLOGY.

kinetic **IT**



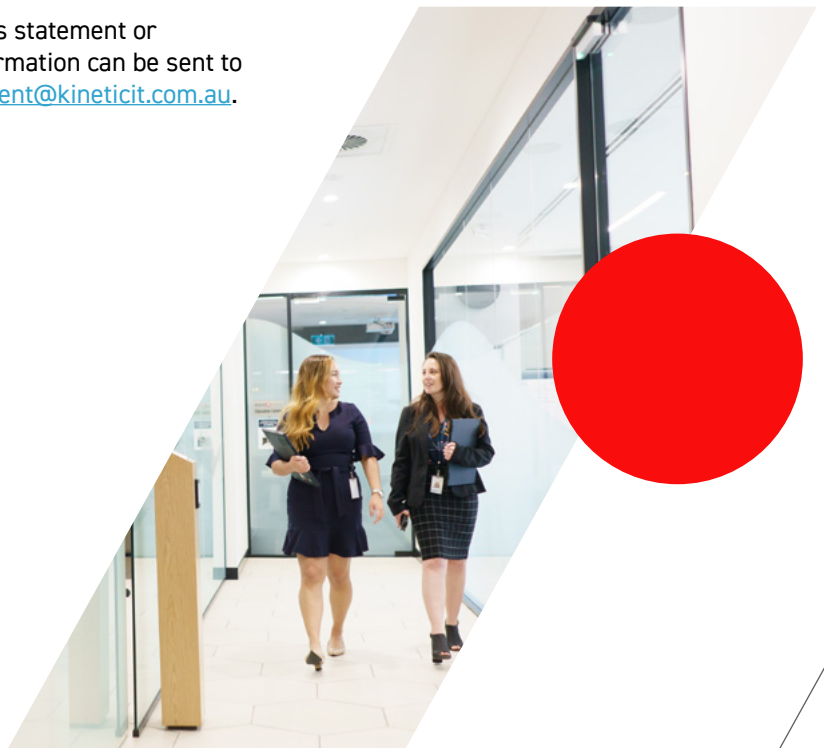


*We acknowledge the traditional owners of the lands on which we gather.
We pay our respects to elders past, present and emerging.*

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Any feedback related to this statement or requires for additional information can be sent to DLBSccommercialmanagement@kineticit.com.au.





ABOUT THIS STATEMENT

WE CARE ABOUT DOING THE RIGHT THING

Kinetic IT respects fundamental human rights and, consistent with the United Nations declaration of Human Rights, believe that Australian organisations have a duty to uphold and defend these rights and to protect against the repression and mistreatment of vulnerable individuals and businesses through sustainable and responsible supply chain management.

We are committed to identifying and addressing any risks, labour practices or behaviours associated with modern slavery and other unethical considerations within our operations and supply chain. As such, Kinetic IT provides our employees, suppliers and stakeholders with clear direction about Kinetic IT's expectations of acting with integrity, fairness, transparency and accountability and using our position to enrich and serve the communities where we operate.

Kinetic IT's Modern Slavery Statement sets out the actions taken by Kinetic IT to address modern slavery risks in our business and supply chain for the financial year ending 30 June 2022. It is submitted by Kinetic IT Pty Ltd (ABN 97 072 941 943) as a single reporting entity in accordance with section 13 of the Modern Slavery Act 2018 (Cth) ('the Act'). We do not own or control any other entities.

Rhoda Phillippo
Chairperson





STATEMENT FROM CEO

By way of Kinetic IT's third modern slavery statement, I am pleased to reaffirm our commitment to ethical business practices and respecting of fundamental human rights. I am buoyed by the significant steps our organisation has taken during the 2022 financial year, and will continue to take, in strengthening our approach to identifying and managing the risk of modern slavery in our operations and supply chain.

As set out in more detail in this statement, during the 2022 financial year reporting period, Kinetic IT has:

- implemented procedures to ensure suppliers in our supply chain are regularly assessed for modern slavery risk.
- updated our legal templates to impose contractual obligations on our suppliers in relation to modern slavery.
- worked with suppliers in higher modern slavery risk categories to treat any identified or potential modern slavery risk.
- engaged alternative suppliers in circumstances where previous suppliers are unable to evidence a commitment to ethical supply chain management.
- remained vocal in the IT industry about the need for the industry to remain vigilant to the risk of unethical business practices.

Our company's resolve to eradicate modern slavery from our operations and supply chain is steadfast and we look forward to making further progress toward this commitment in coming years.

Michael North
Chief executive officer





Kinetic IT is one of Australia's leading technology providers.



Employing over **1,300+** talented individuals.



Delivering services to **770k+** end users.



Across **2,600+** customer locations.



Defence



Emergency Services



Corrections



Government



Education



Critical Infrastructure



Transport



Resources



Energy



Commercial

ABOUT KINETIC IT

OUR OPERATIONS

Kinetic IT, a wholly privately-owned single entity proprietary limited company, is one of Australia's leading, high-value technology integrator and service provider of enterprise-class ICT services and solutions, transforming and securing customer environments with innovative solutions and modern service offerings in the Australian marketplace. For more than 25 years, Kinetic IT has partnered with some of our nation's largest and most important organisations, helping them deliver essential services relied upon by our communities. We work with government, private and public sector customers that seek high-quality, adaptive solutions and efficient service delivery within some of the largest and most complex local and global environments.

Kinetic IT's customers span a diverse range of industry sectors, including federal, state and local government; mining and resources; utilities; transport; education; and defence. Our core service offerings encompass:

- managed enterprise technologies;
- cyber and information technologies;
- business and digital transformation; and
- advisory and consulting.

Headquartered in Perth, Western Australia, Kinetic IT's operations span Australia with offices in Melbourne, Sydney, Canberra and Darwin. We employ over 1,300 talented individuals who operate nationally to deliver services and support to over 770,000 end-users across more than 2,600 customer locations.



OUR STRUCTURE

Kinetic IT's operating model, comprising our organisational, governance and accountability structures and systems, forms the blueprint of how we amplify our formula for success and deliver meaningful value to our customers. Kinetic IT's operating model is designed to support the achievement of our 5-year strategic plan. In its simplest form, Kinetic IT is organised to provide a connected, end-to-end flow of value to our customers and stakeholders.

The 'how' and 'why' of Kinetic IT's structure is underpinned by the central tenets of our strategic position. At the very core of everything we do are authentic and enduring relationships. Grounded in honesty, trust, integrity and mutual respect, we believe relationships are the critical enzyme that accelerates and guarantees the success of our customers, employees and company. It's through this conviction that we have designed our business in a way that serves the unique demands of the industry sectors in which we operate, enriches our industry knowledge and provides opportunities to share successes across our customers.

There are two key characteristics which define our organisational, governance and accountability structures and systems:

TARGET INDUSTRY SECTOR PORTFOLIOS

Clearly defining our target industry sectors and portfolios (that is, groups of customer accounts within an industry sector) allows us to develop and sustain the right relationships, insights and capabilities to partner with customers and provide technology leadership within their industry.

HIERARCHIES AND DECISION-FLOW

Kinetic IT maintains a relatively flat hierarchical structure to facilitate our adaptive and flexible nature, foster transparent and open communication, and ensure our employees are empowered with the right level of autonomy, accountability and responsibility to carry out their duties.



We believe in ourselves. We are diligent, professional and do what we say we will do.

We respect our customers and each other and conduct ourselves with fairness and integrity.

We strive to add value to our customers, to our company, to our profession and to ourselves.

We are about teamwork. At the core of our teams are empowered individuals working together to achieve a common goal.

We honour what we do, value friendship and family, celebrate success and have fun.

VALUES

To bring out the best in people and technology; to make a difference and deliver genuine success.

INTENT

BIG GOAL

To enhance the human experience through technology

ENVISIONED FUTURE

Kinetic IT is built for the long term:

We will be an innovative and inspirational organisation, enriching the natural energy of our people and commanding our market entries with smart solutions and outcomes.

We are extraordinary, staying true to our values and confident when forging our own path.

Our increasing size, reach and influence will contribute positively to our customers, their customers and the communities where we live.

THE WAY WE ARE

Kinetic IT is premised on our 'vibe'—a set of highly intertwined principles and objectives that underpin how we work, what we are working toward and how we foresee our position in the future both in terms of our relationship with our customers and the community in which we live and operate.



OUR UNIVERSAL BEHAVIOURS

Kinetic IT's Universal Behaviours bring our values and culture to life by giving our crew clarity around the behaviours which we expect of them.

The universal behaviours apply to everyone at Kinetic IT regardless of seniority.

The universal behaviours are divided into five categories, each with specific detail of what is expected of all Kinetic IT crew.



BUILDING ENDURING RELATIONSHIPS

We work more effectively, achieve our outcomes productively and develop better solutions by building strong relationships with each other.



TAKING ACCOUNTABILITY

We take accountability for our own actions and performance.



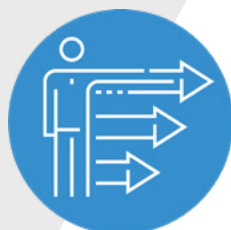
DEMONSTRATING RESILIENCE

We respond positively in the face of adversity, and successfully manage through change.



EMBEDDING INNOVATION

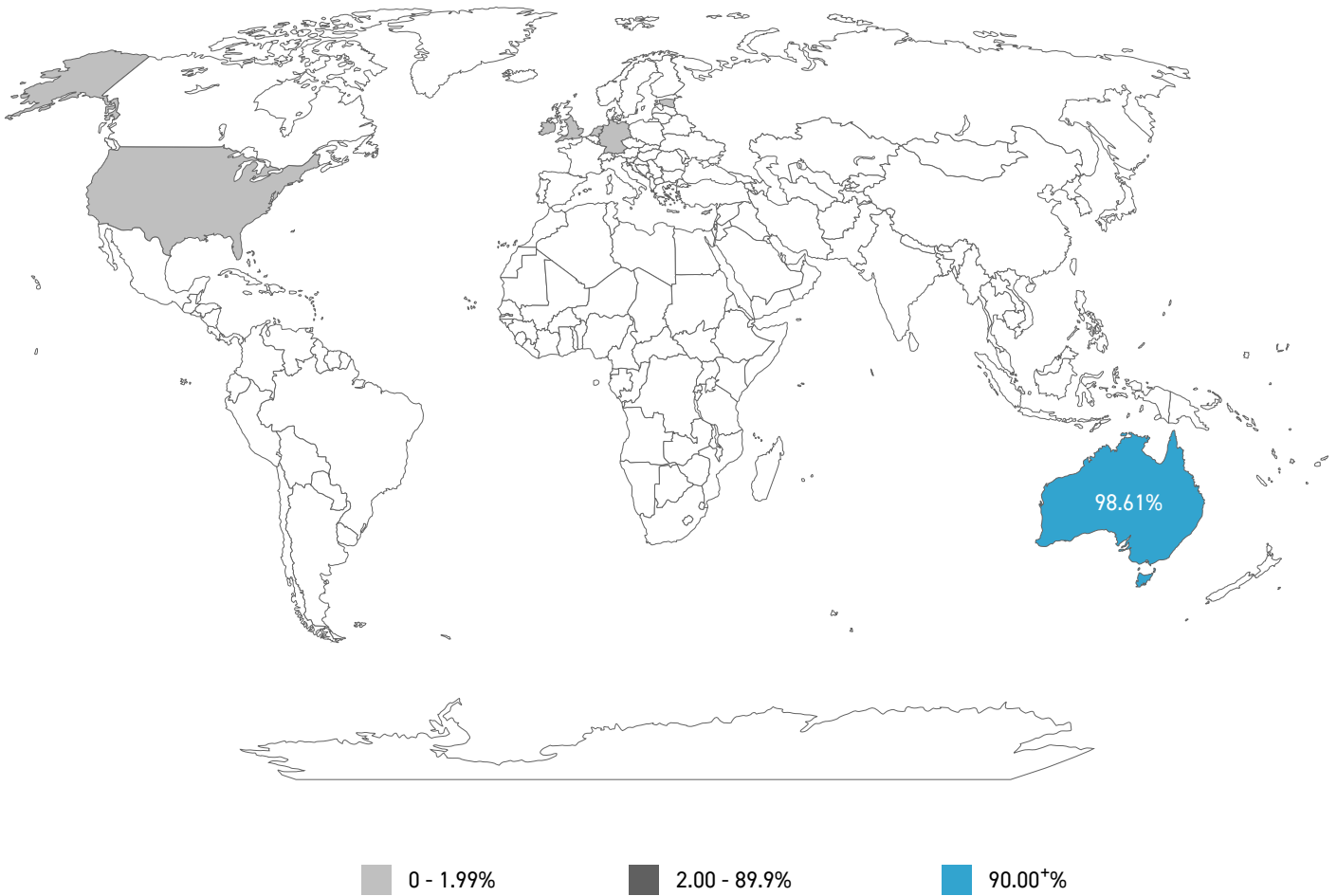
We proactively identify opportunities to improve and challenge ourselves to create new solutions and ways of working.



EXCELLING IN OUR PROFESSION

We set high standards of performance, take pride in doing a great job and contribute to excellence in our profession.

SUPPLIER SPEND BY COUNTRY



OUR SUPPLY CHAIN

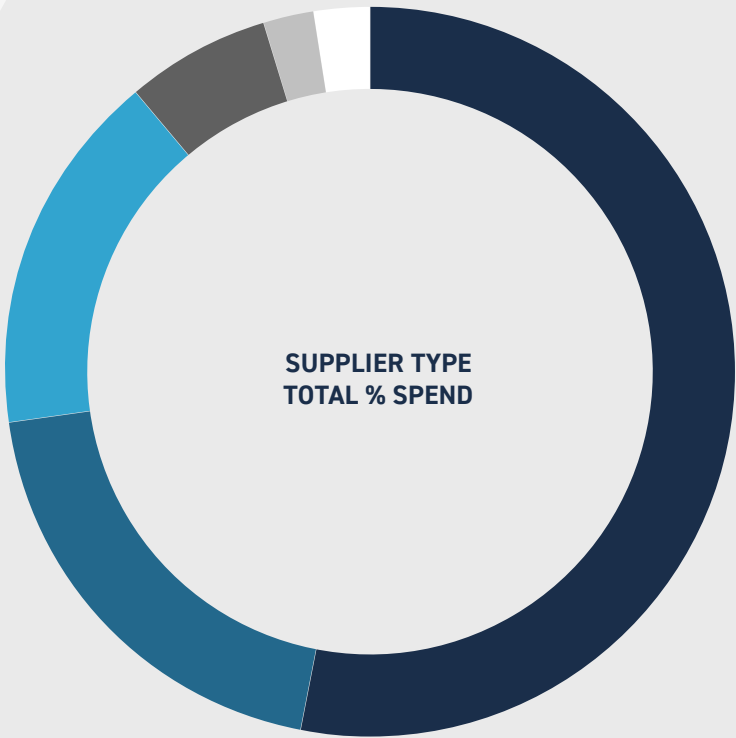
Kinetic IT's supply chain is comprised of approximately 470 suppliers, with 91% of procurement spend during 2022 financial year consolidated within 52 key suppliers that are predominantly large national organisations engaged in long-term contracts and strategic partnerships. Our company prioritises supporting Australian industry and the local economy and procures over 99% of goods and services utilised by Kinetic IT through Australian suppliers.



Kinetic IT's main procurement categories are partner and subcontractor services, property and facilities services, IT and communication services, insurance and training.

Our company's purpose, values and policies guide the decisions we make and the actions we take as a company and as individuals.

We adopt a series of due diligence activities across the procurement lifecycle to ensure we are engaging suppliers that uphold our corporate requirements, policies and values and do not pose a risk of modern slavery within our supply chain.



- **Partner & Subcontractor Services**
53.24%
- **Property and Facilities Services**
19.64%
- **IT and Communication Services**
16.08%
- **Insurance**
2.36%
- **Training**
2.33%
- **Other**
6.35%

IDENTIFYING AND ADDRESSING MODERN SLAVERY RISK



Kinetic IT has assessed its modern slavery risk in its operations and supply chain as being “low”

MODERN SLAVERY RISK IN OUR OPERATIONS

All of Kinetic IT's employees are employed in Australia with the majority employed by way of direct employment engagements on a permanent basis. By way of Kinetic IT's obligations to comply with industrial relations legislation and our internal policies and processes, Kinetic IT's workforce is highly protected against the risk of modern slavery practices, specifically:

- approximately 88% of Kinetic IT's direct costs are labour costs;
- most of Kinetic IT's employees are highly skilled professionals that are either citizens or permanent residents based in Australia with any off-shore recruitment being subject to right to work in Australia checks.
- all employment arrangements must be evidenced in writing
- approximately 74% of Kinetic IT's employees are embraced by Australia's modern award system;
- Kinetic IT rarely utilises short-term labour hire arrangements;
- we maintain highest standards of ethical behaviour and integrity by adhering to our code of Professional Ethics and requiring all of crew to complete training on harassment and diversity in the workplace.

The safety and wellbeing of our crew is Kinetic IT's number 1 priority and we encourage all of our crew to maintain a healthy work life balance.



During the reporting period, a potential supplier refused to complete the SCRA questionnaire and in accordance with Kinetic IT's commitment to responsible supply chain management, Kinetic IT elected to procure the particular goods from an alternative vendor.





MODERN SLAVERY RISK IN OUR SUPPLY CHAIN

While Kinetic IT has assessed the risk of modern slavery in its supply chain as being low we nonetheless remain cognisant of these risks and, as per previous reporting periods, have continued to evaluate our direct suppliers under our modern slavery supply chain risk assessment (SCRA—see further details below) with 100% of our procurement activities conducted in the past 12 months now incorporating a SCRA. In total 159 SCRA were completed in the Reporting Period. As an additional level of protection, Kinetic IT now completes a six-monthly review of its suppliers to remove inactive suppliers from our systems meaning any subsequent engagement with these suppliers will trigger an SCRA.

Kinetic IT's SCRA process considers the following risk categories:

- Geographic Risk
- Sector and Industry Risk
- Product and Services Risk

The SCRA process considers a range of sources of information including the Global Slavery Index and the International Labour Organisation. A summary of our SCRA for the reporting period is set out in the table below:

RISK CATEGORY	DESCRIPTION	SUMMARY
Geographic	<p>Modern slavery risk may be a consequence of the geographic area where products are manufactured or where services are delivered. Indicia of potential geographic high risk include areas that:</p> <ul style="list-style-type: none"> • Are prone to corruption; • Are prone to conflict; and • Have weak laws. 	<p>Kinetic IT's SCRA Geographic Risk remains as 'Low' as the company does not procure any goods or services from countries identified as high risk in the Global Slavery Index. Just four suppliers were assessed as being in a medium risk country, which makes up only 0.03% of our total procurement for the period.</p>
Sector & Industry	<p>The characteristics, products and processes of certain sectors and industries may elevate the risk of modern slavery. Indications of potential sector and industry risk include:</p> <ul style="list-style-type: none"> • Industries and sectors that are informal and/or poorly regulated; • Industries and sectors with high instance of seasonal and/or low paid workers; • Industries and sectors with a high instance of dangerous or hazardous work. 	<p>Kinetic IT's SCRA Sector & Industry Risk remains as 'Low' due to the majority of Kinetic IT's suppliers operating in low-risk industries and sectors.</p>
Product & Services	<p>Some products and services are associated with a higher prospect of modern slavery due to the manner in which they are produced, transported or distributed. Similarly, services such as cleaning that involve low wages and manual labour may have a higher modern slavery risk.</p>	<p>Kinetic IT 's SCRA Product & Services Risk remains as 'Low' however it identified there is a degree of heightened risk in certain products and services procured by Kinetic IT, such as:</p> <ul style="list-style-type: none"> • Kinetic IT procures electronic products including laptops, computers, and mobile phones. These items have a higher inherent risk of forced and/or child labour practices; may be manufactured from resources extracted in countries where forced labour and human trafficking is common; and where local law may not exist to protect vulnerable populations. • Kinetic IT engages lease and accommodation providers where cleaning services are included. These services can have a high level of migrant and low skilled workers who may be vulnerable and exploited, receiving wages below the thresholds set under the Modern Awards.

Kinetic IT recognises the importance of working with existing suppliers, especially those with heightened risk in certain product and services such as cleaning and procurement of electronic products. Actions taken to reduce and mitigate any potential risks of modern slavery practices include conducting reviews and assessments of our suppliers through due diligence processes coupled with detailed reviews of suppliers' modern slavery statements registered with Australian Border Force.

Kinetic IT ensures that all new suppliers are assessed for modern slavery risk prior to engaging by requesting suppliers to complete a due diligence questionnaire and provide documentation for assessment of modern slavery risks. Where a supplier is identified as having a potential risk for modern slavery, Kinetic IT engages with the supplier to better understand the level of risk within their supply chain, and to agree a corrective action plan that addresses the identified risks with ongoing monitoring through to completion.

We require all Kinetic IT suppliers to implement processes that align with the Act. Specifically, we instruct our suppliers to identify and address risks of modern slavery within their organisation and that of their suppliers, and where modern slavery is identified, request actions are taken to address the risk. Kinetic IT's suppliers are then requested to notify us if they become aware of any potential or actual activity within their business that may contravene the Act.

Furthermore, Kinetic IT includes specific language in our supplier contracts to ensure suppliers comply with all applicable laws, regulations or standards including those in relation to conditions of employment, subcontracting and workplace health and safety.

An SCRA in the reporting period identified a new supplier as "medium" risk based on the supplier being located in a jurisdiction with a higher vulnerability to modern slavery when compared to most geographic locations that Kinetic IT sources goods and services from. Kinetic IT approached the engagement cautiously and only proceeded once it was satisfied that, on balance, the supplier's exposure to modern slavery was low.





Kinetic IT has identified the increased modern slavery risk associated with cleaning services. The increased modern slavery risk in cleaning services is a consequence of cleaning services utilising migrant or low skilled workers. Since our first modern slavery statement, being mindful of the higher risk, Kinetic IT has placed special focus on its arrangements with cleaning service providers. This has included:

- Limiting its engagements with cleaning service providers to a handful of entities that have evidenced a commitment to eradicate modern slavery in their supply chains.
- Where cleaning services are procured indirectly (i.e. via a property management agent) requiring the entity who is procuring the cleaning services to complete a modern slavery risk questionnaire.

From 2022, Kinetic IT's SCRA will take into account the [cleaning accountability framework](#) with our property management agencies encouraged to be certified against CAF (or other comparable schemes).

OUR MODERN SLAVERY RISK MANAGEMENT JOURNEY

**KINETIC IT'S MODERN SLAVERY RISK
MANAGEMENT JOURNEY IS EVOLVING AS WE
NORMALISE MODERN SLAVERY RISK ASSESSMENT
INTO OUR PROCUREMENT ACTIVITIES.**



THE JOURNEY SO FAR

The first three years of Kinetic IT's modern slavery risk management program has focused on the following two key objectives:

- Assessing and treating direct modern slavery risk in our operations and supply chain with focus on higher risk suppliers
- Normalising modern slavery risk assessment into our procurement activities.

ASSESSING AND TREATING DIRECT MODERN SLAVERY RISK WITH FOCUS ON HIGHER RISK SUPPLIERS

Kinetic IT has focused modern slavery risk assessment activities on its direct engagements. Whereas our first reporting period canvassed a subset of suppliers, by the end of the 2022 financial year Kinetic IT is in a position whereby all active suppliers have now been subject to an SCRA with supplier onboarding processes implemented to ensure all new suppliers are subject to a mandatory SCRA.

Kinetic IT has engaged collaboratively with suppliers that are assessed as being medium risk or above to obtain further assurance that the supplier is taking adequate steps to address the risk of modern slavery in its supply chain or operations.

NORMALISING MODERN SLAVERY RISK ASSESSMENT INTO OUR PROCUREMENT ACTIVITIES

SCRA process are now routine in our procurement activities with systems and processes established to ensure all suppliers are vetted for modern slavery risk on a regular basis.

POLICY FRAMEWORK

Kinetic IT's policy framework is the bedrock for our approach to managing unethical behaviour in our business (including managing modern slavery risk).

Key policies governing ethical behaviours include the following

POLICY	DETAILS
Quality	Beyond our reputation for providing high quality, customer-centric IT services, Kinetic IT is recognised for our commitment to operating with integrity. Our commitment to quality and Integrity is outlined in our Quality Policy and in the certification of our Quality Management Systems to ISO 9001.
Whistleblower	We are committed to fostering a culture where our employees and other eligible disclosers feel safe and are empowered to raise concerns about any misconduct or an improper state of affairs (including unethical, illegal, corrupt, dishonest conduct or conduct that breaches Kinetic IT's policies) without being subject to detrimental treatment.
Diversity, Equity & Inclusion	Kinetic IT is committed to enabling an organisational culture and workplace that fosters diversity, equity and inclusion across all levels of our business. We aim to provide a workplace where every individual has equal opportunity to contribute and is valued for that contribution. We strive for an environment that embraces diversity; where everyone has a voice and feels safe, respected and treated with dignity. Our diverse and inclusive work environment continues to grow with more than 23 nationalities represented across the business and increasing diversity of thought. Our commitment to diversity, equity and inclusion is outlined in our policy and our annual reporting to the Workplace Gender Equality Agency (WGEA).
Workplace Discrimination, Bullying & Harassment	Kinetic IT is committed to promoting a workplace free from workplace discrimination, bullying, harassment, sex-based harassment and victimisation. Every member of our organisation has a right to feel safe and respected, and in turn the responsibility to prevent workplace discrimination, bullying, harassment, sex-based harassment and victimisation.
Environmental Sustainability	Our environmental sustainability policy outlines our commitment to protect and support our natural environment. We're driven by a passion to make a positive difference to our customers, employees and communities by bringing out the best in people and technology. As such, we understand our moral and ethical responsibility to protect and enhance the environmental sustainability of the communities in which we operate.
Gift and Hospitality	Our gift and hospitality policy is part of Kinetic IT's framework for complying with global anti-bribery and corruption legislation and community expectations and provides our crew with certainty as to what behaviours are acceptable and unacceptable in relation to giving and receiving gifts and hospitality.
Health and Safety	Our Health and Safety policy, together with our certified and compliant systems and practices set the minimum standard for Kinetic IT and are complemented by our employees embracing our customers' standards as our own. Kinetic IT believes that the wellbeing of our staff, contractors and visitors lies at the heart of our company's success. Whether working on a customer or corporate site, we are committed to fostering a culture which acts proactively, to ensure everyone goes home safe and healthy every day.
Security	We are committed to employing contemporary security practices which address and overcome the challenges of evolving technology and physical landscapes. We will continue to foster a security aware culture, ensuring our staff possess the essential competencies to maintain a secure business environment. Our commitment to security is outlined in our Security Policy and in the certification of our Information Security Management Systems to ISO 27001:2013.
Fitness to Work	Kinetic IT believes that the safety of our crew at work is of paramount importance. Attending work in a fit state is essential for working safely and productively. Under relevant Health and Safety legislation, Kinetic IT has a duty of care to take all reasonable steps to ensure crew members are in a fit state to work safely.
Code of Professional Ethics Agreement	Our code of professional ethics represents Kinetic IT's expectations in terms of professional ethics. We have responsibilities toward our clients and colleagues, suppliers and competitors, our profession as well as the public.

MEASURING EFFECTIVENESS AND AREAS OF FOCUS FOR 2022/2023

Kinetic IT continues to assess the effectiveness of its modern slavery risk management practices. During the 2022 financial year reporting period there were no modern slavery related disclosures made to Kinetic IT's whistleblower hotline—note that Kinetic IT is mindful that this, of itself does not mean that there is no modern slavery in Kinetic IT's supply chain.

Key activities and progress in addressing modern slavery risk in the 2022 financial year is set out in the following table:

FOCUS AREA	ACTIVITY	SUMMARY OF OUTCOMES
Governance	Reporting mechanism	Kinetic IT's procurement team to report twice-yearly to Kinetic IT's Finance, Audit and Review committee on Modern Slavery Risk in our supply chain commencing from the 2023 financial year.
	Review of external certifications	Kinetic IT has reviewed external certifications in relation to modern slavery risk treatment with a view toward incorporating relevant certifications into its SCRA process from the 2023 financial year.
SCRA	All active suppliers now subject to SCRA	All active Kinetic IT suppliers have now been subject to at least one SCRA. SCRA's will continue on an ongoing basis.
	Change in Supplier Profile triggers subsequent SCRA	In the event that the type of goods or services procured from a Supplier changes (i.e. Kinetic IT procures additional product lines) our systems are configured so as to trigger an additional SCRA to take into account the new goods or services.
	Inactive suppliers deleted from procurement system	Any inactive suppliers have been deleted from Kinetic IT's procurement system meaning that goods and services cannot be procured inadvertently from a supplier that has not undergone an SCRA. In the 2022 financial year 50 supplier registrations were deleted.
	High and medium risk assessments	In the 2022 financial year Kinetic IT identified 8 suppliers in "medium" or above risk categories and issued questionnaires to each of these suppliers with an alternate supplier engaged as a consequence of a refusal to complete the questionnaire.
Legal Templates	Modern Slavery provisions	Kinetic IT's suite of legal templates have been updated to include modern slavery provisions.

While Kinetic IT continues to assess its risk of modern slavery in its supply chain as being low, we intend to enhance our existing processes and procedures for supplier selection, review and monitoring to prevent modern slavery risks with the focus on:

- Increased scrutiny of 'indirect' engagements in high risk industries
- regular SCRA of existing and new suppliers to ensure ongoing compliance (this includes working in partnership with our suppliers to confirm compliance and, where required, developing action plans to address potential risks)
- review and where required uplift of our internal procurement process to ensure prompt identification and mitigation of modern slavery risks
- leverage on industry certification schemes (including the cleaning accountability framework) to provide further assurance that modern slavery is eradicated in our supply chain in areas of highest risk
- development of key performance indicators to assess effectiveness of modern slavery risks management
- implementing formal, twice-yearly, reporting process into Kinetic IT Finance, Audit, and Review Committee on Kinetic IT's modern slavery risk exposure and treatment
- implementation of modern slavery e-learning for our personnel to provide information about the Act and increase awareness on human rights and modern slavery
- re-assessment of existing suppliers where procurement requirements or the risk profile has changed.

This statement was approved by the Board of Kinetic IT Pty Ltd and is available on kineticit.com.au.



APPENDIX


How our statement addresses modern slavery mandatory criteria.


CRITERIA	PAGE NUMBER/REFERENCE
Identify the reporting entity.	Page 4, About this Statement
Describe the reporting entity's structure, operations and supply chains.	Page 6, About Kinetic IT
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Page 12, Identifying and Addressing Modern Slavery Risk
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.	Page 12, Identifying and Addressing Modern Slavery Risk
Describe how the reporting entity assesses the effectiveness of these actions.	Page 18, Measuring Effectiveness and Areas of Focus for 2022/2023
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls.	Not applicable. Kinetic IT is a single reporting entity.
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	Not applicable.



kinetic **IT**

MODERN SLAVERY STATEMENT 2022

 [/KineticIT.com.au](https://www.kineticit.com.au)

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kinetic **IT**

