

## MODERN SLAVERY STATEMENT

This statement is being made on behalf of the Uncle Bills Group Pty Ltd (ABN: 22 126 575 335) in compliance with the Modern Slavery Act 2018 (Cth).

### Introduction

- Uncle Bills is a global product development, sourcing & logistics specialist, with unique consolidation facilities in China.
- We have offices and showrooms in Australia, New Zealand, Philippines, and China, with local representatives in other markets including the UK, Canada and the USA.
- We have established brands, like Action Sports and Dreamcom, along with our “Everyday Essentials range” of “in-house” brands.
- We are an award-winning supplier, working with major retailers globally. We source stock from all over the world and work closely with our factory partners, to enable quality products at the best possible prices.
- A team of in-house designers help bring our products to market.
- Uncle Bills believes that Modern Slavery can only be ended if all parties involved collaborate to drive change.

### Reporting Entity

Uncle Bills Group Pty Ltd is the parent company for a group of companies that supply goods to various wholesalers and retailers in Australia, New Zealand, and many other customers globally.

- The group consists of
  - Uncle Bills (Australia) Pty Ltd (ABN: 12 110 447 731)
  - Uncle Bills Asia Pacific Pty Ltd (ABN: 60 617 385 734)
  - Uncle Bills (New Zealand) Ltd (ABN: 1769374)
  - Action Sports Equipment Pty Ltd (ABN: 70 122 978 330)

### Structure

- Our Head Office is in Sydney, Australia and employs over 70 staff.
- We also have offices in:
  - Auckland, New Zealand
  - Manila, Philippines &
  - Ningbo, China

### Operations and Supply Chains

- Uncle Bills is a wholesaler and importer of retail goods for customers in Australia, New Zealand, the Pacific Islands, North and South America and parts of Europe.
- Globally we have over 200 active business partners. We have dedicated warehouses in China and Australia, suppliers, and customers from all over the globe.
- Our supply chain is made up of suppliers, production facilities and agents predominantly located in China, in conjunction with other partners located in Vietnam, Pakistan, the USA, and India.
- Locally, we also have a number of service and requisite providers in Australia/New Zealand.

We are committed to conducting business responsibly and ethically and to ensure that all aspects of our businesses, including our supply chains, are free from any form of slavery. We are committed to implementing effective systems and controls to ensure that it does not take place within our own business or through any of our supply chains.

## Risks of Modern Slavery

Domestically the UBA Group directly employs its staff in Australia and New Zealand. This employment model lowers the risk of modern slavery in our direct team.

Within Australia and New Zealand, the primary areas of the supply include recruitment, security, cleaning and transportation. This is conducted in Australia and a New Zealand and is considered low risk.

Our staff contracted in the Philippines are hired through a socially responsible business outsourcing company that we have established a good relationship with. This is also considered low risk.

Our staff contracted in China are employed directly through our sister company based in Shenzhen.

The UBA Group identified that the main risks of modern slavery were in our supply chain in overseas production sites. The main types of modern slavery highlighted as major concerns were forced labour, child labour, and excessive hours by home workers. Other forms of slavery exist (such as forced marriage), yet these are considered lower risks in our current supply chain.

In the initial phase of tackling modern slavery issues in our supply chain, we will focus our responses on the highest-risk suppliers. Primarily these manufacturing sources are located in China and we deal with them directly or through agents dealing with them on our behalf.

## Risk Management – Actions we have taken

In this reporting period, we have increased our understanding of our supply chains and drawn together plans for bolstering our due diligence systems and processes. We have strengthened our Corporate Responsibility department in our Australian Head office and employed extra staff in China to monitor manufacturing sources. We have developed and started distributing our Corporate Responsibility policies to relevant parties. These policies outline our expectations, provide contacts for support, and demonstrate our approach to these serious issues. These policies include:

- Ethical Sourcing Policy
- Homeworker Policy
- Compliance Crisis Management Policy
- Whistleblowing Policy
- Our Employee Code of Conduct

We have developed an internal training plan for new staff and a continuous training program to ensure all staff are informed of any updates to our Corporate Responsibility/Modern slavery policies. Our intention is to educate, raise awareness and set expectations in mitigating modern slavery risks throughout all branches of the corporate group.

We are members of SEDEX, Amfori BSCI, BEPI and are FSC accredited.

We have a dedicated team of staff in China who regularly visit our production sources. These staff review and highlight concerns and issues so that we can work with factories to help them improve. The Corporate Responsibility Manager in China also conducts internal audits of production facilities as required.

We have increased our use of production facilities that are members of BSCI, SEDEX and other audit bodies that help improve social performance, and lower the risk of modern slavery, in the supply chain. Social monitoring programs improve working conditions through a process of continuous improvement by conducting regular audits. Utilising these companies means non-conformances are identified (through the audits) and followed up on to ensure rectification. We will continue to improve this situation until all our production facilities have a current ethical audit in place and achieve an acceptable rating.

In countries where we don't have a team of people to visit production facilities, we rely on third party providers to assist.

## Effectiveness of Risk Management

We are committed to ensuring that the steps we take will be effective and serve to build a system that will continuously improve risk identification and risk minimisation.

We track the performance of supply points utilising a combination of internal and external mechanisms. We use these mechanisms to assess our supply point's improvement, with an ethical focus, across various business functions. Where ethical audits are in place, audit grading allows us to identify and collaborate with supply points to work on areas that need improvements. Audit reviews identify non-conformances. We work with our production facilities to develop Corrective Action Plans (CAPS) based on these non-conformances. Once evidence has been provided that these CAPS have been enacted, non-conformances may be closed.

Membership to BSCI and SEDEX allows us to use tools on their platforms to monitor the performance of production facilities more effectively.

Site visits and internal audits give us a clearer view of conditions and improvements required.

The policy framework we have put in place will ensure that our suppliers clearly understand our expectations. We have a Compliance Crisis Management Policy which outlines the steps to be taken if a critical non-compliance is identified.

We have successfully worked with several supply points to help improve social standards at production points.

Our Code of Conduct, which is included in our induction procedures, is regularly updated, and applies to the entity, its Managers and team members. The Code of Conduct embodies a commitment to respecting the dignity of team members as well as their legal entitlements and human rights.

For the next reporting period we will have in place a Supplier Corporate Responsibility Agreement which incorporates Modern Slavery, and all suppliers will need to have read and agreed to it. All staff will be provided with a copy of our Modern Slavery statement, as well as this being incorporated into our staff induction procedures.

## Consultation

This statement was approved by the boards of each of the four reporting entities covered by this statement. The board of Uncle Bills Group Pty Ltd approved this statement on 12 May 2021.



Kim Mossman  
Director: Uncle Bills (Australia) Pty Ltd  
12 May 2021



Kim Mossman  
Director: Uncle Bills Asia Pacific Pty Ltd  
12 May 2021



Kim Mossman  
Director: Uncle Bills (New Zealand) Pty Ltd  
12 May 2021



Kim Mossman  
Director: Action Sports Equipment Pty Ltd  
12 May 2021