

TE Connectivity Australia Pty Ltd
KPMG, 'Tower 3 International Towers Sydney'
Level 38, 300 Barangaroo Avenue
Sydney, NSW, 2000



21 November 2023

Joint Modern Slavery Statement 2023

TE Connectivity Australia Pty Ltd ACN 000 129 573 and Grangehurst Enterprises Pty. Ltd. ACN 091 454 527

1. This is the first annual Modern Slavery Statement for TE Connectivity Australia Pty Ltd (**TECA**) and Grangehurst Enterprises Pty. Ltd. (**Grangehurst**). For the purpose of this Modern Slavery Statement, a reference to TECA is a reference to both TECA and Grangehurst. This joint Modern Slavery Statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (**the Act**) for the period 1 July 2022 to 30 June 2023 (FY23) (**Relevant Period**).
2. TECA is committed to promoting and supporting a culture of corporate compliance and ethical behaviour and endorses the implementation and promotion of ethical business practices to protect the human rights of workers in our value chain. We are committed to taking actions to help ensure that there is no Modern Slavery or human trafficking in our business or within our supply chains, in line with the requirements of the Act.

Background

3. TECA is a distributor of electrical components, including cable accessories, connectors and fittings, insulation and protection, and metering and installation. Grangehurst currently holds a 100% shareholding in TECA. TECA is however the primary operating entity for Australia.

Structure, operations and supply chains of TECA

4. TECA is an indirect wholly owned subsidiary of its global parent company, TE Connectivity Ltd. (**TE**). TE is a public company listed on the New York stock exchange.
5. TE is a global designer and manufacturer of connectivity and sensor solutions serving customers and selling products in approximately 140 countries. As of September 2022, it manufactured products in over 25 countries worldwide.
6. TE operates in the following business segments:
 - a. Transportation Solutions;
 - b. Industrial Solutions; and
 - c. Communications Solutions.

7. TE's supply chain includes suppliers of raw materials, commodities, components, and other services required to support its operations. As of September 2022, TE's global supply chain comprised approximately 32,000 direct and indirect suppliers.
8. TECA's supply chain comprises approximately 200 suppliers, and includes suppliers of componentry, raw materials, commodities, and other services required to support its operations. This includes, for example, the supply of electrical componentry, hardware, accessories, and plastics and metal manufacturing.
9. As of 30 June 2023, TECA employed approximately 79 employees, including contract employees, situated in the Australia and New Zealand (**ANZ**) region. All TECA employees are required to comply with the *TE Connectivity Guide to Ethical Conduct* (explained below at paragraph 18 of this statement) as a condition of their employment and must undergo annual on-line Ethics training and certification.
10. In the Relevant Period, TECA engaged 38 new vendors.

Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.

Risk assessment

11. In association with its legal advisors, TECA has created a process for assessing the risk posed by its suppliers in relation to Modern Slavery practices in its operations and supply chains (**Risk Assessment**).
12. This process involves:
 - a. Generating and reviewing TECA's list of suppliers;
 - b. Conducting an initial risk assessment of TECA's suppliers on factors including location and operation, and the nature of the industry in which they provide goods and/or services (these factors are elaborated upon in paragraph 14 of this statement);
 - c. screening TECA's suppliers through the World-Check record, which is a database run by Refinitiv (a subsidiary of Thomson Reuters) in its capacity as one of the world's largest providers of financial markets data and infrastructure (**Refinitiv Screening**); and
 - d. Analysing all available supplier data and determining specific supplier risks.
13. TECA's risk assessment is informed by the following factors:
 - a. **Geography**, with respect to:
 - i. the extent to which a supplier's geographic location has implemented, or is subject to, human rights legislation or international human rights regimes;
 - ii. the strength of enforcement regimes with respect to any applicable human rights legislation or regimes in the supplier's jurisdiction;
 - iii. whether the supplier's jurisdiction is subject to conflict, corruption, or known human rights violations; and

- iv. the degree of transparency in that jurisdiction for the achievement of human rights-based outcomes, including with respect to the supply products or process, including products used in hotel operations.
- b. **market**, with respect to:
 - i. the extent to which that industry is subject to regulatory oversight (including in relation to the sourcing of inputs, and applicable labour laws); and
 - ii. whether that industry is known to be particularly prone to modern slavery practices.
 - c. **size**, this metric acknowledges that Modern Slavery risks may be more pronounced in smaller suppliers with less regulatory interaction.

14. In conducting its risk assessment, TECA adopted the following methodology:

- a. compiling an exhaustive list of its suppliers detailing that supplier's geographical location, industry of operation (including the types of goods or services produced by that supplier), and the size of the supplier;
- b. applying TECA's risk assessment based on the above criteria; and
- c. segregating suppliers into tiers of risk (low, medium, and high).

Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.

TE Global Policies (pertaining to all TE entities)

15. TECA is an indirect wholly owned subsidiary of TE and is subject to TE Global Policies which are explained in the following paragraphs. TE is TECA's largest supplier and TECA relies upon its parent company's application of Global Policies in relation to this aspect of its supply chain.

16. All TE entities are required to adhere to TE's policies, including the:

- a. *TE Connectivity Guide to Ethical Conduct*;
- b. *Human Trafficking and Modern Slavery Policy (TEC-01-71)*; and
- c. *Global Human Rights Policy (TEC-04-37)*.

(TE Global Policies).

17. By way of example, the **TE Global Human Trafficking and Modern Slavery Policy (TEC-01-71)** states:

'TE Connectivity Ltd. and its subsidiaries and affiliates, including related companies, partnerships, and joint ventures in which TE Connectivity Ltd. has a direct or indirect controlling interest, anywhere in the world (collectively, "TE" or "TE Connectivity" or the "Company") are committed to a work environment and supply chain that is free from human trafficking and slavery, which for purposes of this policy, includes forced labor and unlawful child labor.'

18. The ***TE Connectivity Guide to Ethical Conduct (Ethical Conduct Guide)*** outlines TE's position on fair treatment and human rights for employees.

- a. Amongst other requirements, the Ethical Conduct Guide sets out TE's commitment with respect to Human Rights, Social Responsibility, and Global Corporate Citizenship. It prohibits all forms of forced, trafficked or child labour, and any activity that violates individual dignity, and prohibits any form of physical punishment, abuse and harassment.
- b. Every TE employee is required to participate annually in a training session on the Ethical Conduct Guide, commit to acting in accordance with the principles outlined in the Ethical Conduct Guide when carrying out work activities, and to report any activity that may be deemed a violation of the Ethical Conduct Guide.

19. Also, the ***TE Connectivity Human Trafficking and Modern Slavery Policy***:

- a. prohibits human trafficking and sets out TE's commitment to a work environment and supply chain that is free from human trafficking and slavery, which expressly includes forced labour and unlawful child labour;
- b. prohibits numerous practices connected with human trafficking;
- c. stipulates that TE will develop and deploy appropriate training, including annual training to employees and third-party contractor personnel who have direct responsibility for the Company's operations and supply chain management. At the date of this report, this is still in progress;
- d. provides that any personnel who violate the policy may be subject to appropriate disciplinary and/or corrective action up to and including termination of employment or contract;
- e. stipulates that TE will communicate the principles and requirements set forth in the policy to suppliers, subcontractors and agents.

Due Diligence Activities

20. **Enterprise Human Rights Risk Assessment.** In 2022, TE conducted a human rights risk assessment via a third-party service provider to understand potential risks and impacts across TE's value chain to strengthen due diligence and remediation processes. This assessment concluded in March 2023. At the date of this report, TE is in the process of reviewing the results of the assessment and will begin implementing recommendations as needed.

21. **Human Rights Officer.** As part of TE's *Declaration of Principles* for compliance with the German Supply Chain Act, TE has appointed a Human Rights Officer whose responsibilities include, but are not limited to:

- a. risk assessment;
- b. prevention of violations;
- c. the oversight and implementation of grievance mechanisms;
- d. remediation measures; and
- e. review and improvement of our measures with respect to human rights obligations.

The mechanisms are directly applicable to TECA.

22. **Supply Chain Mapping.** As part of the updates to the *TE Connectivity Guide to Supplier Social Responsibility (TEC-1015)* (explained further below in paragraph 25), new supply chain mapping criteria was introduced. Due to increasing business continuity, sustainability and compliance requirements, TE requires its suppliers to conduct and support necessary supply chain mapping initiatives, including but not limited to efforts sufficient to meet 'clear and convincing' documentation standards that demonstrate 'Supply Chain Mapping Evidence' which comprises:

- a. the identity and location of suppliers' subcontractors and suppliers; and
- b. the origin of its products and any component and raw materials in its products.

Supply Chain Mapping Evidence must meet the standards set by the United States Department of Homeland Security. TE is actively working to comply with this.

Supplier focused compliance mechanisms

23. TECA seeks to engage primary suppliers whose values and supply chain practices align with TECA's commitment to complying with Modern Slavery obligations. TECA has several compliance mechanisms aimed to address supplier compliance, explained in the following paragraphs.

24. **TE Connectivity Guide to Supplier Social Responsibility (TEC-1015).** The TE Connectivity Guide to Supplier Social Responsibility (**Supplier Policy**) was updated in December 2022 to incorporate TE's expectations for its suppliers with respect to business conduct, decision-making, and business interaction. It outlines key principles and behaviours, based on TE's Core Values (set out in the *Ethical Conduct Guide*), and emphasises the principles and behaviours required of suppliers. It addresses TE's labour and human rights expectations as follows:

- a. freely chosen employment;
- b. prohibitions on child labour;
- c. working hours;
- d. wages and benefits;
- e. humane treatment;
- f. non-discrimination;
- g. freedom of association;
- h. metals materials / supplies from Conflict-Free Mines;
- i. environmental impact on local people'
- j. unlawful eviction of land; and
- k. prohibits violent security forces.

25. **Supplier approval and onboarding processes.** As part of TECA's process in determining whether to engage a new supplier, TECA maintains and follows an internal Supplier Onboarding Process. The Supplier Onboarding Process, among other things, involves following the guidelines set out in TE's internal **Supplier Approval Policy** which sets out that all TE suppliers agree to comply with the Supplier Policy (referred to above).

Office of the Ombudsman Program

26. The Office of the Ombudsman acts as an independent, impartial and confidential resource with whom employees, suppliers, investors, customers, and other third parties can ask questions or raise concerns about potential violations of the *Ethical Conduct Guide*. The Ombudsman reports directly to the Audit Committee of the TE Board of Directors and ensures that all reported issues are investigated and resolved in an appropriate manner.
27. The program explicitly refers to the reporting of Human Rights law violations, as well as other areas of law. The Ombudsman and Chief Compliance Officer routinely meet with members of TE Senior management and the Audit Committee / Nominating, Governance and Compliance Committee of the TE Board of Directors.
28. The Office of the Ombudsman services all TE entities globally. Therefore, TECA employees are encouraged to use this service in relation to reporting any actual or potential breaches of Modern Slavery obligations.
29. Information about the program is publicly available on the TE website.

TE Social Compliance Assessment Report

30. TE has established practices to help monitor its suppliers, including Supplier Social Responsibility Audits performed by a third-party audit vendor. TE's third party auditor is appropriately qualified with technical expertise in vendor assessment and the technical audit process.

Human Trafficking and Slavery Survey

31. TE conducts an annual Human Trafficking and Slavery Survey (**HTS Survey**) of certain suppliers using the Slavery and Trafficking Risk Template (**STRT**), an industry standard survey used to collect human trafficking and slavery data from supply chains. The HTS Survey and supplier information gathering is facilitated by a third-party compliance information gathering service (**TPCS**) provided by a leading software-as-a-service solution accessed by TE's suppliers. Supplier response to the HTS Survey is voluntary.
- a. In December 2021, TE launched its first HTS Survey. TE surveyed approximately 1,000 high risk suppliers for the first year. This first campaign resulted in 137 responses or a 14% response rate.
 - b. In December 2022, TE launched a second annual STRT campaign and sent surveys to over 3,700 suppliers. As of 15 February 2023, TE received approximately 533 responses, which is equivalent to a 14% response rate. In late March 2023, the STRT campaign was expanded to include the updated STRT version 3.2, which adds aluminum and PVC into the scope of the survey.
 - c. TE continues to dedicate data analytic tools and resources to sub-tier due diligence efforts to refine the HTS Survey process.

Further compliance mechanisms currently under development at the date of this report

32. **Establishment of TE Human Rights Committee.** TE is in the process of establishing a Human Rights Committee which is intended to be an enterprise-wide structure whose functions include, but are not limited to:

- a. screening and assessing areas of the business to identify gaps or risks to the business in relation to Human Rights obligations;
- b. preparing action plans to address any risks or gaps identified in relation to the above;
- c. reviewing current company policies and suggesting and implementing any changes required as a result of those reviews;
- d. implementing additional due diligence processes; and
- e. generally evaluating salient Human Rights issues that may arise from time to time in relation to TE's value chains.

The committee is still being assembled and is intended to include representatives from several departments in the business, including Human Resources, Government Affairs, Procurement, and Legal Counsel.

33. **Whistleblower Policy.** At the date of this report, TECA and Grangehurst each have implemented a whistleblower policy, in addition to TE's Ombudsman Programme. These whistleblower policies have been implemented to provide a confidential and fair process for TE's Australian based workers to report conduct that may breach company policy or TE's obligations under relevant rules and laws, which includes Modern Slavery obligations.

Describe how the reporting entity assesses the effectiveness of such actions.

34. At this early stage, TECA intends to design and implement a framework to ensure it can review the effectiveness of the controls it has implemented. As part of this framework, TECA has engaged external legal advisors with expertise in this area.

35. TECA is committed to implementing appropriate processes for investigating, assessing, and handling modern slavery risks in its business and supply chains. Accordingly, TECA intends to demonstrate its commitment to continuous improvement over successive reporting periods by:

- a. Further developing and enhancing existing procedures and mechanisms; and
- b. Supplementing its cohesive response to modern slavery with additional policies, mechanisms and strategies, as it deems necessary.

36. Some strategies which TECA is considering implementing over successive reporting periods includes the following:

- a. **Release of Modern Slavery Educational Bulletins.** TECA recognizes that an informed workforce will allow a consistent, transparent, and uniform approach to managing and reducing Modern Slavery risk. On this basis, TECA is considering the drafting and circulation of internal educational Modern Slavery bulletins which:

- i. Define Modern Slavery and set out TECA's responsibilities and obligations under the Act;
 - ii. Inform employees how to detect practices of modern slavery; and
 - iii. Encourage employees to report any suspected or actual practices of Modern Slavery. Among other things, this can involve directing suppliers to the grievance and reporting mechanisms set out in the Supplier Policy.
- b. Creation and provision of **Modern Slavery Questionnaires** to its suppliers;
- c. **Creation and implementation of a Remediation Guideline Document.** TECA intends to develop a structured approach to remediation by the drafting of a remediation guideline document. This document will set out defined procedures in the event that a Modern Slavery event is detected or eventuates, and will prescribe guiding principles to be considered in any approach to remediation;
- d. Continuing to enforce and promote awareness of the TE Connectivity Guide to Ethical Conduct and Global Human Rights Policy.

Describe the process of consultation with any entities that the reporting entity owns or controls.

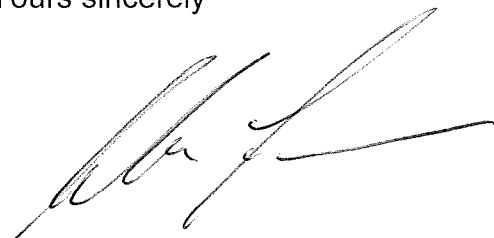
37. TECA does not currently own or control any entities for the purposes of section 16 of the Act and interacts only with suppliers not owned nor controlled by TE.

Conclusion

38. TECA is demonstrably committed to ensuring that it complied with its Modern Slavery obligations. As described above, TECA takes active steps to review and improve its Modern Slavery processes on an ongoing basis.

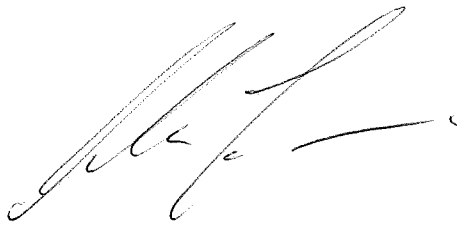
39. This statement was approved by the Board of Directors of TECA and Grangehurst. The Boards of each reporting entity have the same board members and have each approved Adam Samual Duncan as the responsible member to sign this statement.

Yours sincerely



Name: Adam Samual Duncan

Director, Grangehurst Enterprises Pty. Ltd.

A handwritten signature in black ink, appearing to read 'Adam Duncan', with a long horizontal flourish extending to the right.

Name: Adam Samuel Duncan

Director, TE Connectivity Australia Pty Ltd

