

MODERN SLAVERY ACT STATEMENT

Introduction

This statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) and sets out the actions taken by Arnos Australia Pty Ltd (ABN 74 004 483 863) to address modern slavery risks in its business and supply chains over the financial year ending 30 June 2022.

Arnos Australia Pty Ltd wholeheartedly supports the Act, which aims to drive out all forms of modern-day slavery and human trafficking from business practices. Arnos has zero tolerance towards human rights violations and is committed to the highest standards of ethical and sustainable business practice, both in our own business and in our supply chains.

Business and Supply Chain Overview

Arnos Australia Pty Ltd is a family owned, Australian independent company, headquartered in Melbourne, Australia. Arnos Australia does not own or control any other entities.

Arnos designs, markets, and manufactures office products. Our product categories include Visual display systems, plan storage and plan filing systems, file and paper fasteners, filing systems, office storage and organisers. Our brands include, Flippa, Swinga, Hang-A-Plan, Quickfile, Eco-tidy, Polyprong, Polypost, Tubefast and LP Tubefast.

We manufacture some of our products locally in Australia and some are third-party sourced. We have manufacturing partners in Australia, Taiwan and China.

Due to our internal hiring procedures, labour policies and the locations of our employees, Arnos believes that the risks of slavery and human trafficking in our own workforce are remote. In addition, these risks are further mitigated since Arnos does not use migrant labour. We have less influence over the labour practices of our sourced product vendors and their supply chains and believe our principal risk of slavery and human trafficking is that forced labour could occur without our knowledge in violation of our policies in upper tiers of the supply chain. Accordingly, we have established the compliance procedures discussed in this Statement primarily to mitigate the risk of slavery and human trafficking in our supply chains for third-party sourced products.

Our approach

Arnos Australia Pty. Ltd. Is committed to:

- Operating its business in accordance with the Modern Slavery Act 2018, including all emerging amendments to this legislation
- Ensuring our people understand modern slavery and the risk it presents to our operations
- Providing our people with appropriate avenues for reporting potential instances of modern slavery within our operations, or the operations of our suppliers and/ or clients
- Mitigating modern slavery risk within our operations
- Eliminating potential and/or actual modern slavery practices from our operations and supply chain

- Utilising the due diligence completed to date to facilitate effective action plans and 'next steps' in the pursuit of modern slavery risk mitigation and elimination using a proactive approach
- Ensuring appropriate transparency with our people, clients, suppliers and stakeholders regarding the maturity of our modern slavery due diligence process and the findings arising from this

Selected Policies:

Arnos Australia Pty. Ltd. Brands Code of Conduct

Arnos Australia Pty. Ltd observes high ethical standards in the conduct of its business. The company respects internationally accepted legal principles and strives to obey the laws of those countries in which it does business. A detailed compilation of the company's commitment to ethical behaviour and human rights is published in its Code of Conduct, which is available to all stakeholders on our website.

Supplier Workplace and Security Code of Conduct

As indicated in our Supplier Workplace and Security Code of Conduct, which has been approved by executive leadership, Arnos Australia Pty. Ltd. is committed to ensuring that workers are treated with respect and dignity and we seek relationships with suppliers that are committed to manufacturing under fair and safe labour conditions, respecting human rights.

The Supplier Workplace and Security Code of Conduct is publicly available on our website. In addition, it is distributed to employees and new suppliers as part of training.

Among other things, the Supplier Workplace and Security Code of Conduct provides that:

- Suppliers shall not use forced labour, whether in the form of prison labour, indentured labour, bonded labour, or otherwise.
- Suppliers shall not employ people younger than 15, under the minimum legal age or the minimum age for completing compulsory education in the country of manufacture, whichever is higher.
- Suppliers shall treat every employee with respect and dignity, and shall not subject any employee to physical, sexual, psychological, or verbal harassment or abuse
- Suppliers shall pay employees at least the minimum wage required by local law, or the prevailing industry wage if no minimum wage law applies and shall provide legally mandated benefits.
- Suppliers shall not require workers to work more than the maximum hours of daily and weekly labour set by local laws, and workers should be granted at least one day off in every seven-day period if required by local law.

We expect our suppliers to take responsibility for conforming to our relevant policies. The Supplier Workplace and Security Code of Conduct indicates that the supplier is responsible for ensuring compliance for itself and any sub-contractor(s) and factories.

Verification of product supply chains to address and evaluate risks of slavery and human trafficking

Arnos Australia Pty. Ltd. seeks to identify and evaluate the potential risks for slavery and human trafficking in its supply chains through reviewing the supplier's geographic location and the nature of its manufacturing activities for us. As discussed below, we also conduct factory assessments of new suppliers, as well as audits.

Audit of Suppliers

Arnos Australia Pty. Ltd Supplier Workplace and Security Code of Conduct provides that, to ensure compliance with the Code, we have the right to monitor factories through audits by third parties and visits by Arnos personnel. In addition, our forms of purchase order terms and conditions and manufacturing agreement provide for inspection rights to audit compliance with the Code.

To become an Arnos Australia Pty Ltd supplier, a supplier must undergo a factory assessment that reviews quality, social and security practices, and standards. Our internal personnel conduct these assessments.

Slavery and human trafficking risk are reviewed as part of the assessment. In addition, we use a third-party service provider, which is a well-known international firm that specializes in supply chain audits, to conduct annual social responsibility audits of suppliers. These audits include a slavery and human trafficking assessment. As part of our ongoing focus on mitigating supply chain risk, we are in the process of reviewing our supplier data collection process and reporting across a number of different areas, including slavery and human trafficking, with a view to determining whether to enhance our policies and/or procedures.

Audits include reviews of documents, interviews and site visits of production facilities. We conduct unannounced, semi-announced and announced audits, depending upon the risk profile of the supplier. Our audit program also includes unannounced audits to the extent a supplier is required to correct a violation of our Supplier Workplace and Security Code of Conduct or local law. The frequency of audits is based on the perceived risk of the supplier and other relevant factors.

Our audit process includes a Corrective Action Plan ("CAP") on a specified time frame if deficiencies in an audit category are identified. The failure to complete requested corrective actions may result in termination of the supplier relationship.

Supplier Reporting

Arnos Australia Pty Ltd requires suppliers to complete periodic reporting separate from our audits as a means of helping to ensure continued compliance to relevant Arnos Codes and Policies. Reporting is either directly to Arnos compliance staff or through third-party systems. Arnos reviews the following:

- Supplier Workplace and Security Code of Conduct – Suppliers are required to review and acknowledge compliance with each clause of the Code.
- Human Trafficking and Anti-Slavery Laws – Suppliers are required to complete a Questionnaire to help identify compliance with relevant laws and risks of modern slavery deeper in the supply chain.

- Conflict Minerals –Suppliers are required to provide information in support of our Conflict Minerals Policy to identify risks of ‘conflict minerals’ in our supply chain.

Certifications and Contractual Terms and Conditions:

As earlier noted, Arnos requires suppliers to certify compliance with the Supplier Workplace and Security Code of Conduct.

If we determine that a factory does not comply with our Supplier Workplace and Security Code of Conduct, we typically strive to work with the supplier to develop and implement an appropriate CAP. However, depending upon the circumstances, Arnos may elect to end its relationship with a supplier at any time for failing to adhere to the Code.

In addition, our forms of purchase order terms and conditions and manufacturing agreement require that suppliers comply with our Supplier Workplace and Security Code of Conduct and that they require their subcontractors and suppliers who manufacture products or components for us or who provide services for us abide by the Supplier Workplace and Security Code of Conduct and any other codes, policies and procedures to which our direct supplier has agreed to comply.

Internal Accountability Standards and Procedures

Relevant new employees are provided with a copy of the Arnos Australia Pty Ltd Code of Conduct and Supplier Workplace and Security Code of Conduct. Failure of employees to abide by the requirements of the Arnos Code of Conduct can result in corrective action up to and including termination of employment.

Arnos maintains a supplier audit database that stores information on the results of supplier audits and any CAPs.

We assess the effectiveness of the actions being taken to assess and address slavery and human trafficking risks through the number of supplier audits performed, the findings of supplier audits, the implementation of any required CAPs and the number and type of complaints received through our hotline.

Training

Arnos provides training to relevant employees and management on a local level who have direct responsibility for supply chain management. Our training includes, but is not limited to, training regarding our Code of Conduct and the Supplier Workplace and Security Code of Conduct, slavery and human trafficking and mitigating the risk of the supply chain being impacted by the same. Arnos also provides periodic training updates and refresher training to these personnel.

Arnos provides training to suppliers directly or through third parties. Factories undertaking audits by our third-party service provider are trained on the audit process and remediation of violations.

APPROVAL

For purposes of compliance with the Australian Modern Slavery Act, this Statement has been approved by the Directors of Arnos Australia Pty Ltd (ABN 74 004 483 863) and signed by a director of that entity.

A handwritten signature in black ink, appearing to read 'Thomas F.', written in a cursive style.

Thomas Froehlich

Director

Arnos Australia Pty Ltd

1/06/2022