

# Modern Slavery Statement



**STEALTHGROUP**  
HOLDINGS LTD

Stealth Group Holdings Ltd  
ABN 25 615 518 020 (Reporting Entity)

**01 July 2024 to 30 June 2025**

Prepared in accordance with the Modern Slavery Act 2018 (Cth)

## Contact us

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# Introduction



This is the second modern slavery statement (**Statement**) of “reporting entity” Stealth Group Holdings Ltd (ABN 25 615 518 020) (**Stealth**) and the entities it owns, or controls as set out in this Statement (together, the **Stealth Group**). This Statement is prepared in accordance with the Modern Slavery Act 2018 (Cth) (**Act**) for the reporting period 1 July 2024 to 30 June 2025 (**Reporting Period**). It outlines the approach Stealth is taking to identify, assess, mitigate and remediate modern slavery risks in its operations and supply chain for the Reporting Period.

The Reporting Period of Stealth’s first Statement was in respect of the calendar year 1 January 2023 to 31 December 2023. This did not align with Stealth’s financial year, being 1 July to 30 June, as required under the Act. As such, there is a six month gap in reporting between 1 January 2024 until 30 June 2024. We have corrected the Reporting Period in this second Statement which aligns with Stealth’s financial year.

## Message from the Group Managing Director & CEO

At Stealth Group, we remain firmly committed to combating modern slavery in all its forms. This second Modern Slavery Statement, reflects the ongoing maturation of our approach as our business grows and diversifies across Australia. Our work continues to be guided by our core values and our commitment to ethical, transparent and trusted relationships across our operations and supply chains.

During the reporting period, we took important steps to deepen our understanding of modern slavery risks. We engaged an independent due diligence provider to undertake a comprehensive supplier risk assessment using a structured audit process and the Slavery & Trafficking Risk Template, surveying our largest suppliers by expenditure and significantly improving visibility beyond our tier 1 Australian-based suppliers. We also completed an operational risk assessment, benchmarked against international standards, which identified key focus areas including supplier governance, traceability and transparency, purchasing practices, grievance mechanisms and remediation. These initiatives provide a stronger foundation for targeted action in the years ahead.

Looking forward, we will continue to strengthen our internal governance and risk mitigation capabilities, deepen engagement with our strategic and higher-risk suppliers, and extend our focus to other suppliers in higher-risk product categories. Our efforts will centre on prevention, robust risk assessment and mitigation, and clear remediation pathways where issues are identified. We value the collaboration and insights of our people, partners and stakeholders as we work to uphold safe, fair and respectful working conditions and to progressively reduce modern slavery risks across all areas of the Stealth Group.

A handwritten signature in black ink, appearing to read 'Mike Arnold'.

**Mike Arnold**  
*Managing Director & CEO*  
Stealth Group Holdings Ltd

# Mandatory criteria 1 and 2

## Reporting Entity

The reporting entity that is covered by this Statement is Stealth Group Holdings Ltd (ABN 25 615 518 020) (hereinafter referred to as the **Reporting Entity**).

## Structure, operations and supply chains of the Reporting Entity

The Reporting Entity's structure is described as follows:

- it is structured as a publicly listed company (Limited By Shares) and incorporated in Australia;
- has its registered office and headquarters in Stirling, Western Australia;
- together with the entities it owns or controls (see list below), has more than 240 employees;
- procures certain goods and services such as hand tools, power tools, lubricants, workwear, and industrial products, among other goods for distribution in Australia;
- has various properties under lease agreement (either itself or one of the entities it owns or controls) throughout Australia from which it distributes its products to its customers.

The following entities comprise the Stealth Group:

- Force Technology International Pty Ltd (ABN 83 054 655 757) (**Force Technology**)
- Heatley Sales Pty Ltd (ABN 78 009 260 824) trading as "Heatleys Safety & Industrial" (**Heatleys**)
- C&L Tool Centre Pty Ltd (ABN 71 104 125 546) trading as "C&L Tools" (**C&L Tools**)
- Stealth Global Industries (Australia) Pty Ltd (ABN 66 167 577 371) (**SGIA**)
- United Tools Pty Ltd (ABN 40 011 008 110) (**United Tools**)
- Industrial Supply Group Pty. Ltd. (ABN 29 055 790 282) (**ISG**)
- Skipper Transport Parts (**Skippers**) (registered business name of Heatleys)
- Trade Member Direct (**TMD**) (registered business name of SGIA)

All these entities are wholly owned subsidiaries of Stealth and are incorporated in Australia. All their operations are in Australia (except in the case of Force who has contract manufacturing operations in China).

The Reporting Entity is not part of a larger "upstream" corporate group of entities.

Below is a diagram summarising the structure of the Stealth Group described above:



Below is an explanation of the nature and types of activities undertaken by the Stealth Group and an assessment of their operations and supply chains.

## Stealth

Stealth's main operations include purchasing goods for distribution in Australia, sales and marketing such goods to its customers, distributing its goods via its distribution centres (which are leased premises), and employing workers to carry out its business operations. The types of products sourced from suppliers by Stealth for distribution in Australia include electronics, power tools, lubricants, abrasives, etc.

The Stealth Group's supply chains also include services that contribute to its operations, such as the distribution of products, and cleaning and security companies that service Stealth's offices and the distribution centres of other entities.

Stealth is the exclusive distributor of Wesco Power Tools, CAT® Power Tools, and Harden Hand Tools (via industrial tool partnerships) pursuant to an exclusive distributor agreement.

Stealth's Head Office is in Stirling, Western Australia.

Stealth has a standard form purchase contract with each supplier.

## Force Technology

Force Technology is a market-leading wholesale distributor and solutions provider in the large and growing mobile accessories market. Force Technology is based in Belmont, Western Australia. Force Technology also engages a Chinese manufacturer under a Vendor Trading Agreement whereby it procures goods directly from the Chinese manufacturer (instead of via an importer or wholesaler). The manufactured goods are re-sold in Australia pursuant to reseller partnership agreements.

The types of products manufactured and sourced from suppliers by Force Technology include electronics and phone accessories. Force Technology also has a supplier who provides freight, customs and compliance services to import these goods into Australia.

Force Technology has an exclusive distributor arrangement for the consumer division, whereby exclusive distribution rights exist for CASEIFY, Belkin, Ember, and extended rights with D3O® in Australia and New Zealand.

## Heatleys

Heatleys provides its customers with quality safety, industrial and workplace products across Australia for over 30 years. The types of products sourced by Heatleys for distribution to its customers are sourced from predominately Australian based suppliers (wholesalers) and include (without limitation) PPE safety products, workwear, and footwear.

Heatleys has four locations in Western Australia namely, Canning Vale, Karratha, Bunbury, Kalgoorlie and Skippers Transport Parts in Esperance, which is part of Heatleys, and one location in South Australia (Wingfield).

## Skippers

Skippers is a registered business name of Heatleys. Skippers is a national provider of parts for the truck and trailer, bus, mining, industrial and automotive markets.

Heatleys and Skippers are a part of the buying group called "ISG". ISG purchases through TMD, which is the purchasing division for the Stealth Group. Stealth Group's preferred suppliers (about 80) have terms with TMD which is the standard form terms called "Preferred Supplier Agreement".

## C&L Tools

C&L Tools is based in Banyo, Brisbane, and is an Australian owned and operated industrial, hardware and tool products supplier specialising in workplace supplies. The types of products sourced by C&L Tools for distribution to its customers are sourced from predominantly Australian based suppliers (wholesales) and include (without limitation) power tools, power tool accessories, and spare parts.

C&L Tools is also a part of the buying group "United Tools". United Tools purchase through TMD, which is the purchasing division for the Stealth Group. Stealth Group's preferred suppliers (about 80) have terms with TMD which is the standard form terms called "Preferred Supplier Agreement".

## United Tools

United Tools is one of Australia's largest buying and distribution co-operatives of independent retailers, selling tools, industrial and trade related products to business and retail customers.

United Tools purchase through Trade Member Direct (or TMD), which is the purchasing division for the Stealth Group.

## ISG

ISG is an industrial independent member buying group. ISG buys goods from suppliers that have agreements with Stealth.

ISG purchase through Trade Member Direct (or TMD), which is the purchasing division for the Stealth Group.

## Trade Member Direct (TMD)

TMD is a registered business name of Stealth Global Industries (Australia) Pty Ltd.

Stealth Group's preferred suppliers (about 80 of them) have agreed standard form terms with TMD, namely "Preferred Supplier Agreement".

## Stealth Global Industries (Australia) Pty Ltd

Owns the business name "Trade Member Direct"

## Supplier list

There is no public supplier list available for the Stealth Group. However, except in the case of United Tools and ISG, the Reporting Entity keeps detailed records of its suppliers, such as category, expenditure, and goods and services purchased.

# Mandatory criterion 3

## Risks of modern slavery practices in the operations and supply chains

### Overview

The below describes the risks of modern slavery practices in Stealth Group's operations and supply chains.

The Stealth Group's operations are primarily located in Australia as it primarily sources the goods from Australian based suppliers, and their distribution centres or premises are also located in Australia.

In addition to the risks identified in Criterion 4 below, we have identified the following risks pertaining to Stealth Group's operations:

- Training of relevant decision makers within these entities on risks and policies that address forced labour, including employees responsible for procurement.
- Security and cleaning of Stealth Group's properties.
- Transportation of goods to the customers where, if any, labour hire, recruitment agencies, or contractors are used.
- Lack of screening new suppliers for modern slavery risks

The Stealth Group's supply chains include the manufacture, purchase and transportation of the products it sells to its business and retail customers in Australia. Therefore, the Stealth Group's supply chains include the overseas factories where the products are made, the importation of the products into Australia and the subsequent sale and distribution of the products to its customers. Stealth Groups' first tier (or direct) suppliers are located primarily in Australia however tier 2 (or indirect) suppliers and beyond (tier 3, etc) are located in a vast array of countries and regions. Lack of visibility of tier 2 suppliers and beyond presents a risk for the Stealth Group.

### Sector and industry risks

Stealth Group has operations and supply chains in the sectors and industries listed below. There is evidence that these sectors and industries are linked to forced labour and/or child labour exploitation:

- Manufacturing
- Transportation
- Wholesale and trade

### Product and services risks

While the Stealth Group procures goods via Australian suppliers (tier 1 or direct suppliers), some of the goods are sourced from countries where the risks of modern slavery practices are high for those goods.

The following goods that the Stealth Group procure from Australian based suppliers are generally considered high risk (this is not an exhaustive list of goods procured):

- Electronics
- Footwear
- Garments
- Gloves
- Lithium-Ion Batteries

### Geographic risks

Below are examples of goods the Stealth Group procures from high-risk countries via an Australian based supplier:

- Electronics from China, Malaysia, and Pakistan.
- Footwear from Bangladesh, Brazil, China, India, Turkey, and Vietnam.
- Garments from Argentina, Bangladesh, Brazil, Burma, China, and India, among other countries.
- Gloves from China.
- Lithium-Ion Batteries from China.

In the case of Force Technology, it sources the goods (including electronics) for re-sale and distribution from a Chinese based supplier and does not procure via an Australian supplier. This means that its tier 1 supplier is in China. Based on the above, it is likely that the electronics and lithium-ion batteries (used in power tools) sourced in China by Force Technology could be considered high-risk.

# Mandatory criterion 4

## Actions taken to assess and address those risks

### Overview

The main actions taken by the Stealth Group to assess and address these risks in the Reporting Period included conducting due diligence (including a comprehensive supplier risk assessment and an operational risk assessment), as detailed below.

### Supplier risk assessment

#### Summary

We engaged an independent due diligence provider, Due Diligence Software Pty Ltd (“**Due**”) to undertake due diligence on our behalf. Our focus for this Reporting Period was on assessing the risks before addressing these risks. For example, the supplier risk assessment helped Stealth Group start to map its supply chain as they had limited exposure beyond tier 1 (direct) suppliers which are typically all Australian based importers (except in the case of Force Technology who contracts directly with a manufacturer in China and imports the goods into Australia). We worked collaboratively with Due using their 6 step supplier audit process. The process shows a comprehensive approach to supplier auditing, from initial identification through to risk assessment to reporting and remediation actions which will be carried out over consecutive reporting periods.

#### Results

We conducted a comprehensive supplier audit across our operations, surveying the top 105 suppliers (by expenditure) and the suppliers of four entities to assess modern slavery risks in Stealth Group’s supply chain (including C&L Tools, Heatleys, Force Technology and Stealth). The suppliers surveyed represented over \$133 million in the Stealth Group’s procurement spend in the Reporting Period.

Key outcomes:

- A high completion rate of 61% with 64 suppliers fully completing the survey.
- 72 suppliers engaged with the audit process.
- 100+ supporting documents were provided, demonstrating supplier commitment to transparency.
- 4 suppliers declined to complete the survey but provided alternative documentation.

The level of documentation provided demonstrates our suppliers’ commitment to addressing modern slavery risks. This supplier audit has enhanced our visibility of modern slavery risks across our supply chain and enabled us to identify areas requiring further due diligence and engagement.

### Further information

#### Slavery & Trafficking Risk Template

The most suitable self-assessment questionnaire (or **SAQ**) to conduct the supplier risk assessment was the Slavery & Trafficking Risk Template (“**STRT**”) as a base survey with some customisations to achieve a risk-based assessment, while still getting the required information to undertake an effective audit.

The Reporting Entity recognises ‘due diligence’ refers to an ongoing management process to identify, prevent, mitigate and account for how an entity addresses actual and potential adverse human rights impacts in their operations and supply chains, including modern slavery. As such, the suppliers’ results will be reviewed and scored in detail in the next Reporting Period. This will form an action plan of addressing such risks.

### Operational risk assessment

In the Reporting Period, the Stealth Group undertook an operational risk assessment. The modern slavery operational SAQ was based on the KnowTheChain 2025-26 Benchmark Methodology, which assesses companies against international standards including the United Nations Guiding Principles on Business and Human Rights (“**UNGP**”) and ILO core labour standards.

Based on Stealth Group’s responses to the SAQ, the operational audit identified modern slavery risks across our operations and subsidiary entities in the following areas:

- Supplier code of conduct and capacity building
- Management and accountability
- Traceability and supply chain transparency
- Risk assessment
- Data on supply chain risks
- Purchasing practices
- Recruitment fees and related costs
- Responsible recruitment
- Freedom of association
- Grievance mechanism
- Monitoring
- Remedy programmes and response to allegations

The results of the operational risk assessment will be evaluated (including the corresponding recommendations) and this will form the basis for priority focus areas for the next Reporting Period in FY26.

# Mandatory criterion 5



## Assessing the effectiveness of actions taken to assess and address those risks

### Managing modern slavery risk

Stealth's internal code of conduct defines the principles and standards that we expect our employees to understand and adhere to. It is never acceptable for our employees to deviate from the code to achieve a business objective. The code is communicated to all our employees.

The Stealth Group's three focus areas for reducing modern slavery risk are:

1. Prevention: training our team to identify risks and ensuring our modern slavery protocols and processes are set up to ensure risk is minimised from the outset.
2. Risk assessment and mitigation: expand our activities focused on identifying and mitigating risk in our existing supply chain.
3. Remediation: Establish our approach for responding to modern slavery incidents if they occur.

### Managing our supply chains

We are focused on deepening our relationships and partnering with our strategic suppliers to better understand how they manage their supply chain for the products that they supply Stealth.

Stealth's focus is on its strategic suppliers, being those with high overall spend by Stealth, which will include suppliers with existing reporting obligations under Modern Slavery reporting. Key objectives include:

- Hosting / attending training programs with our suppliers regarding modern slavery risks.
- Supplier code of conduct.
- Supplier assessments and audits.

### Assessing the effectiveness of actions taken

In this Reporting Period, the Reporting Entity focused on undertaking a risk assessment of its suppliers as its own operations (as detailed above). In the next Reporting Period, Stealth Group proposes assessing the effectiveness of actions taken (undertaking a risk assessment) by identifying and then engaging with high risk suppliers to ensure they implement the recommendations made in the risk assessment by our audit provider, Due Diligence.

# Mandatory criterion 6



## Process of consultation

Stealth undertook a structured and collaborative consultation process with the entities it owns or controls to support the development of this Statement. This process ensured that all relevant divisions contributed information regarding their operations, supply chains, and risk-management practices.

Consultation occurred with both the Industrial and Consumer divisions. Within the Industrial division, discussions were held with the General Manager Supply Chain to review operational processes, supplier relationships, and existing risk-mitigation activities. For the Consumer division, consultation involved the CEO, who provided oversight and direction, as well as key functional representatives. The Consumer division played an important role in identifying the primary suppliers to be surveyed, given that these suppliers are responsible for manufacturing the division's product ranges and therefore represent a material portion of Stealth's supply chain risk profile.

Engagement occurred through a mix of online meetings via Microsoft Teams and in-person sessions, allowing for detailed discussion, clarification of responsibilities, and alignment on the information required for the statement. As part of the consultation, the internal supply chain questionnaire relating to Stealth's own operations was completed in collaboration with the General Manager – Supply Chain and the General Manager – People & HR. Their input ensured that operational processes, workforce practices, and internal controls were accurately and comprehensively reflected.

Once all divisional inputs were received and incorporated, the draft statement was consolidated and prepared for executive review. The final draft will undergo formal review by the Group Chief Operating Officer (COO) and Chief Financial Officer (CFO). Following their endorsement, the statement will be presented to the Group Managing Director (MD) and subsequently to the Board for final approval in accordance with Stealth's governance requirements.

# Mandatory criterion 7

## **Any other relevant information**

Not applicable

# Conclusion

## Looking ahead

Stealth remains fully committed to strengthening our approach to identifying, assessing, and addressing modern slavery risks across our operations and supply chain. Building on the insights gained through our comprehensive supplier audit and operational risk assessment in this Reporting Period, we will continue to embed a more mature, transparent, and proactive framework for managing these risks.

Over the next Reporting Period, our priority activities will focus on:

- Strengthening internal governance and accountability by advancing the development of policies, procedures and risk-management capabilities that align with international standards, including clearer ownership of modern slavery actions and improved group-wide coordination.
- Enhancing engagement with our strategic suppliers, particularly those representing higher expenditure and greater supply chain influence, to ensure they understand and act on the risk assessment findings and adopt improved practices relating to transparency, responsible sourcing, and labour rights protections.
- Expanding engagement beyond strategic suppliers to include other suppliers operating in higher-risk product categories or geographies.
- Embedding a structured, risk-based approach to responsible sourcing, identifying common areas of vulnerability across our supply chain, and working collaboratively with suppliers to address these issues early.

These initiatives will support the next stage of our work under mandatory criterion 5, enabling us to assess the effectiveness of the actions taken, monitor progress against identified risks, and ensure suppliers are implementing recommended improvements.

Stealth is committed to continuous improvement and to eliminating modern slavery in all its forms from within our operations and through our supply chains. We are pleased to present the Stealth Group Modern Slavery Statement for 2025 and reaffirm our commitment to transparently tracking, assessing, and reporting on our progress as we advance this important work.



**Mike Arnold**

*Group Managing Director & CEO*  
Stealth Group Holdings Ltd

This statement was approved by the principal governing body (the Reporting Entity's board of directors) on 15th December 2025.



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