

PROPEL FUNERAL PARTNERS - MODERN SLAVERY STATEMENT FOR THE PERIOD ENDED 30 JUNE 2024

STATEMENT FROM THE MANAGING DIRECTOR

Slavery and human trafficking remains a hidden blight on our global society. We all have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain.

Such activities are abhorrent to our board of directors. Our staff are expected to report concerns and management are expected to act upon them.

MODERN SLAVERY ACT 2018 (CTH)

The Modern Slavery Act 2018 (Cth) (**Act**) requires entities based, or operating, in Australia, which have an annual consolidated revenue of more than \$100 million, to report annually on:

- the risks of modern slavery in their operations and supply chains; and
- the actions taken to address those risks.

This statement has been prepared pursuant to section 16 of the Act as the group of which Propel Funeral Partners Limited (**Propel**) is the ultimate holding company generated revenue of more than \$100 million during the 12 months ending 30 June 2024 (**FY24**).

REPORTING ENTITIES

This statement is a joint statement made by Propel, and two of its wholly owned subsidiaries, PFP Midco Pty Limited and PFP Finance Pty Limited, in accordance with section 14 of the Act.

ORGANISATION STRUCTURE

Propel, which has its head office in Sydney (New South Wales, Australia), is the ultimate parent company of a corporate group which consists of funeral homes, cremation facilities and cemeteries in Australia and New Zealand. Propel is the sole shareholder of PFP Midco Pty Ltd (**PFP Midco**) and PFP Midco is the sole shareholder of PFP Finance Pty Ltd (**PFP Finance**). Each of Propel, PFP Midco and PFP Finance are entities who, together with their subsidiaries, have generated revenue of more than \$100 million in FY24.

Accordingly, each of those three entities are reporting entities under the Act, and then have resolved to prepare a Joint Modern Slavery Statement in accordance with section 14 of the Act.

PROPEL'S OPERATIONS

Propel is listed on the Australian Securities Exchange and is the second largest provider of death care services in Australia and New Zealand. As at 30 June 2024, Propel operated from 196 locations, including 38 cremation facilities and 9 cemeteries. It operated from New Zealand (both North Island and South Island) as well as from all States of Australia and the Australian Capital Territory.

PROPEL'S SUPPLY CHAINS

The vast majority of goods and products purchased by Propel are sourced from domestic, either Australian or New Zealand, suppliers. In FY24, it is estimated that more than 99% of those goods were purchased from market leading specialist suppliers based in Australia and New Zealand. Propel's largest goods held for sale relate to coffins/caskets of which more than 99% were purchased from market leading specialist suppliers based in Australia and New Zealand. In other words, very few of the goods purchased by Propel in FY24 were from overseas suppliers. Propel has its own coffin and casket manufacturing facilities in Hobart, Tasmania. The raw materials used to manufacture these coffins and caskets are largely sourced from Australia.

RISKS OF MODERN SLAVERY IN PROPEL'S OPERATIONS AND SUPPLY CHAINS

We are committed to identifying possible modern slavery risks in Propel's operations and supply chains. We have conducted an internal risk assessment of our major suppliers and have categorised all of our domestic suppliers (either Australian or New Zealand) as low risk as they are identified as having a low risk in the following risk categories:

- sector and industry risks: death care services is not an identified high risk industry;
- product and services risks: our coffins, caskets, coffins/caskets componentry, memorials and urns are not identified high risk products as they are largely manufactured in Australia or New Zealand with the raw materials also being largely sourced from Australia and New Zealand;
- geographic risks: both Australia and New Zealand are considered low risk for modern slavery instances and Propel has very few overseas suppliers; and
- entity risks: the majority of Propel's goods and products are sourced from market leading specialist suppliers and we are not aware of any of our suppliers' noncompliance with any human rights or labour standards.

Propel is committed to continuously improving its approach to identifying modern slavery risks in its supply chains and operations, including, if considered appropriate, by undertaking risk assessments beyond its tier one suppliers in the future.

ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

PROPEL'S POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to trying to eliminate the risk that there is modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to act ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains or in any part of the business.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

To reduce the chances of modern slavery or human trafficking existing in our supply chains, we have undertaken the following matters, with input and advice from external specialists:

- developed and worked through an action plan;

- prepared a notification letter which has been sent to suppliers who supplied goods or products to the group during FY24 of an amount of at least \$200,000 (ex GST);
- developed an on-boarding questionnaire, which will be provided to, as part of a standard procurement procedure, and which will be used as an assessment tool to assess modern slavery risks in, suppliers who will be or are likely to become material suppliers to individual businesses within the group, where material in this context means more than \$100,000 (ex GST) per annum; and
- prepared a modern slavery and human trafficking policy, which is available on Propel's website.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. We expect all those in our supply chain and contractors to comply with our values. Our zero tolerance policy is focussed on zero tolerance for inaction following an identified modern slavery case. If it becomes known that a supplier is partaking in, or condoning, modern slavery or human trafficking and the supplier refuses to address the issue, then Propel would cease to order from that entity, and report them to the relevant authorities.

It is not practical for us to have a direct relationship with all links in our supply chain. However, we expect each entity in our supply chain to adopt a 'one-up' due diligence on the next link in the chain with regards to national or international supply chains. Further, although we have relatively few suppliers who are not Australian or New Zealand based, our primary point of contact with those suppliers who are based internationally is preferably with an Australian or New Zealand company or branch.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

TRAINING

Key executives have previously undertaken online learning on modern slavery, and directors have been briefed by external counsel. Propel will assess the need for training for staff and suppliers in the future.

ENGAGEMENT AND FEEDBACK

We largely measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains level by, directly and indirectly, communicating, and having personal contact, with the next link in the supply chain and ensuring they have an understanding of our expectations.

REVIEW PROCESS

Propel is committed to continuously reviewing and improving its approach to assessing modern slavery risks in its supply chains and operations, including by reviewing how it is assessing the effectiveness of actions being taken to assess and address modern slavery risk.

JOINT STATEMENT CONSULTATION PROCESS

This statement has been prepared in consultation with each of the reporting entities: Propel, PFP Midco and PFP Finance.

The documents prepared as part of our due diligence processes (refer above) have also been reviewed and approved by the board of directors of Propel, PFP Midco and PFP Finance. This statement has been circulated to each General Manager of Propel's operational subsidiaries/businesses, and 'slavery and human trafficking' has become a standing agenda item at the monthly management meetings.

This statement is made pursuant to section 16 of the Modern Slavery Act 2018 (Cth) and constitutes Propel's Modern Slavery Statement for FY24.

Albin Kurti
Managing Director
31 December 2024

Approved by the board of directors of Propel Funeral Partners Limited



Director



Director

Approved by the board of directors of PFP Midco Pty Limited



Director



Director

Approved by the board of directors of PFP Finance Pty Limited



Director



Director