



MODERN
SLAVERY STATEMENT
— FY25 —

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MESSAGE FROM THE MANAGING DIRECTOR

AT KINETIC SOURCING GROUP PTY LTD, WE RECOGNISE THAT OUR GLOBAL SUPPLY CHAINS COME WITH A PROFOUND RESPONSIBILITY TO UPHOLD THE HUMAN RIGHTS OF THE PEOPLE WHO CONTRIBUTE TO OUR PRODUCTS. THIS IS OUR MODERN SLAVERY STATEMENT, AND IT REFLECTS OUR FORMAL COMMITMENT TO PREVENTING AND ULTIMATELY ERADICATING MODERN SLAVERY IN ALL ITS FORMS FROM OUR OPERATIONS AND SUPPLY CHAINS.

While we have always strived to work with integrity, we are now formalising our expectations. We are developing a framework to ensure that all parties in our supply chain comply with local and international laws and align with the ethical principles we are incorporating into our core policies.

We understand that the risks of modern slavery can be complex and hidden. Therefore, a primary goal for the coming year is to begin the process of risk-mapping our supply chains to identify our highest-risk areas on our path towards implementing more robust due diligence, including future external verification where appropriate.

Combatting modern slavery requires continuous learning, transparency, and improvement. This statement outlines the steps we are taking, acknowledges the work ahead, and sets clear goals for the next financial year.



David Jiang
Managing Director

OUR COMMITMENT

THIS STATEMENT OUTLINES KINETIC SOURCING GROUP PTY LTD'S ("KSG") COMMITMENT TO REDUCING THE RISK THAT MODERN SLAVERY IS PRESENT IN ALL BUSINESS ACTIVITIES AND THROUGHOUT OUR SUPPLY CHAINS.

It outlines the steps we have taken to ensure compliance with the Modern Slavery Act 2018 (Cth) ("MSA").

This Statement covers the activities of KSG as the reporting entity with ACN 680 258 637 for the financial year commencing 1 July 2024 and ending 30 June 2025 (FY25 Statement Period).

KSG designs, markets and sells home improvement products in Australia and internationally. The Executive Management Committee has been consulted in relation to the preparation of this statement.

The principal governing body for the entity is the Managing Director, who serves as the sole company director and secretary for the entity covered by the Statement.

This Statement is signed by the Managing Director, being the responsible member for KSG.



OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

KSG is a product sourcing agent, specialising in plumbing, bathroom and laundry products to retail trading partners across Australia.

In Australia, during the FY25 Statement Period, KSG operated a head office and warehouses in 2 locations in Australia (being Melbourne and Sydney), as well as holding a head sourcing office in Shanghai, China. During the FY25 Statement Period, KSG employed approximately 100 people across our business, including contractors.

For the purposes of this Statement, our key reporting group operating entities, operations and associated supply chains during the FY25 Statement Period were as follows:

OUR BRANDS

The branded products that are included within the scope of this Statement are:

Shaw & Mason

evekare™

EnduraSeal
STAINLESS STEEL

SmarteX™

TRADE SUPPLY CHAIN

Our trade supply chain consists of the following categories of products:

- Basin & Bath Taps
- Chairs & Stools
- Grab Rails
- Kitchen Taps
- Mobility
- Pipe & Fittings
- Plumbing Spares
- Plumbing Sundry
- Plumbing Tools
- PVC Pipe & Fittings
- Sanitaryware
- Shower & Tapware
- Sinks
- Toilets & Accessories
- Vanity And Cabinets

STRUCTURE OF SUPPLY CHAIN ARRANGEMENTS

In its short time since incorporation, KSG has sought to understand the location of its Tier 1 suppliers, that represent the greatest spend. In doing so, KSG has undertaken a preliminary supply chain assessment. KSG has determined that 97% of products sold by KSG are procured from China from 25 suppliers.

NON-TRADE SUPPLY CHAIN

Our non-trade supply chain consists of service providers and contractors across a range of industries, including:

- import procurement & quality assurance;
- landed costs clearing;
- warehouse distribution;
- legal and professional fees;
- printing;
- software and computer consumables;
- repairs, maintenance and equipment;
- electricity and gas;
- vehicles;
- agencies - casual wages; and
- motor vehicle operating expenses.

KSG has determined that in total, 54% of the total value spent was on indirect spend through domestic services.

GOVERNANCE FOR MODERN SLAVERY

As a business, we have begun to develop our governance to proactively mitigate risk and enhance our organisational accountability.

As part of this, we are working to develop and implement our Modern Slavery and Ethical Sourcing Policy, in which we plan to address modern slavery and ethical sourcing risks. With this purpose, we plan to incorporate terms in our supplier contracts requiring suppliers to comply with a set of requirements outlined as the Minimum Standards.

POTENTIAL RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAIN

We understand that modern slavery is a risk that every business is exposed to due to extended global supply chains. It is this risk to the workers engaged in the supply chains that we seek to understand, minimise, and mitigate wherever possible. There have been no known instances of modern slavery in KSG's operations or supply chain to date.



OPERATIONAL RISKS

KSG HAS DEVELOPED RECRUITMENT AND ONBOARDING PROCESSES DESIGNED TO COMPLY WITH ALL RELEVANT LEGISLATION AND ALIGN WITH THE REQUIREMENTS OF THE MODERN SLAVERY ACT. WE CONTINUE TO REVIEW THESE PROCESSES TO ENSURE THEY REMAIN EFFECTIVE IN IDENTIFYING ANY LABOUR-RELATED RISKS.

We maintain a high level of diligence throughout our recruiting and onboarding process. Our recruitment process demands absolute compliance with the Equal Opportunity and Anti-Discrimination policies. Our onboarding is managed by the hiring manager who utilises our "Onboarding Checklist" to ensure consistency throughout the onboarding and recruitment process.

We strive to promote from within as much as possible by following the above recruitment process. When internal promotion isn't possible, we rely on a mix of consistently used external recruiting partners for more specialised roles. Beyond this scope, we also utilise online platforms such as Seek to recruit suitable candidates in areas such as Field Sales. Our warehouses employ a mix of full-time and casual staff. The casual staff are engaged through specialist agency providers. We maintain current versions of our Code of Conduct, Equal Opportunity, and Anti-Discrimination policies with each of our external recruiting and labour hire partners.

While the risk in our directly controlled operations is low, we understand that there is a risk of human rights issues in our operations due to the use of subcontracting of services, including the manufacturing of fabricated products, logistics outsourcing and labour subcontracting. These issues may include underpayment, indentured workers and exploitation of migrants in contracted and subcontracted services such as transport and logistics.

We engage labour hire agencies for casual warehouse staff in Australia. The risk here pertains to potential underpayment or exploitation of temporary workers.

We mitigate these and other operational risks by strictly adhering to our recruitment processes and policies, as well as through regular consultation with our partners, from executive management to our approved external agencies.



SUPPLY CHAIN RISKS

KSG has not yet undertaken a comprehensive supply chain mapping, including for its Tier 1 suppliers, nor has it conducted an assessment to identify risks within the supply chain. Once we have comprehensively mapped our Tier 1 suppliers, we will use this data to conduct a detailed risk assessment, understanding the specific modern slavery risks inherent in these relationships and geographies. We intend to further develop this capability and seek to provide a concrete understanding of supply chain risk in future.

Our very initial assessments have indicated that modern slavery risks associated with the goods and services we buy include:

- **Forced labour:** Given that 90% of our products are procured from China, we identify a heightened risk of forced labour in manufacturing facilities. This can manifest as the retention of identity documents, particularly for migrant internal labourers. Additional forced labour risks within the supply chain include underpayment, indentured workers, and exploitation of migrants in contracted and subcontracted services, such as transport & logistics overseas, as well as labour rights in business-related services and professional services that may be offshored. Additionally, labour rights and health & safety concerns are prevalent in overseas supply chains, including processing and manufacturing.
- **Debt bondage:** The risk of indentured workers may be present in contracted and subcontracted services, such as transport & logistics overseas.
- **Child labour:** The risk of child labour may exist further down our supply chain in the extraction or processing of raw materials used in our products, such as metals for taps and fittings, where visibility is currently limited;



ACTIONS WE HAVE TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

KSG takes its responsibility to understand and reduce the environmental and social impacts of its business operations and supply chain very seriously. KSG has been working towards understanding modern slavery and ethical sourcing risks in its supply chains and operations, and we remain focused on setting the foundations for stronger governance within this domain.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

In this period, our actions have focused on establishing a governance structure. In FY26, as outlined in our commitments, we plan to develop specific metrics to measure the effectiveness of our to be developed training programs and supplier risk assessments, allowing for more robust evaluation in our next statement.

As described in the Section 'Our FY26 Commitments', KSG intends from FY26 onwards to assess the effectiveness of its actions through measurable indicators such as:

- the percentage of Tier 1 suppliers who have acknowledged and agreed to the KSG's Modern Slavery and Ethical Sourcing Policy which is being developed;
- the completion rate of modern slavery awareness training by procurement and management staff; and
- the number of supplier non-compliance issues identified and resolved within agreed timeframes.

Going forwards into FY26, progress against these indicators are planned to be reviewed quarterly by the Compliance Committee and reported annually to the Managing Director.

OUR FY26 COMMITMENTS

KSG recognises there is a substantial amount of work required to develop its capability and understanding of risks within its supply chain.

Over the coming 12 months we are committed to advancing the sophistication of our policy and capability. This will be focussed across two areas being our training to understand modern slavery risks and knowledge of our specific supply chain. We recognise that there is a large amount of work ahead.

By leveraging our membership with the AHE Group, we will gain access to shared resources, including supplier assessment tools, regional risk intelligence, and collaborative engagement strategies, which will significantly accelerate the development of our program.

TRAINING TO UNDERSTAND MODERN SLAVERY RISKS

KSG intends to train both internally and externally on modern slavery supply chain risks. Internally, will aim to develop a training module and have all staff complete it. Externally, we will aim to provide training and guidance to Tier 1 suppliers on the risks. This will help build a strong baseline from which we can build our knowledge of the supply chain.

Through our relationship with the AHE Group, KSG will participate in shared supplier audits and training programs to enhance visibility into Tier 2 manufacturers.

KNOWLEDGE OF OUR SPECIFIC SUPPLY CHAIN

Our FY26 works will include undertaking a latent risk assessment to determine the levels and areas of risk within our supply chain. To supplement this latent risk assessment, we intend to develop a questionnaire to understand supplier operations more and we will aim to distribute this to our Tier 1 suppliers. These two items collectively will inform our supply chain risk assessment.

Following the completion of a supply chain risk assessment, our monitoring and evaluation framework will be developed over the next reporting period to track and account for risks within our supply chains.

KNOWLEDGE OF OUR SPECIFIC SUPPLY CHAIN (CONT.)

Where instances of non-compliance or potential modern slavery indicators are identified, KSG will work with the supplier to develop a Corrective Action Plan. If remediation for affected workers becomes necessary, we will seek to ensure appropriate compensation or rectification measures are provided in consultation with relevant stakeholders.

We will also develop a Modern Slavery and Ethical Sourcing Policy and corresponding whistleblower policy to ensure a suitable mechanism is in place for workers or business partners to raise concerns confidentially related to labour or human rights violations.

As a part of developing our ongoing monitoring and evaluation framework, we will be tracking the following metrics:

- Percentage of Tier 1 and 2 supplier spend mapped. It is noted that KSG does not aim to map every single supply chain, as this is neither a practical nor a meaningful goal, particularly considering the frequent shifts in supply chains. However, this is used to understand how mitigation may be applied to the latent risks identified in both suppliers and products. It is also a measure of supply chain transparency.
- Percentage of relevant staff (including procurement and executive management) trained on the MSA.
- Risk mitigation progress: Percentage of high-risk suppliers that have implemented corrective actions.

We plan to conduct an annual evaluation of the actions undertaken in risk mitigation to assess their effectiveness and, based on the learnings incorporate this into the following year's actions, to ensure that we are continuously improving and that our actions have a demonstrated impact.

PROCESS OF CONSULTATION AND APPROVAL

This statement was resolved as approved by the Managing Director of the Kinetic Sourcing Group Pty Ltd on 30th December 2025.



Mr David Jiang
Managing Director



APPENDIX A

The following table summarises how this statement meets the reporting obligations under the Commonwealth Modern Slavery Act 2018 (Cth) ("MSA").

MSA REPORTING REQUIREMENT	ADDRESSED IN SECTION	SECTION STARTING PAGE
IDENTIFY THE REPORTING ENTITY	SECTION 2 Our Structure, Operations and Supply Chains	5
DESCRIBE THE REPORTING ENTITY'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS	SECTION 2 Our Structure, Operations and Supply Chains	5
DESCRIBE THE RISKS OF MODERN SLAVERY PRACTICES IN THE OPERATIONS AND SUPPLY CHAINS OF THE REPORTING ENTITY AND ANY ENTITIES IT OWNS OR CONTROLS.	SECTION 3 Potential Risks of Modern Slavery in our Operations and Supply Chain	7
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.	SECTION 4 Actions We Have Taken to Assess and Address Modern Slavery Risks in Our Operations and Supply Chain	10
DESCRIBE HOW THE REPORTING ENTITY ASSESSES THE EFFECTIVENESS OF SUCH ACTIONS.	SECTION 5 Assessing the Effectiveness of our Actions	10
DESCRIBE THE PROCESS OF CONSULTATION WITH (I) ANY ENTITIES THE REPORTING ENTITY OWNS OR CONTROLS; AND (II) FOR A REPORTING ENTITY COVERED BY A JOINT STATEMENT, THE ENTITY GIVING THE STATEMENT	SECTION 6 Process of Consultation and Approval	13