

K I N G

MODERN SLAVERY STATEMENT 2024



About Us

King Furniture Australia Pty Ltd ('King Living'), ABN 79 002 757 333 is the reporting entity and is a company incorporated under the laws of Australia, with its registered office at Suite 234, 7-11 The Avenue, Hurstville, NSW 2220.

Since 1977, King Living has been at the forefront of Australian furniture design. With a reputation that is built on steel, King Living designs and manufactures contemporary, award-winning furniture that is made to last. Renowned for structural integrity and lasting personal comfort, King's products embody the company's vision to enable a more conscious way of living through authentic Australian design.

King Living is a vertically integrated business. We design, manufacture and retail our products for customers in Australia and around the world.



Structure, Operations & Supply Chain

King Living employs over 1,200 staff worldwide.

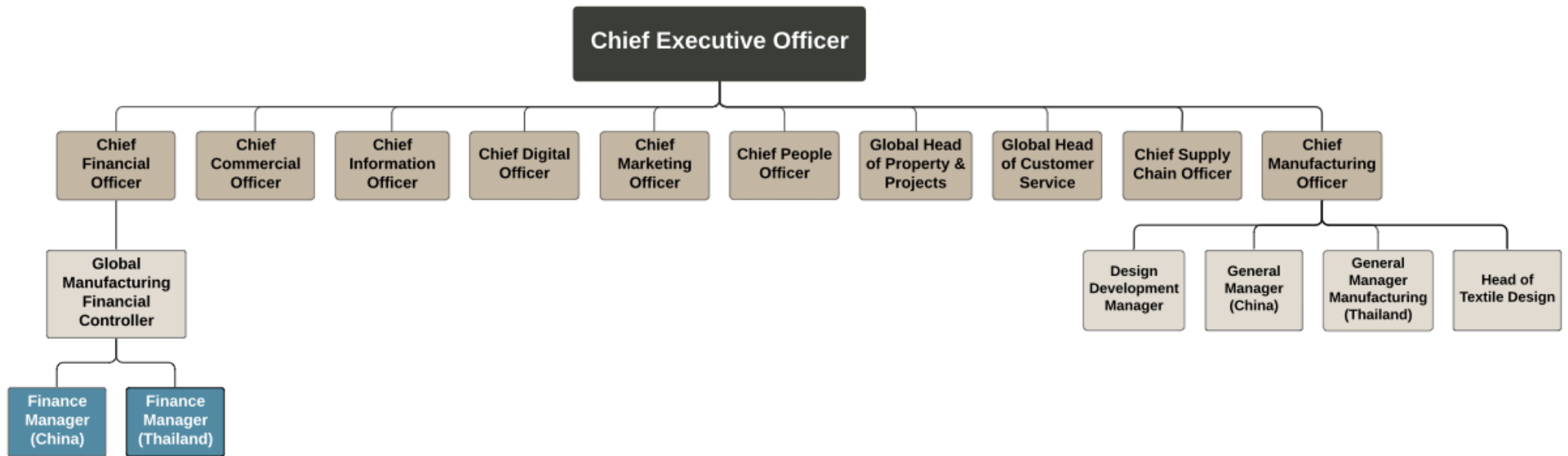
In Australia, our team is spread across 19 national showrooms, the Design & Support Centre and the Warehouse (distribution) facility in Sydney.

Outside Australia, manufacturing, retail and delivery operations are performed by subsidiaries of King Living. Those subsidiaries operate 15 retail showrooms, across Canada, the United States of America, Malaysia, New Zealand, Singapore, China and the United Kingdom. Those showrooms employ more than 100 staff. Our manufacturing plants in China and Thailand employ more than 700 people.

When it is commercially prudent to do so, we also engage the services of third-party contractors who perform various services in our supply chain (for instance, delivery, customer service call centres and some IT functions).

King Living is a vertically integrated business. We maintain complete control over our processes, from design and development to manufacturing, retailing and after sales support. Nearly 90% of the goods we sell are produced either in Australia or in our factories located in China and Thailand. This structure allows us to prioritise sustainability and purposeful design, consistently upholding our high-quality standards.

Organisational Structure*



*Leadership and Relevant Line Managers

Structure, Operations & Supply Chain

Supply Chain

We retail and deliver our products directly to customers, supported by long-term partnerships with third-party logistics agents. Our supply chain operations, managed by the Chief Supply Chain Officer, require use of ocean, air, and road freight. While most of our suppliers are based in China, we also source leather from Germany and Italy and select fabrics from the United States.

Procurement

Procurement at King is jointly managed by the Chief Manufacturing Officer and the Chief Supply Chain Officer. These departments collaborate with on-site General Managers in China and Thailand to oversee the supply of raw materials to our manufacturing plants. They are also responsible for managing and assessing the associated risks. These teams work directly with our suppliers to ensure robust attention to following our policies.

Manufacturing

King Living's Chinese and Thai subsidiaries, Gold Lion Furniture Shanghai Co., Ltd and King Furniture Thai Co., Ltd., manufacture our products under the oversight of the Chief Manufacturing Officer, who works closely with our on-site General Managers at both facilities.

Freight and Logistics

Two international shipping and logistics agents provide most of the logistics-related services to King Living. We have established Service Level Agreements with those entities. They work closely with King's Supply Chain Department, offering a high level of assurance.

Recruitment

Recruitment at King Living is overseen by the Chief People Officer, based at the Design & Support Centre in Sydney. Human resources teams at our manufacturing sites in China and Thailand collaborate closely with the Sydney-based team to ensure seamless operations and alignment with company policies.

We strive to reflect our Australian employment values and practices in our ex-Australia manufacturing operations wherever feasible, while ensuring compliance with local legislation. Similarly, in countries where we operate retail stores; New Zealand, Singapore, Canada, Malaysia, China, USA and the United Kingdom, we adhere to local employment laws.

Finance and Admin

King Living's finance function for all entities is centralised and managed from the Design & Support Centre in Sydney, with the exception of our Chinese entities. For the Chinese entities, a full finance team operates on-site at our factory in Shanghai, under the oversight of our Sydney-based finance team and the direction of the Chief Financial Officer.

We comply with local taxation requirements in all countries where we operate, including the payment of income tax and tariffs. Our financial practices align with international transfer pricing rules.

Risks of Modern Slavery Practices in Operations and Supply Chain

We conducted a risk assessment across our operations and supply chains (including retail, logistics, procurement, human resources, and manufacturing functions). This assessment covered industry sector risk, geographic risk, the nature of products sourced, site visits, and relationships with external providers.

Operational Risk Assessment

King Living recognises that working with external suppliers in areas such as deliveries, assembly, customer service, and IT support may increase modern slavery risks in regions where these practices are more prevalent. Industry-specific risks may arise from reliance on unskilled or temporary labour, foreign workers, deceptive recruitment practices and forced labour.

We have assessed our use of an outsourced labour company in the Philippines to support customer service and IT functions as presenting a low risk of modern slavery. However, we recognise the need to maintain heightened vigilance in higher-risk regions. This includes regularly reviewing our relationships with external providers and ensuring compliance with our policies and procedures.

Risks of Modern Slavery Practices in Operations and Supply Chain

Supply Chain Risk Assessment

We acknowledge that the manufacturing and procurement sectors can be inherently associated with modern slavery risks due to reliance on labour-intensive processes and complex supply chains. These areas can be impacted by factors such as lower skilled labour, outsourcing, governance, and other socio-economic challenges. Specific risks include deceptive recruitment, forced labour, debt bondage, and child labour.

Our vertically integrated structure reduces supply chain risks by allowing greater visibility and control over our production processes. Additionally, our long-standing relationships with third-party logistics providers enhance accountability and compliance across our supply chain.

Manufacturing

Our assessment concluded that the risk of modern slavery within our overseas manufacturing operations is low. This is largely attributable to our vertical integrated structure, which allows direct oversight and control of most production processes.

Establishing our own dedicated manufacturing plant in Thailand has strengthened our ability to streamline production processes. It has also enabled us to foster a healthy employee culture of socially responsible and ethical operations. Because the Thailand facility is relatively new, we continue to closely monitor and address emerging risks to ethical practices.

Procurement of Raw Materials

Our assessment identified that procurement of raw materials in China was at medium risk of modern slavery due to industry-specific challenges and complex socio-economic conditions in the region. Materials such as timber and textiles are reportedly vulnerable to deceptive recruitment, forced labour, and debt bondage.

We acknowledge that limited visibility in some overseas markets, particularly at secondary levels of the supply chain, poses additional risks. To address this we are actively enhancing our supplier engagement processes, including the use of more detailed supplier surveys, updated agreements and supplier due diligence so as to emphasise transparency and adherence to anti-modern slavery standards.

Actions Taken to Address Risks

Internal Processes and Management

We maintain a suite of Human Resources policies, including Recruitment, Anti-Bribery and Corruption, Whistleblower, IT, and Discrimination, Bullying, and Harassment policies. Several of these, such as our Code of Conduct, Whistleblower, and Anti-Bribery and Corruption policies, explicitly address modern slavery, outlining mechanisms for reporting concerns and promoting ethical practices. These policies are required reading for all staff, alongside other employment-related policies, to ensure awareness and compliance.

In our manufacturing operations across China and Thailand, we strive to reflect Australian employment standards as much as practicable while aligning our policies with relevant local legislation. Similarly, in countries where we operate retail showrooms, we comply fully with applicable employment laws and regulations.

Procurement

To mitigate inherent sector risks in the procurement of raw materials, we undertook several targeted actions during this reporting period. Internal collaboration among key stakeholders enabled the review and enhancement of our external supplier engagement processes, including selection criteria, supplier agreements and due diligence procedures.

Building on insights gained from previous analysis of Tier 1 and Tier 2 supplier surveys, we revised this year's supplier surveys to include questions focused on certain modern slavery practices such as policies on forced labour, child labour, and adherence to local employment laws.

The revised surveys were conducted with textile suppliers, a sector identified as having increased risk. In addition, we updated our supplier agreements to incorporate modern slavery clauses, thus establishing clear expectations for compliance and accountability.

These efforts have enhanced our ability to gather accurate data, ensure ethical practices, and maintain transparency across our supply chain.

In-house Legal Department

We established our Legal Department last year and expanded it during the current reporting period. This centralises legal and governance matters, enhancing our capacity to manage compliance and risk. The Legal Team emphasises modern slavery compliance and significantly strengthens our efforts to address risks in our operations and supply chains.

The Legal Team has also revised key policies, supplier agreements, and supplier surveys to better address modern slavery risks. They have collaborated and coordinated with other departments, enabling a more comprehensive approach to assessing and managing these risks.

Modern slavery compliance remains a priority for our Legal Team. With the additional resources provided by the department's growth, we are well-positioned to implement future improvements like targeted staff training and enhanced reporting mechanisms. These initiatives will further advance our commitment to ethical practices and risk mitigation.

Assessing Effectiveness

During each reporting period, we evaluate our effectiveness at assessing modern slavery risks by:

- internal modern slavery awareness training
- on-site visits to our suppliers
- whether instances of modern slavery have been identified (and actions taken in response)
- consulting with external suppliers and internal stakeholders for risk mitigation.

We aim to gain valuable insights into the impact of our initiatives and identify opportunities for further improvement.



Internal Consultation Process

The King Living Group is comprised of around 11 corporate entities, some of which are registered in Australia, and the remainder registered in various territories where King Living conducts operations.

Consultation

- For the purposes of the *Modern Slavery Act 2018 (Cth)* (the Act), King Furniture Australia Pty Ltd is submitting this statement for a Single Reporting Entity as provided for in section 13 of the Act.
- The King Living Group is centrally managed and controlled from our Australian Design & Support Office. Consultation and discussions have been held with associated entities to ensure alignment on our approach to modern slavery. We reviewed previous actions and established a consensus on our future direction.
- There is a direct reporting line between managers at our manufacturing facilities in China and Thailand and King Living's Chief Manufacturing Officer. This structure reinforces King Living's supervisory role, enabling effective oversight, collaboration and monitoring of compliance with modern slavery objectives across these entities.
- The Chief Supply Chain Officer and the Chief Manufacturing Officer (and their respective reporting lines) were primarily (but not exclusively) involved in validating the content of this statement. The statement was prepared by the Legal team and supervised by the Chief Financial Officer.

Other Relevant Information

There is no other relevant information.

The Way Forward: 2025

Global Procurement Project

In future the Chief Manufacturing Officer will review our procurement and sourcing processes. This review will evaluate our supplier selection criteria, and internal governance of procurement matters. We intend to refine our reporting mechanisms in collaboration with suppliers.

The primary objectives of the Global Procurement Project are:

- To select higher-quality suppliers, improving the quality and continuity of key material supplies.
- To enhance supplier contracts and terms of trade, ultimately driving cost efficiencies.
- To foster greater engagement with major suppliers, enabling joint innovation and improvements in shared processes and products.

Implementing the Global Procurement Project

As we implement this project:

- We are committed to engaging with our suppliers on modern slavery matters, including site visits to identify potential risks.
- We will receive and consider recommendations from stakeholders as to how we can alleviate risks of modern slavery in our supply chain.

Ongoing Communication with Suppliers

Strengthening supplier relationships remains a cornerstone of our continuous improvement strategy. Regular meetings with major suppliers will be held, while smaller suppliers will meet with us annually. Modern slavery will be a standing agenda item at these meetings.

Specialised Training for Key Staff

Key members of our Manufacturing and Supply Chain Teams will receive training to enhance their ability to identify and manage modern slavery risks (and disseminate this down the line). Training will include practical guidance and best practices to support a more proactive approach.

Our Modern Slavery Statement and Policies

This statement serves as the foundation for tracking and assessing our progress in minimising modern slavery risks. We will continue to provide an updated annual statement. Modern slavery clauses are embedded within relevant policies to reinforce accountability and responsibility across the organisation.

We remain committed to implementing measures that enhance compliance, raise awareness, and encourage proactive engagement company-wide. We aim to foster a corporate culture that is vigilant and committed to addressing modern slavery and human trafficking concerns.

Annual Review: Board and Executives

Our Modern Slavery Statement will be reviewed annually by our Board and Executive Team. The Manufacturing and Supply Chain Teams will provide feedback about the prior year's initiatives, ensuring an informed approach to future improvements



This statement was approved by the board of King Furniture Australia Pty Ltd in their capacity as principal governing body of King Furniture Australia Pty Ltd on 29/04/2025 2025.

Signature of Director: 
David King (Apr 29, 2025 11:04 GMT+8)

Name: David King
Director, King Furniture Australia Pty Ltd