

**JOINT MODERN
SLAVERY
STATEMENT
FY2022**

BEACON LIGHTING GROUP



ACN 164 122 785

MODERN SLAVERY ACT MANDATORY REPORTING CRITERIA

MANDATORY CRITERIA	PAGES
Identify the reporting entity.	4
Describe the reporting entity's structure, operations and supply chains.	5 - 6
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entities it owns or controls.	7
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	8 - 11
Describe how the reporting entity assesses the effectiveness of these actions.	12
Describe the process of consultation on the development of the statement with any entity it owns or controls.	13
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	3 - 13

A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

The Beacon Lighting Group Limited is pleased to release our third Joint Modern Slavery Statement. This Statement provides details on the progress that Beacon Lighting has made in FY2022 in assessing and addressing the risk of modern slavery in our operations and supply chains.

Beacon Lighting understands the important role that the Group can play in respecting and promoting human rights and eradicating modern slavery. We are confident that there is no modern slavery in the Group's operations, and we are working to manage the risks associated with modern slavery in our supply chains. The work that Beacon Lighting has been doing with respect to managing modern slavery risks will lead to better business outcomes because of a closer working relationship with our suppliers, working with our suppliers on the production of leading edge, innovative and energy efficient lighting and fan products with a reduced risk of modern slavery and greater investor confidence in the Beacon Lighting Group.

Over the last two years, Beacon Lighting has established a modern slavery policy, prepared and conducted modern slavery policy training, mapped our global supply chains and conducted modern slavery risk assessments with many of our tier one product and service suppliers. During FY2022, our focus has been on continuing to build awareness within the Beacon Lighting team of the risks of modern slavery and continuing to work with our tier one

suppliers to increase their awareness of and reduce the risk of modern slavery in their businesses and their supply chains.

In the years ahead, Beacon Lighting will move beyond our tier one product suppliers and work through their supply chains to expand our engagement with tier two product suppliers and beyond. We will also continue to maintain and increase the awareness within the Beacon Lighting team of our modern slavery risks and partner with our tier one product suppliers to reduce the risk of modern slavery in their supply chains.

Please read this Beacon Lighting Modern Slavery Statement for FY2022 to get a greater understanding of our modern slavery reporting entities, structures, operations and supply chains, our risks of modern slavery, the actions taken to reduce the risk of modern slavery and the effectiveness of such actions. The Beacon Lighting Group recognises that it is only at the start of this journey, but the Group is looking forward to playing our part in reducing the risks of modern slavery in all operations and all supply chains.



A handwritten signature in black ink, appearing to be 'G. Robinson', written over a light grey rectangular background.

Glen Robinson
Chief Executive Officer
Beacon Lighting Group Limited

INTRODUCTION

Modern slavery describes situations in which coercion, threats and / or deception are used to exploit victims and undermine their freedom. Modern slavery can take many forms including slavery, servitude, forced labour, debt bondage, deceptive recruiting for labour or services, child labour and forced marriage. In line with our philosophy and core values, minimising the risk of modern slavery in our operations and supply chains remain a critical focus for the Beacon Lighting Group.

This Joint Modern Slavery Statement has been prepared in accordance with the Commonwealth Modern Slavery Act 2018. This Statement describes the risks of modern slavery in the operations and supply chains of the Beacon Lighting Group and includes the information and actions taken to address those risks for the financial year ending 26 June 2022 (i.e. FY2022). The relevant Beacon Lighting Group reporting entities under the Commonwealth Modern Slavery Act 2018 are:

- Beacon Lighting Group Limited which is the publicly listed entity (ASX:BLX) for the Group which also employs a small number of executives.
- Beacon Lighting Corporation Pty Ltd which is the holding company for each of the unit trust entities within the Beacon Lighting Group.
- Brightlite Unit Trust (the trustee of which is Brightlite Nominees Pty Ltd) which is the main operating entity within Australia, which includes the Beacon Lighting stores, Beacon Trade and Beacon Commercial.

As all the Beacon Lighting Group entities operate under a common set of governance policies, programs and management, a Joint Modern Slavery Statement for FY2022 has been prepared for all of the above reporting entities.



STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Beacon Lighting began operations in 1967, when it opened the first store in Prahran, Victoria. Beacon Lighting is now Australia's leading retail and trade supplier of lighting, ceiling fans and lighting accessories and an emerging wholesaler of ceiling fans throughout the world. Beacon Lighting also has a 50% share in the Large Format Property Fund which owns seven retail properties in Australia.

By the end of FY2022, Beacon Lighting has trading businesses operating under the following brands:



More specific details regarding the Beacon Lighting trading businesses at the end of FY2022, are presented as follows:

- 117 Beacon Lighting company retail and trade stores.
- 2 Beacon Lighting franchised retail and trade stores.
- 5 Commercial sales offices
- Beacon International offices in Hong Kong, Germany, United States of America and China.
- Light Source Solutions operating in Australia and New Zealand.
- Connected Light Solutions.
- Masson for Light.
- Custom Lighting.
- Beacon Lighting Wholesale.

The trading businesses in Australia are supported by a supply chain with Beacon Lighting operated warehouses in Brisbane, Melbourne and a 3PL warehouse in Perth. Internationally, Beacon Lighting also has 3PL warehouses in New Zealand, China, Germany and the United States of America. Supporting all the trading businesses and their supply chains is the Beacon Lighting Store Support Centre in Melbourne.

STRUCTURE, OPERATIONS AND SUPPLY CHAINS

The Beacon Lighting Group has more than 1,130 team members with most of the team working in stores throughout Australia. The remaining team members in Australia are employed in the Brisbane and Melbourne warehouses and the Store Support Centre in Melbourne. Beacon Lighting also has team members working in New Zealand, Hong Kong, Germany, United States of America and China. Beacon Lighting also has a small number of contractors who are engaged for specific projects from time to time. These contractors are primarily involved in warehouse operations to support the existing warehouse teams during peak trading periods or for specific projects.

For further information about the Beacon Lighting Group structure, operations and corporate governance processes, please refer to the Beacon Lighting Group investor website as follows:

www.beaconlighting.com.au/investor

The Beacon Lighting Group's principal product categories are energy efficient lights, fans, globes and lighting accessories. More than 95% of the products that are sold by Beacon Lighting are designed, developed, imported and distributed by the Group. Due to the vertically integrated supply structure of the Group and the long term partnerships with our product suppliers, Beacon Lighting has a level of visibility of our product suppliers, their operations and in turn their risks of modern slavery.

Most of the products sold by the Beacon Lighting Group are purchased from overseas buying agents and to a lesser extent, direct from the factory. Beacon Lighting also has a small manufacturing capability in Melbourne. The majority of the products originate from manufacturing facilities and supply chains in China.

The Beacon Lighting Group also purchase a diverse range of services in order to operate our stores, warehouses and offices. These services include office suppliers, cleaning services, store development services and other business services.



RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

The Beacon Lighting Group is aware of the potential risks of modern slavery in our operations, with our product suppliers and with our service suppliers.

OUR OPERATIONS

The Beacon Lighting Group employs over 1,130 full time, part time and casual team members primarily working in Australia. Beacon Lighting also has a small number of sales and sales support team members employed in New Zealand, China, Hong Kong, Germany and the United States of America. Before and during the COVID pandemic, the health, safety and well-being of all our team members, has always been the number one priority of the Beacon Lighting Group.

After operating for more than 50 years, Beacon Lighting has established supporting structures, policies, procedures and benefits for all our team members. This situation significantly reduces the risks of modern slavery within our operations.

OUR PRODUCT SUPPLIERS

As a retailer and wholesaler of energy efficient lighting, fans and lighting accessories, Beacon Lighting has a diverse and extended supply chain through various regions around the world. The Beacon Lighting supply chains extend beyond Australia, primarily into China, but with some important suppliers in Taiwan and some small suppliers operating in Europe and the United States of America. Given that some of our suppliers are located

in countries other than Australia where modern slavery risks are more prevalent, some of the modern slavery risks in the Beacon Lighting supply chains include:

- Deceptive recruitment practices and trafficking of migrant workers.
- The use of debt binding and / or the withholding of identification and travel documents to restrict the ability of workers to move freely in and out of employment.
- The use of forced labour or child labour by direct or indirect suppliers in the assembly of products, component parts or the sourcing of raw materials.
- The exploitation of vulnerable workers such as ethnic minorities, low skilled workers and migrant workers.

OUR SERVICE SUPPLIERS

The majority of service suppliers used by Beacon Lighting are based in Australia. While the risk of modern slavery in Australia is relatively low compared to other parts of the world, it must be recognised that modern slavery can and does exist in Australia. There are risks of modern slavery in Australia in industries which utilise low skilled workers, young workers, migrant workers and outsource work to sub-contractors.

APPROACH TO MANAGING MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

The Beacon Lighting Group has implemented several strategies to minimise the modern slavery risks in the Group's operations and supply chains.

MODERN SLAVERY POLICY

The Beacon Lighting Group has developed and implemented a Modern Slavery Policy which articulates the Group's commitment to respecting and promoting human rights and to identify and address modern slavery risks in our operations and supply chains. For a copy of the Modern Slavery Policy, please refer to the Beacon Lighting Group investor website as follows:

www.beaconlighting.com.au/investor-account/governance

MAPPING OF THE SUPPLY CHAINS

The Beacon Lighting Group has undertaken work to map supply chains and also to undertake a modern slavery risk weighting exercise to determine the most material risks to the Group. The initial focus has been on the modern slavery risks associated with tier one suppliers, that is, those suppliers which supply products and services directly to Beacon Lighting. Those suppliers with the highest modern slavery risk weightings have been required to complete risk assessments and if necessary, risk audits to confirm compliance with Beacon Lighting Group's Modern Slavery Policy. Exploitation of vulnerable workers such as ethnic minorities, low skilled workers and migrant workers.

GOVERNANCE ARRANGEMENTS

The Beacon Lighting Group has established a cross functional team responsible for managing the modern slavery risks of the Group. This team reports directly to the Beacon Lighting Board of Directors. This team also prepares all the Modern Slavery Statements which are reviewed and approved by the Board of Directors each reporting period.

TRAINING

Each Beacon Lighting team member occupying a role which has some element of responsibility for managing the modern slavery risks for the Group has or will receive training on the Beacon Lighting Group Modern Slavery Policy.

WHISTLEBLOWER PROTECTION POLICY

The Beacon Lighting Group has an accessible and well-publicised reporting mechanism for concerns and disclosures in relation to modern slavery reporting which allows for confidential and anonymous reporting and provides protection from reprisal. There are clear processes for investigating and reporting on the issues raised through this reporting mechanism.

For further information about the Beacon Lighting Group Whistleblower Policy, please refer to the Beacon Lighting Group investor website as follows:

www.beaconlighting.com.au/investor-account/governance

MEASURING EFFECTIVENESS

The Beacon Lighting Group has a focus on developing systems and processes to measure the effectiveness of the Modern Slavery Policy. Going forward, Beacon Lighting has a goal of expanding the range of suppliers who will be the subject of risk assessments and risk audits. Where necessary, the Beacon Lighting Group will also work with our product and service suppliers on implementing corrective actions.

PROGRESS THROUGHOUT FY2022

Throughout FY2022, the Beacon Lighting Group has undertaken important activities associated with managing the modern slavery risks in the Group's operations and supply chains.

MODERN SLAVERY POLICY TRAINING

The Beacon Lighting Group has conducted Modern Slavery Training with team members who have important procurement responsibilities within the Group. The learning outcomes for the Modern Slavery Training were for the participants to gain an understanding of the following:

- What is modern slavery?
- Types of modern slavery.
- Overview of the Australian Modern Slavery Act 2018.
- Beacon Lighting Group's Modern Slavery Policy.
- Reporting of actual or potential occurrences of modern slavery.
- Modern slavery risk management.
- Modern slavery statement reporting.
- Supporting the Beacon Lighting Group risk management process.

Four separate Modern Slavery Training sessions have now been conducted in FY2021 and FY2022. More than forty Beacon Lighting Team members have now successfully completed this training.

MAPPING OF MODERN SLAVERY RISKS IN THE SUPPLY CHAIN

For the calendar year 2021, Beacon Lighting mapped both the product and service supply chains to identify our most important tier one suppliers. The AUD spend (including the translations of any foreign currency spend into AUD), the country of origin and the industry was

also noted for each supplier. The estimated prevalence of modern slavery by country from the Global Slavery Index 2018 was then applied to each of the suppliers based on their country of origin. It was also noted that different industries have different modern slavery risk ratings which were then applied to each supplier. It was a combination of AUD spend, country risk rating and industry risk rating which were then applied to all suppliers to determine the risk adjusted modern slavery rating for each supplier.

The risk adjusted modern slavery rating for all tier one suppliers was ranked from highest to lowest, with the focus being on those suppliers which represented the highest material risk of modern slavery for the Beacon Lighting Group. The suppliers with the highest risk adjusted modern slavery rating included both product and service suppliers. It included suppliers from China, Australia and the United States of America. It included industries from manufacturing, logistics, building services and marketing.

MODERN SLAVERY RISK ASSESSMENTS

The suppliers with the highest risk adjusted modern slavery rating were asked to complete Modern Slavery Risk Assessments. Where necessary the Risk Assessments were followed up to get further clarity on some of the responses. Overall, more than 90% of the Beacon Lighting Group tier one suppliers with the highest risk adjusted modern slavery rating have successfully completed the Modern Slavery Risk Assessments in FY2021 and FY2022.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

The Beacon Lighting Group understands the importance to continually improve our modern slavery risk management strategies which is best done by assessing the effectiveness of the actions taken to date within our operations and within our supply chains.

There is heightened understanding of modern slavery risks in our operations and supply chains associated with the Beacon Lighting Team. There is also a strong appreciation of the responsibilities for managing modern slavery risks within the Beacon Lighting Team. As stated previously, four separate Modern Slavery Training Sessions have been conducted involving more than 40 team members who have important procurement responsibilities. The Beacon Lighting team members have also been responsible for co-ordinating the completion of the Modern Slavery Risk Assessments with their suppliers, and also follow up queries as required. It is through the process of training and their involvement in the assessment process with our suppliers which has shown that the modern slavery risk management strategies have proven to be effective for Beacon Lighting team members.

The Beacon Lighting Group has completed Modern Slavery Risk Assessments for more than 90% of tier one suppliers with the highest risk adjustment modern slavery risk ratings. The risk assessment process has given our suppliers an understanding of Beacon Lighting's commitment to identifying and addressing modern slavery risks in our supply chains and has given them insights into the risks of modern slavery in their operations and supply chains. This process will become even more effective when we ask our tier one suppliers to assist Beacon Lighting in conducting Modern Slavery Risk Assessments with our tier two suppliers and beyond.



PROCESS OF CONSULTATION

In preparing this Joint Modern Slavery Statement, a process of consultation across each of the reporting entities covered by this Statement has occurred. All Beacon Lighting Group entities operate under a common set of governance policies, programs and management. The process of consultation has included the engagement of the Executive Management Team, team members with important procurement responsibilities and the Beacon Lighting Group Board of Directors.

CONCLUSION

The Beacon Lighting Group understands the importance of eliminating modern slavery from our world and the role that Beacon Lighting can play in reducing the risk of this unacceptable practice from our operations and supply chains.

Despite the important work that has already been done, Beacon Lighting recognises that it is only at the start of a long journey. In the years ahead, the Beacon Lighting Group will focus on further enhancing and rolling out its modern slavery risk management strategy to further reduce the Group's risk of exposure to modern slavery. The Group is also looking forward to working with our suppliers to further reduce the risk of modern slavery in their operations supply chains.

This statement was approved by the Board of Directors of the Beacon Lighting Group Limited, Beacon Lighting Corporation Pty Ltd and the Brightlite Unit Trust (the trustee of which is the Brightlite Nominees Pty Ltd) on 22 November 2022.



Glen Robinson

Chief Executive Officer
Beacon Lighting Group Ltd
Beacon Lighting Corporation Pty Ltd
Brightlite Unit Trust (the trustee of which is the Brightlite Nominees Pty Ltd)

Date of Signing: 22/11/2022