



## JOINT STATEMENT – RESPONSE TO ANTI-MODERN SLAVERY MEASURES

This statement is made on behalf of **Brando Aus HoldCo Pty Ltd (ACN 632 004 392)** and **Marlin Brands Pty Ltd (ACN 630 704 004)** in compliance with section 13 of the *Modern Slavery Act 2018* (Cth).

This is the second statement that Brando Aus HoldCo Pty Ltd and Marlin Brands Pty Ltd has submitted. Throughout this reporting period, Marlin Brands has been developing its internal processes to further identify and address the risks of modern slavery in its supply chain.

### 1. Our business

Marlin Brands operates a number of Australian businesses under an Australian holding company, Brando Aus HoldCo Pty Ltd (ACN 632 004 392). Together, those businesses are subject to the *Modern Slavery Act 2018* (Cth), Australian legislation which requires steps to be taken to identify and mitigate modern slavery practices in supply chains and requires businesses to publicly identify the steps taken. This policy applies to each Marlin Brands entity and sets out the approach they are required to take in meeting those requirements.

Marlin Brands is a leading Australian wholesaler and retailer of consumer durable products, managing a portfolio of everyday consumer durable brands focused on affordable, essential products used around the home in Australia and New Zealand in the living, gifting, and convenience sectors.

Businesses operated within the Marlin Brands group providing this joint statement are:

- Décor Corporation Pty Ltd (ACN 004 231 109) (**Décor**) – a leading branded provider of food/kitchen storage, microwaveable containers, and hydration products, primarily to retail supermarkets and discount department stores.
- Isalbi Pty Limited (ACN 003 683 127) (**Isalbi**) - a leading importer and distributor of gifting solutions, homeware, kitchenware, artificial flowers, and toys, primarily to gift stores, major retailers, department stores, independent retailers, toy stores, bookstores, newsagents, and pharmacies.
- Pacific Optics Pty Ltd (ACN 064 312 107) (**Pacific Optics**) – the leading importer and distributor of general merchandise, phone accessories and sunglasses to the petrol and convenience and tourism channels.
- Activminds Pty Ltd (ACN 007 337 742) (**Yellow Octopus**) – online giftware retailer both direct and via third-party marketplace platforms.
- Marlin Management Services 2 Pty Ltd (ACN 619 244 398) (**Zanui**) – an online retailer of furniture and homewares, providing consumers with stylish products for their homes and home decoration.

### 2. Marlin Brands' Supply Chain

Marlin Brands' suppliers are located across the world, and present different levels of risk that a modern slavery practice may be present.



Marlin Brands recognises that it has direct relationships with first-tier suppliers and that those direct suppliers may in turn have relationships with second-tier indirect suppliers. The capacity of Marlin Brands to know and to influence the modern slavery practices of suppliers is limited accordingly.

Some of Marlin Brands' brands have, directly or indirectly, suppliers in China and the South East Asian region where the risks of modern slavery may be comparatively more pronounced. However, suppliers within China are predominately located in the port cities where the risks of modern slavery are reduced. The regions and countries that Marlin Brands' suppliers are located in necessarily informs the actions it is taking to identify and mitigate modern slavery risks within its supply chain. Using publicly available information, due diligence with suppliers, as well as Marlin Brands' own experience, including personal visits by the buying team, Marlin Brands will undertake risk assessments of suppliers, taking into account each of the nation states that suppliers of Marlin Brands are located in.

Marlin Brands will undertake ongoing due diligence of suppliers to ensure that its direct first-tier suppliers are upholding standards that meet domestic and international laws relating to modern slavery, including (to the extent reasonably possible) that through those direct suppliers, there is confidence that second-tier indirect suppliers also meet those standards.

Publicly available information and resources to which Marlin Brands' businesses will refer in scrutinising suppliers include the Global Slavery Index, the Global Compact Network, TRACE International, the Transparency International Corruption Perceptions Index, and the Modern Slavery Registry.

### **3. Actions taken**

During the reporting period, Marlin Brands has had a focus on enhancing our understanding and capabilities to ensure that modern slavery risks in its supply chain are identified and mitigated. The primary action that Marlin Brands has taken in the reporting period to assess and address modern slavery risks in its supply chain has been the implementation of an internal Modern Slavery Policy. The implementation of that policy has resulted in a broad and consistent understanding of the need to identify, assess and reduce risks of modern slavery within the Marlin Brands supply chain, over and above the due diligence that Marlin Brands already undertakes when considering the use of suppliers.

A significant undertaking during the reporting period has been a due diligence exercise which has explored key indicia of Marlin Brands' brands' suppliers that enable an assessment of where risks of modern slavery may arise in our supply chain. That due diligence process has enabled each of the business units within Marlin Brands to assess their suppliers. Marlin Brands recognises that the Australian Parliament is considering a ban on imports of goods that have been produced with forced labour. An immediate outcome of the due diligence process has been the confirmation that from the information gathered by Marlin Brands, no tier one supplier has been identified in recent public reports as having used forced labour in the production of their goods.

Our process for supply chain risk mapping included:

- Identification of key metrics which are indicative of modern slavery risks and preparation of a standard tool for identification and differentiation of the occurrence or indicative presence of those risks, for example, including supplier location (to regional as well as national level), type of product or main component in finished supplied product (such as textile of specific kinds, raw foodstuffs, forestry products, minerals) and industry (such as electronic goods, carpets,



processed foods) – these key risk factors have been independently identified as assisting to expose modern slavery risk from Marlin Brands’ experience in conducting extensive social audits of its supply chain, and from publicly-available reports and information relating to key risk areas;

- Integration of already-held information gleaned as a result of prior social audits commonly required in gifts and homewares markets (including in particular, social audit responses which elicit risks of forced labour in supply chains);
- Assessment of likely characteristics of workforce and labour requirements of supplier in production of finished goods, and of level of exposure of workforce to hazardous conditions in production work by reference to components, location, skilled/unskilled work and exposure to transient or labour-hire workforce arrangements; and
- Application of that assessment tool across all Marlin Brands’ suppliers to give a consistent and current picture of the location and level of any risks, and to provide a basis for additional inquiries and/or other rectification action.

#### **4. Looking forward**

As Marlin Brands develops its processes for mitigating modern slavery risks and implementing modern slavery risk management practices, our capacity to identify any concerns in our supply chain will increase.

Some of the steps that Marlin Brands will continue to refine in accordance with its policy (depending on the level and nature of the potential modern slavery risk) include:

- Updating and maintaining a supply-chain mapping review of direct and (to the extent reasonably possible) indirect suppliers.
- Conducting (consistently with the level of risk identified through supply-chain mapping) assessments of suppliers and the regions in which they operate against modern slavery concepts.
- Requiring suppliers to answer questionnaires about their conditions and practices focussing on suppliers’ practices in relation to modern slavery concepts.
- Integrating results of suppliers external and independent audits (conducted in their factories and trading houses) in risk assessment.
- During site visits to suppliers, reviewing modern slavery concepts and level of understanding by suppliers and confirming the accuracy of relevant information provided by suppliers (subject to capacity to travel in accordance with COVID restrictions and travel advisories).
- Ongoing dialogue with suppliers.

#### **5. Ongoing training and manager-awareness**

Marlin Brands intends to commence (in First Quarter 2022) a tailored annual modern slavery risk management training program with all key managers and contract administrators. That program is intended to not only educate managers in modern slavery concepts and awareness, but to do so in the particular circumstances of the Marlin Brands’ business and level/type of potential exposure to risk.



A key focus in our training and awareness activity will be identification of practical steps specifically in the circumstances of the particular Marlin Brands' business lines and under the Marlin Brands-specific policy for managing those risks (and not only generic awareness training). A key focus will be the identification of what (depending on the nature and level of risk) will potentially require escalation and to work through how that will occur in a practical way.

Where escalation is required because Marlin Brands is of the view that the risks of modern slavery are not being mitigated or met with action by other actions, the Marlin Brands' Modern Slavery Policy provides for a series of further escalating steps including, termination of supplier arrangements. No escalatory steps have been required to be taken during this reporting period but those steps remain available and will be used in future reporting periods if Marlin Brands obtains information (through its ongoing due diligence) of its supply chain.

## 6. Measuring our effectiveness

During this reporting period the due diligence process to investigate our supply chain in respect of modern slavery risks has identified that Marlin Brands has a lot of information from most of its suppliers that enables it to assess (and where appropriate, address) the risks of modern slavery in its supply chain.

However, to increase the effectiveness of our actions in the next reporting period, Marlin Brands will expand its due diligence process to communicate with suppliers that it does not have sufficient information to make an assessment of the extent of any modern slavery risks. This adaption and ongoing development of our processes is central to increasing Marlin Brands' capacity to investigate and address modern slavery risks within its supply chain.

## 7. Conclusion

This joint Modern Slavery Statement has been approved by Brando Aus HoldCo Pty Ltd (ACN 632 004 392) and Marlin Brands Pty Ltd (ACN 630 704 004) and the subsidiaries of Marlin Brands after consultation with each of those subsidiaries and reporting entities.

**Approved by the Board of Brando Aus HoldCo Pty Ltd (ACN 632 004 392), being the principal governing body for the reporting entity, on 20 December 2021.**

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Jarrad Brendon Solomons Director authorised to sign on behalf of the Board	26 January 2022

**Approved by the Board of Marlin Brands Pty Ltd (ACN 630 704 004), being the principal governing body for the reporting entity, on 21 December 2021.**

DocuSigned by: <i>Jarrad Solomons</i> ----- 9CF4C0A3BA8B4EF...	26/1/2022 -----
Jarrad Brendon Solomons Sole Director	26 January 2022