

2025

MODERN
SLAVERY
STATEMENT



AF ASIA-PACIFIC HOLDING PROPRIETARY LIMITED

FACKELMANN®
HOUSEWARES

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INTRODUCTION

This Modern Slavery Statement (**Statement**) has been prepared on behalf of AF Asia-Pacific Holding Pty Limited (**AFAP** or the **Parent Entity**) and the entities it controlled (the **Group**) for the financial year ended 30 June 2025. For the purpose of this Statement, references to 'we', 'us' or 'our' refer to the Group.

This Statement has been prepared in accordance with the Australian Modern Slavery Act 2018 (**Act**) and with regard to the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities (**Guidance**). It outlines the Group's ongoing approach to identifying, assessing, and managing modern slavery risks within our operations and supply chain.

We recognise that modern slavery remains a serious and evolving global issue affecting people across industries and regions. At AFAP, we take responsibility for respecting human rights and conducting our business with integrity and transparency throughout our operations and supply chain.

During FY2025, we continued to strengthen our governance framework and deepen supplier engagement as part of our long-term commitment to ethical and responsible sourcing. This included ongoing enhancements to our due diligence processes and closer collaboration with suppliers to help ensure fair, safe, and respectful working conditions.

We acknowledge that addressing modern slavery is an ongoing journey. As global expectations and risks evolve, we will continue to review our practices, promote transparency, and build capability within our teams and supplier network to identify and address potential risks across our supply chain.



OUR STRUCTURE, OPERATIONS & SUPPLY CHAIN

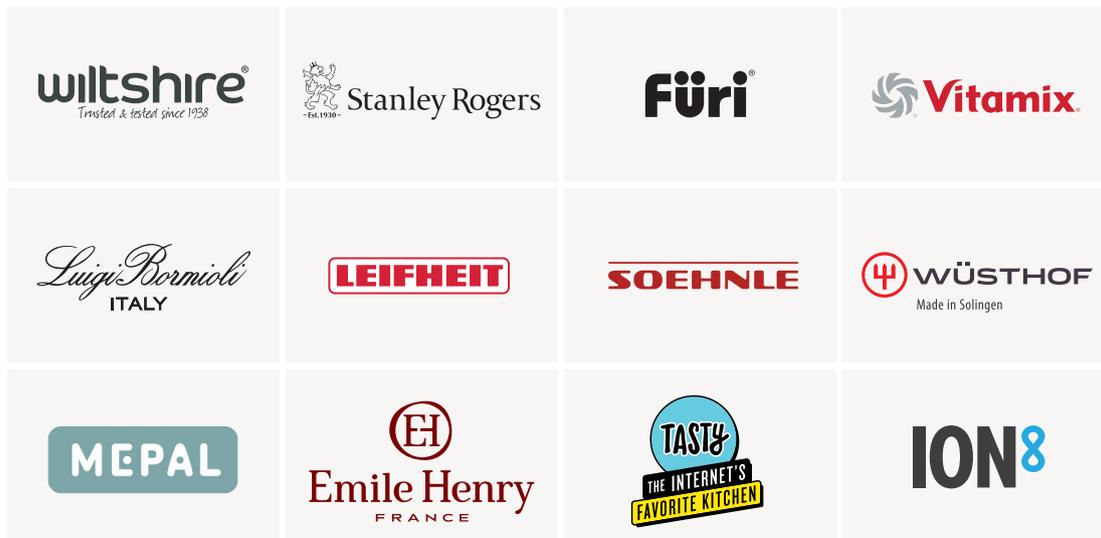
STRUCTURE

AFAP is a proprietary company incorporated in Australia.

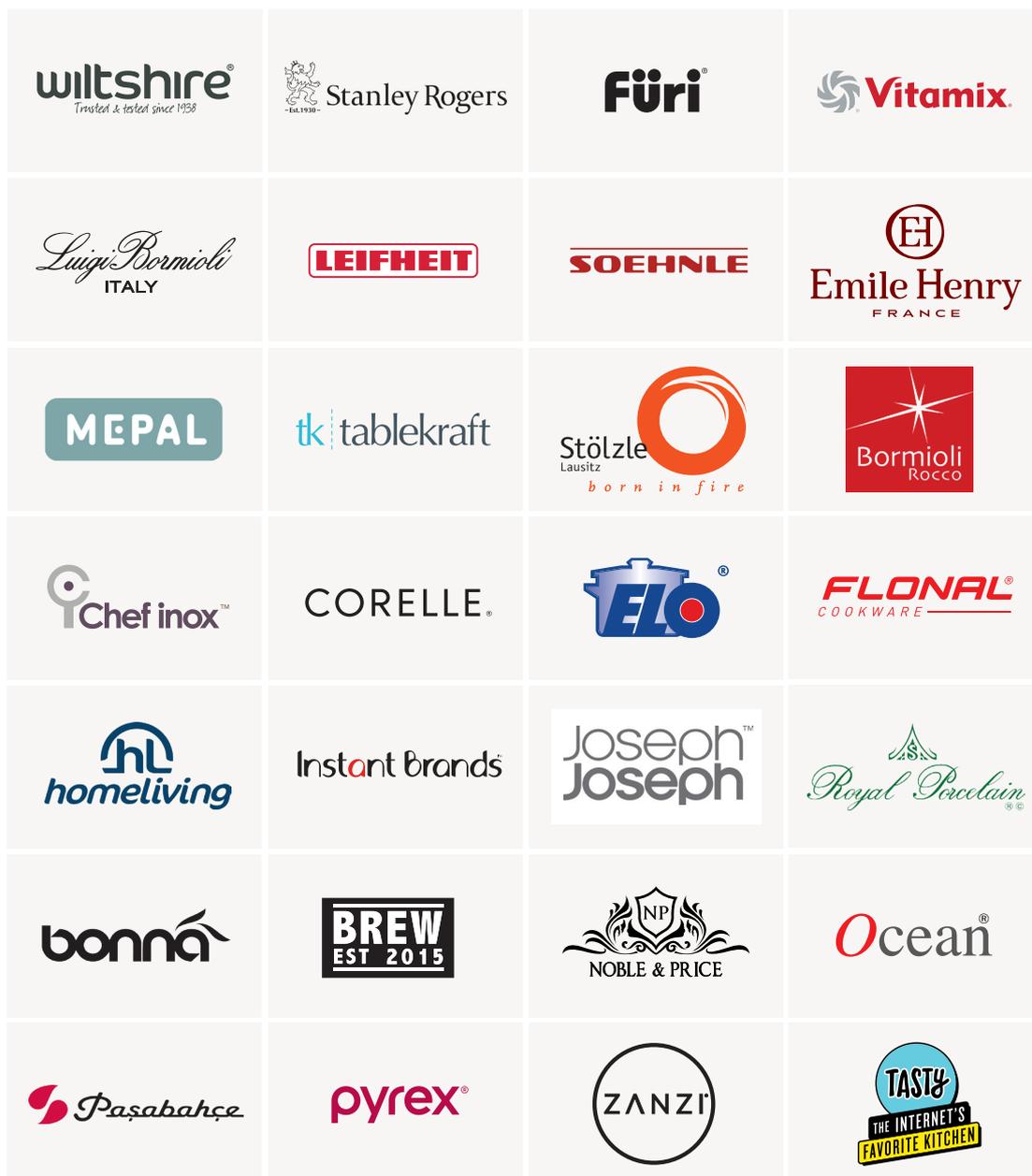
For the purposes of this Statement, our key operating entities during the Statement period are described in the table below.

| Entity | Place of business / country of incorporation | Principal activities |
|---|--|---|
| Fackelmann Housewares Pty Ltd | Australia | Marketing and distribution of housewares products |
| Fackelmann New Zealand Ltd | New Zealand | Marketing and distribution of housewares products |
| Fackelmann Housewares Singapore Pte Ltd | Singapore | Marketing and distribution of housewares products |
| FM Housewares HK Ltd (formerly MCP Housewares HK Ltd) | Hong Kong | Product sourcing |
| Tomkin Australia Pty Ltd | Australia | Marketing and distribution of housewares products; product sourcing |
| Smart Brands Pty Ltd | Australia | Marketing and distribution of housewares products |

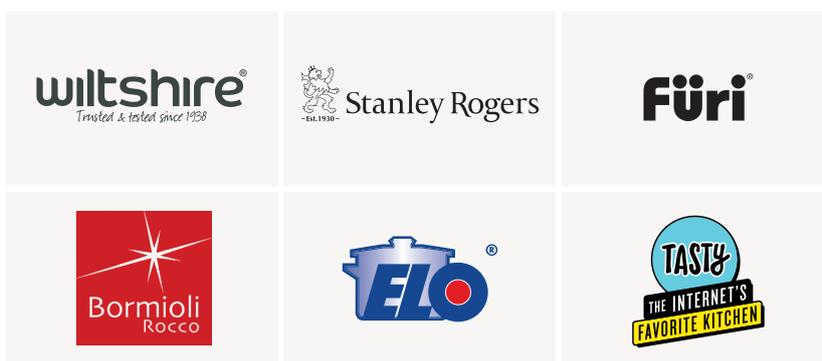
The majority of Fackelmann Housewares Pty Ltd's revenue is derived from the company's diversified portfolio of market-leading brands, including:



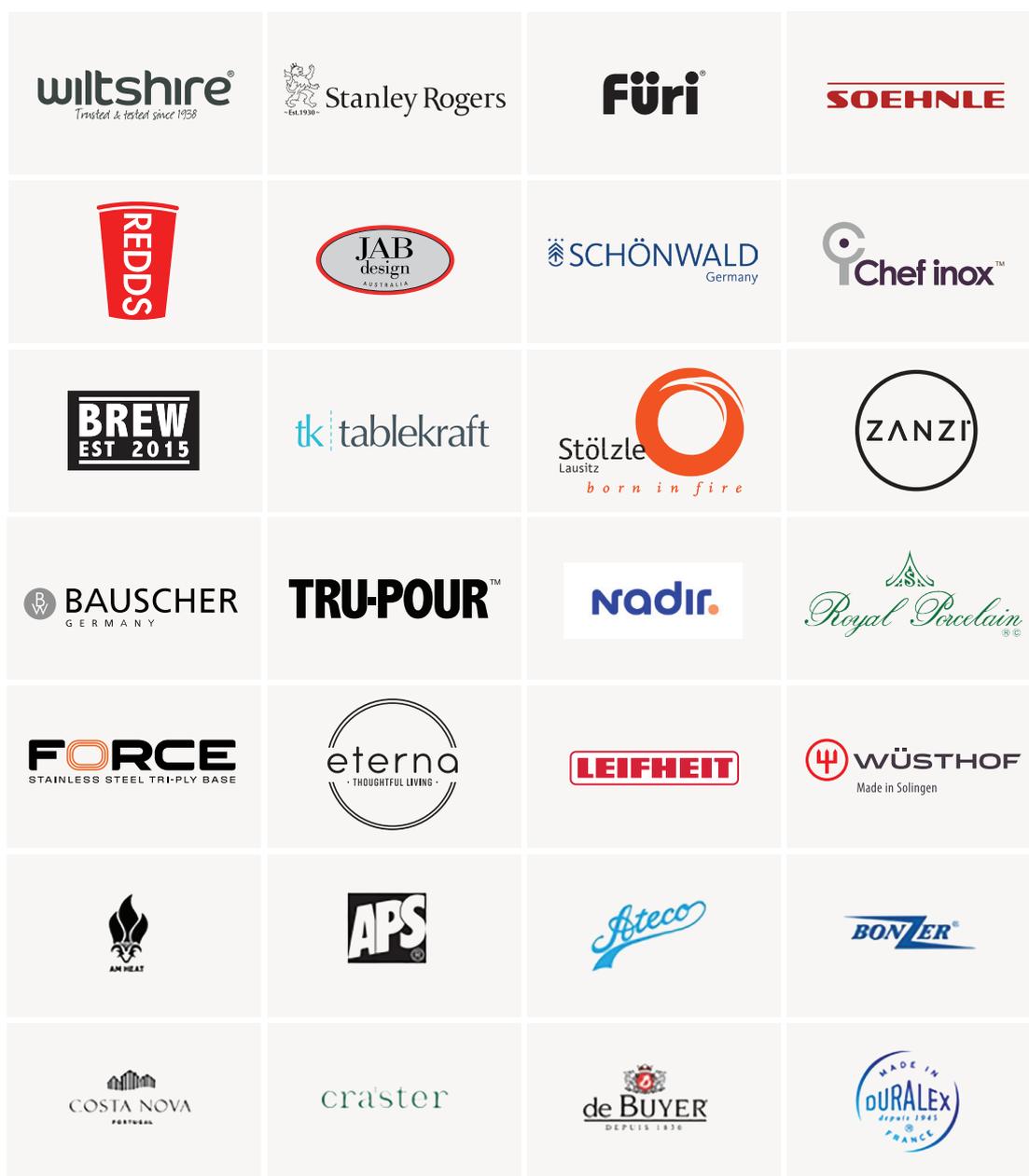
The majority of Fackelmann New Zealand Ltd's revenue is derived from the company's diversified portfolio of market-leading brands, including:



The majority of Fackelmann Housewares Singapore Pte Ltd’s revenue is derived from the company’s diversified portfolio of market-leading brands, including:

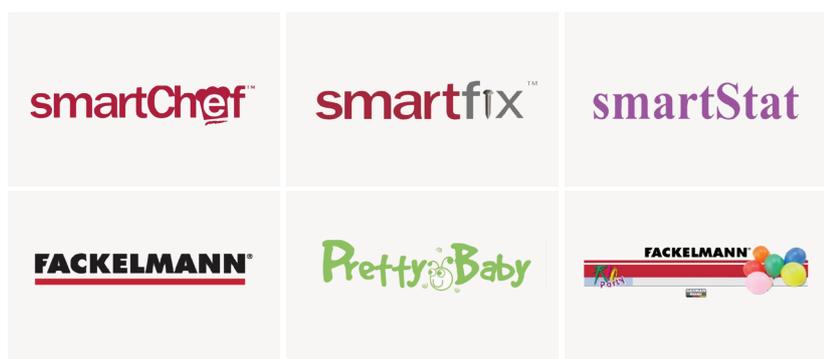


The majority of Tomkin Australia Pty Ltd’s revenue is derived from the company’s diversified portfolio of market-leading brands, including:



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The majority of Smart Brands Pty Ltd’s revenue is derived from the company’s diversified portfolio of market-leading brands, including:



OPERATIONS

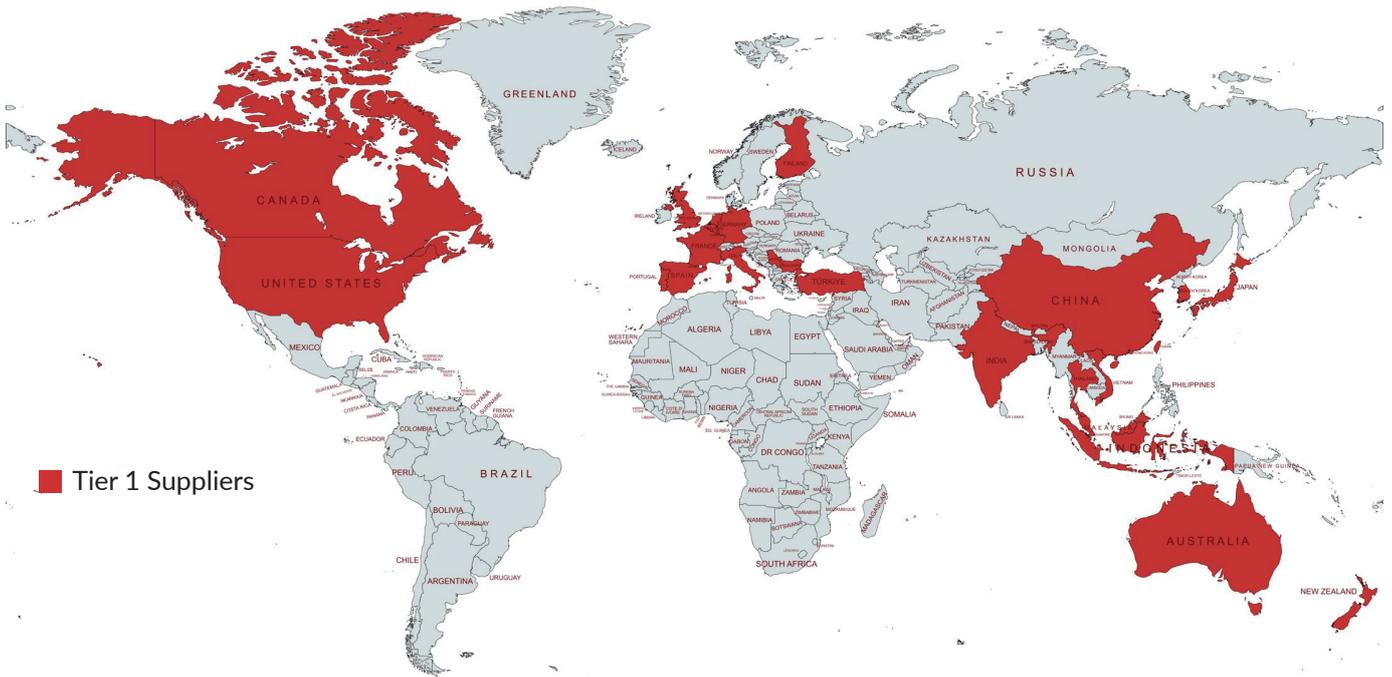
AFAP and its subsidiaries have principal operations in Australia, Hong Kong, New Zealand and Singapore. The Group employs a total of 206 people across the entities shown in the table below, the majority of which are located in Australia and New Zealand.

| | Australia (Fackelmann Housewares Pty Ltd, Tomkin Pty Ltd, Smart Brands Pty Ltd) | New Zealand (Fackelmann New Zealand Ltd) | Asia (Fackelmann Housewares Singapore Pte Ltd, FM Housewares HK Ltd) | Total |
|--------------|---|--|--|--------------|
| Full Time | 96 | 28 | 33 | 157 |
| Part Time | 7 | 24 | 2 | 33 |
| Casual | 9 | 6 | 0 | 15 |
| Contract | 0 | 1 | 0 | 1 |
| Total | 112 | 59 | 35 | 206 |

SUPPLY CHAIN

Our supply chain is extensive, reaching from Australia to locations in Asia, Europe and Oceania. Our products supply chain includes sourcing of housewares products for distribution and use in our business operations. Our services supply chain includes services that support our operations including freight, marketing, financial and legal services, IT and the cleaning and security services for our offices. We strive to ensure our suppliers meet the required standards and demonstrate consistency in ethical practices throughout their supply chains.

FY2025 TIER 1 SUPPLIERS



■ Tier 1 Suppliers

- Australia
- Belgium
- Bulgaria
- Canada
- China
- Finland
- France
- Germany
- Hong Kong
- India
- Indonesia
- Italy
- Japan
- Korea
- Luxembourg
- Malaysia
- New Zealand
- Portugal
- Scotland
- Serbia
- Singapore
- Spain
- Taiwan
- Thailand
- The Netherlands
- Turkey
- United Kingdom
- United States of America
- Vietnam

SPEND ANALYSIS - OPERATIONS AND SUPPLY CHAIN

We source our products from nearly 300 suppliers across 29 countries. Additionally, we procure a wide range of products and services from more than 300 suppliers to support and facilitate our business operations. These services include IT support, logistics and transport, marketing, warehousing (third-party logistics), and professional services.

IDENTIFYING OUR MODERN SLAVERY RISKS

Modern slavery risks can appear in different parts of our operations and supply chain, and the level of exposure varies depending on location, labour practices, and our visibility into day-to-day activities. We look at these risks across three main areas: our workforce, our direct suppliers, and our broader supply chain.

OUR WORKFORCE

The likelihood of modern slavery occurring within our own workforce is low. Most employees work in skilled, permanent roles and are based in countries with strong labour protections such as Australia and New Zealand. Our recruitment processes are transparent, and our policies set clear expectations for behaviour and worker rights. These factors reduce the possibility of harm occurring within our direct operations.

PROCUREMENT AND TIER 1 SUPPLIERS

The area where modern slavery risks are more likely to arise is within our procurement activities. Risks can be linked to the labour practices of our direct suppliers and the conditions within their own supply chains.

Key indicators of higher exposure include:

- Country-level risks
- The type of product or raw material
- Use of contract or migrant labour within supplier facilities
- Subcontracting practices
- Lack of transparency in supplier operations

To help identify these risks, we use tools such as industry or country-risk screening, supplier mapping, responsible sourcing questionnaires, and third-party audits. At present, our visibility is strongest at the Tier 1 level.

BEYOND TIER 1 AND UPSTREAM SUPPLY CHAINS

Modern slavery risks often intensify further upstream. Raw material sourcing, subcontracting, and early-stage manufacturing frequently occur in regions where worker protections are weaker or oversight is limited.

We acknowledge that while we do not have direct relationships beyond Tier 1, risks in these areas may still be connected to our business. Improving visibility beyond Tier 1 will be a key priority, starting with higher-risk categories and regions.

UNDERSTANDING OUR LINKAGES

Using the widely accepted “cause, contribute, or be directly linked” framework helps guide how we identify potential risks:

- We are **not causing** modern slavery through our direct operations.
- We are **unlikely to contribute** to modern slavery due to established policies and fair procurement practices.
- We may be **directly linked** to risks through supplier operations and their own supply chains.

This structure helps us understand where risks can emerge and sets the foundation for our next steps: assessing, prioritising, and addressing those risks.

ASSESSING MODERN SLAVERY RISKS

The Group uses a risk-based approach to identify potential modern slavery risks across operations and the supply chain. In FY2025, we continued our structured approach to assessing and managing modern slavery risks across the supply chain.

HOW WE ASSESS RISK

Our assessment draws on several sources of information and due diligence activities:

- **Country, industry, and material risk screening:** We monitor external research, industry reports, NGO resources, and news updates to identify emerging human rights concerns linked to our sourcing regions and product categories.
- **Tier 1 mapping:** We maintain a clear view of our direct suppliers. At this stage, our visibility is focused primarily on Tier 1, and we will begin strengthening our approach to mapping beyond Tier 1 where higher risks are identified. Expanding this visibility is a key focus of our ongoing work.
- **Supplier risk profiling:** We review suppliers based on geography, product type, labour intensity, raw-material inputs, and any previous compliance issues.
- **Desktop assessments before engagement:** Before onboarding a supplier, we aim to complete a desktop review of their employment practices, health and safety standards, modern slavery controls, and quality systems, with priority given to higher-risk suppliers. We have finalised our updated supplier questionnaire for rollout in FY2026, which is designed to collect clearer information on labour practices, subcontracting, grievance processes, and upstream sourcing.
- **Audits:** We conduct onsite audits for selected suppliers, particularly where risk indicators are higher or where additional assurance is required. Third-party audits are used to support verification where appropriate, recognising that audit coverage is not yet applied across all suppliers.

In FY2025, we placed particular emphasis on building capability to look deeper into our supply chain. This work started with segments where country-of-origin, production methods, or raw-material inputs indicate higher vulnerability. Expanding visibility beyond Tier 1 will continue to be a priority as we strengthen our overall risk assessment framework.

ADDRESSING MODERN SLAVERY RISKS

Identified risks are managed through supplier engagement, corrective actions, contractual obligations, monitoring, and targeted training for employees and suppliers. These measures are regularly reviewed and strengthened as risks evolve.

GOVERNANCE

Our modern slavery governance framework supports clear oversight and accountability across the business.

Board and Executive Oversight

The Board of AFAP maintains overall responsibility for monitoring modern slavery risks and approving this statement. The executive leadership team reviews key risk updates, training content, and due diligence priorities.

Policies and Internal Controls

Our governance framework is supported by the:

- Code of Conduct
- Equal Employment Opportunity Policy
- Whistleblower Policy
- Workplace Health & Safety Policy

These policies set expected behaviours and guide employees on how to raise concerns.

Operational Accountability

Modern slavery risk management is embedded into:

- The sourcing and quality teams, who oversee supplier engagement
- The compliance team, who coordinate reporting and policy updates
- HR, who manage recruitment safeguards and training
- Senior leadership, who review key findings and annual progress

In FY2025, we strengthened coordination between teams to ensure risk information is shared and acted on consistently.

SUPPLIER PARTNERSHIPS AND MONITORING

We prioritise long-term, transparent partnerships with suppliers who demonstrate commitment to safe working conditions and ethical practices. We continue to:

- Conduct onsite inspections where possible
- Monitor suppliers more frequently
- Review suppliers across products, services, and goods not for resale
- Improve documentation and visibility across categories

No instances of modern slavery were identified during FY2025 through our audits or monitoring activities.

REMEDIATION APPROACH

While no incidents have required remediation to date, we have a clear process if an issue is identified:

- Immediate dialogue with the supplier or responsible party
- Prioritisation of victim safety, rights, and access to remedy
- Development of a corrective action plan tailored to the specific situation
- Escalation where necessary, including discontinuing relationships where suppliers fail to address modern slavery risks

We also monitor public reports, media, and industry updates for any allegations involving suppliers in our network.

TRAINING AND DEVELOPMENT

In FY2025, we rolled out an updated modern slavery training program across all business units. The training helps employees understand our obligations under the Modern Slavery Act 2018, the types of risks that may arise in our industry, and how to identify red flags in supplier engagement.

We also added content covering global legislation and international developments to help teams recognise broader risk trends beyond Australia. The program was reviewed by members of the executive team to ensure alignment with our risk profile and governance expectations.

This training now forms part of our ongoing compliance framework and supports stronger awareness and accountability across the business.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

In FY2025, we continued to review how effective our actions have been in identifying and reducing modern slavery risks across our operations and supply chain. Measuring progress is an important part of understanding whether our processes are working and where we need to improve. As part of this, we assessed our performance against key activities carried out during the year, focusing on what has been implemented, how it has been applied in practice, and the outcomes achieved. We have also outlined our FY2026 next steps to support further improvement and ensure our approach remains responsive to emerging risks.

| | Objectives | FY2025 Outcomes | FY2026 Next Steps |
|------------------------------------|--|---|--|
| Governance, systems, and processes | <ul style="list-style-type: none"> Develop Modern Slavery Minimum Standards. Increase engagement with international brand owners, with relation to modern slavery and our expectations. | <ul style="list-style-type: none"> An ongoing review of company policies and procedures is underway to ensure continued compliance with modern slavery regulations and alignment with best practice standards. During the reporting period, the company updated and implemented several key policies, including the Work Health and Safety Policy, Code of Conduct, and Equal Employment Opportunity Policy to support safe, fair, and ethical workplace practices. Reviewed information on hand and developed a questionnaire to guide further engagement with international brand owners on modern slavery, to be rolled out in FY2026. | <ul style="list-style-type: none"> Complete the review of company policies and procedures. Develop a structured engagement framework for brand owners, including risk assessment alignment, reporting requirements, and corrective action processes. |
| Risk Management | <ul style="list-style-type: none"> Continue implementing a due diligence approach for all manufacturers of Group-owned brands and continue to review and renew Supplier Assessment Questionnaire. Begin to use preferred raw materials, such as FSC-certified or recycled products, to promote responsible sourcing. | <ul style="list-style-type: none"> 15.52% of our total suppliers have completed due diligence or social compliance audits, with Fackelmann Housewares-specific suppliers achieving a completion rate of 50%. We began sourcing FSC-certified materials for products and packaging at Fackelmann Housewares, including 66 SKUs with FSC-certified materials. | <ul style="list-style-type: none"> Aim for 50% of our total suppliers to complete a Supplier Assessment Questionnaire, due diligence review, or social compliance audit. Refine internal reporting systems to capture more detailed supplier compliance data and track remediation progress. Expand the use of FSC-certified materials within Fackelmann Housewares and plan for wider Group adoption, building on the 55 additional SKUs with FSC-certified materials in FY2026 to date, while continuing to explore opportunities for other business units. |

| | | | |
|--|--|---|--|
| <p>Training, awareness, and engagement</p> | <ul style="list-style-type: none"> • Continue to implement and expand modern slavery training programs to support the identification and management of associated risks. • Develop targeted training for staff in high-risk roles, especially Procurement, focusing on areas where modern slavery risks are more likely to occur, e.g supply chain. • Increase collaboration with suppliers and other stakeholders, enhancing their ability to identify and address modern slavery risks through capacity-building efforts. | <ul style="list-style-type: none"> • We have rolled out an updated modern slavery training program across all business units, providing employees with up-to-date guidance on the Modern Slavery Act 2018, global modern slavery legislation, and risk indicators. | <ul style="list-style-type: none"> • Regularly review and update the general training program to reflect emerging risks, regulatory changes, and industry best practices. • Develop and implement additional, scenario-based training for high-risk roles to improve risk identification and response in practical, operational contexts. • Expand capacity-building initiatives for suppliers and other stakeholders, including guidance on identifying, preventing, and remediating modern slavery risks in their operations and supply chains. |
| <p>Monitor and report</p> | <ul style="list-style-type: none"> • Communicate the Group's continued commitment to reduce the risk of modern slavery occurring in our operations and supply chain. • Ensure compliance with obligations under the Modern Slavery Act through consistent monitoring and reporting. | <ul style="list-style-type: none"> • Published this FY2025 Modern Slavery Statement, outlining governance, policies, risk-assessment methodology, and mitigation actions. • We monitored and reported on modern slavery risks across the Group, ensuring compliance with the Modern Slavery Act 2018, and stayed up to date with proposed reforms and updates to the legislation. | <ul style="list-style-type: none"> • Update and publish the FY2026 Modern Slavery Statement, reflecting progress, lessons learned, and new initiatives. • We will improve monitoring by collecting more supplier data, tracking progress with KPIs, and strengthening internal reporting. |

We will continue to track and publicly report on our progress.

OTHER INFORMATION

The Group continues to strengthen its oversight of modern slavery risks across its supply chain. While we have direct visibility over tier 1 suppliers, we recognise that tier 2 and tier 3 suppliers may carry additional risk, particularly in labour-intensive product categories such as metalwork, glass, ceramics, and packaging. We supplement our supplier audits with desktop risk screening, NGO and media monitoring, and accessible grievance mechanisms, and we actively collaborate with industry groups and peers to share best practice. Our approach is informed by the Modern Slavery Act 2018 (Cth) and relevant international frameworks. In FY2026, we will expand supplier mapping, enhance training programs, and continue to report transparently on remediation outcomes.

CONSULTATION WITHIN THE GROUP

All reporting entities covered by this Statement were consulted during its preparation. Throughout FY2025, we engaged with relevant teams across the Group through modern slavery training sessions and follow-up meetings to gather information, confirm operational details and support a consistent understanding of risk.

A draft of this Statement was circulated to each reporting entity, giving them the opportunity to review the content, confirm accuracy and provide feedback before finalisation. Input from these consultations helped shape the risk insights, governance updates and planned next steps included in this year's Statement.

The final Statement was approved by the AFAP Board.



Mark Batson
CEO, Fackelmann Housewares Pty Ltd
Board Member, AFAP

AF Asia-Pacific Holding Proprietary Limited

