

Modern Slavery Statement 2022 to 2023

Our structure, business and supply chains

Made on behalf of FKA Brands, this Modern Slavery Statement encompasses FKA Brands Co. LLC. and its covered subsidiaries. Modern Slavery Statements prior to this were uniquely issued by FKA Brands Ltd.

FKA Distributing Co LLC (FKALLC) and its subsidiaries is a US limited liability partnership based in Commerce, Michigan, USA. FKALLC is an SME employing 262 people based in our HQ in Commerce, and warehouse in Riverside, California, USA. FKALLC operates in USA, South America and regions not covered by the subsidiaries below.

FKA Brands Ltd. (FKABL), and its subsidiaries based in Tonbridge, U.K., is a wholly owned subsidiary of Ludgate 329 Limited (a non trading company) and the ultimate holding company is FKA Distributing Co LLC. The only trading subsidiary of FKA in the UK operating in Europe, the Middle East and Africa, FKABL is an SME of 88 people. FKABL revised its reporting year in 2023 and adjusted the year end from 31st September 2023 to 31st December 2023. The directors of FKA Brands Ltd have approved this Section 54 statement for the reporting period of October 2022 to December 2023 for the Modern Slavery Act 2015.

A wholly owned subsidiary of FKA Distributing Co. LLC., Homedics Australia Pty Ltd (HAPL) is an SME of 15 people based in Rowville, Victoria. The only trading subsidiary of FKA in Australia, HAPL operates in both Australia and New Zealand. The directors of Homedics Australia Pty Ltd have approved this Australian Modern Slavery Act 2018 (Commonwealth) statement for the reporting period of October 2022 to September 2023.

Homedics Information Consulting (Shenzhen) Co., Ltd (HIC) is an SME of 44 people based in Shenzhen, PRC and is a wholly owned subsidiary of FKA Distributing Co. LLC. These employees ensure the policies and procedures are adhered to within the Chinese and Vietnamese factories through regular site visits and other meetings.

Homedics Group Canada (HGC) is a wholly owned subsidiary of FKA Distributing Co. LLC. and is an SME of 20 people based in Mississauga, Canada. HGC is the only trading subsidiary of FKA in Canada.

FKA Brands fully supports the goals of modern slavery laws set in the Modern Slavery Act 2015, as well as the California Transparency in Supply Chain Act 2010, the Canadian Modern Slavery Act and the Australian Modern Slavery Act 2018 (Commonwealth). The objectives of these Acts are aligned with the way in which FKA Brands manages its business and supply chain and upholds fairness and humane treatment of all individuals involved in the production and distribution of our products – something which is backed by its board of directors. FKA Brands believes that slavery of any kind is unacceptable, and it remains committed to combatting slavery in all forms.

FKA Brands purchases electronic, small electrical and non-electrical products and services from approximately fifty third party factories and other service providers located in Australia, Belgium, Canada, China, Israel, New Zealand, the UK, the USA and Vietnam. Using the SEDEX risk assessment tools, China and Vietnam are considered high-risk areas along with the associated raw materials, especially minerals which may be sourced from high-risk countries. For the individual factories the SEDEX tools calculate that most of our Chinese and Vietnamese suppliers are assessed as medium risk. The remaining 6 have a high risk score and these have not yet completed their assessments and 1 is a new supplier not previously in scope.

FKABL has been a member of SEDEX since 2009, while HAPL has been a member of SEDEX since 2021. In 2023, all offices became members of SEDEX and throughout 2024, all of their unique suppliers will be required to become members of

SEDEX. Usually, all factories are required to be member of SEDEX and ensure that their compliance processes align with the SEDEX ethical standards (which include requirements such as no use of Forced Labour of any kind, fair recruitment processes and employees are free to join unions, councils etc). SEDEX is the world's largest collaborative platform for sharing responsible sourcing data on supply chains and is used by more than 65,000 members spanning more than 170 countries.

All FKABL suppliers were members of SEDEX during this period.

FKA uses market-leading warehouse and logistics companies to supply customers with products.

Our policies in relation to slavery and human trafficking

Before a purchase order is placed with a new factory, the factory in question must sign and agree to our terms and conditions which outline that no forced labour of any kind is to be used in the manufacture of our products. These conditions include our Ethical Policy which can be found [here](#). Our conditions are generally updated annually, and all manufacturers have signed our terms and conditions within the last 24 months.

Our due diligence processes regarding slavery and human trafficking in its business and supply chains

To ensure adherence to this requirement, FKA has the following processes in place:

- All FKA staff members who visit our suppliers, conduct UK recruitment or appoint contractors are trained to determine signs of forced labour. We use training modules supplied by the Safety Media, Astute and SEDEX platforms. In 2024, this training will be rolled out across all regions.
- Prior to approval of a new supplier, all factories are audited by FKA employees and audited at least every 2 years afterwards.
- Other Chinese FKA employees such as expeditors and pre-shipment inspectors who regularly visit the factories are required to look for signs of any forced labour and must report any concerns.
- UK and USA-based FKA employees who visit the factories are required to look for signs of any forced labour and must report any concerns. These include the senior management, quality & compliance, operations & marketing teams. A small number of site visits took place in 2023 for the first time since the start of the Covid-19 pandemic, and FKA has continued to supplement the onsite visits by regional employees through remote sessions with our suppliers. These will continue into the next reporting period. These sessions include feedback on our annual surveys covering Forced Labour, Child Labour, Conflict Minerals and their SEDEX Risk Score.
- In 2022, each supplier confirmed they comply with the Uyghur Forced Labor Prevention Act. Each supplier will be required to reconfirm this in 2024.
- Each year, FKA surveys its Asia-based suppliers regarding policies on Forced Labour, Child Labour and Conflict Minerals along with other surveys on environmental issues. These surveys contain links to subject matter related to the survey and ask questions on their monitoring of second and third tier suppliers.
- The regional Employee Handbooks detail our whistleblowing policies.
- If FKA detected the use of Forced Labour in any of its suppliers, FKA would:
 - cease all production immediately

- work with the factory on a corrective action plan (if a plan could not be agreed upon, FKA would remove the supplier from its Approved Supplier List)
 - notify its Trade Associations
 - notify the local authorities and provide any evidence obtained by FKA
- Our factories are used by other leading global manufacturers and retailers who also conduct similar audits to FKA.
 - FKA supplies leading retailers which require many of our factories to be independently audited to SMETA, BSCI and RBA standards by reputable auditors (such as Intertek, BV, TUV, SGS and UL). In 2015, 66% of FKA's UK purchased volume came from these audited suppliers. This amounted to 89% of purchased volume, down in this period from 97% in the previous period and reflects the new suppliers who had not previously been in scope. Plans are in place for independent audits with four additional suppliers that would have increased the audited suppliers to 99% of purchases in this period.
 - FKA offices do not keep records of employees who are members of a trade union or similar organisation. All FKA employees, service providers and factories have the right to freedom of association and are allowed to join a trade union or similar organisation.
 - To date, no evidence of Modern Slavery has been detected by FKA during our own or third-party audits.

In this year's survey of our suppliers, FKA found that:

- 96% of suppliers are aware of the need to monitor the entire supply chain. This is lower than last year (100%), but accounts for the additional suppliers who had not previously supplied the EMEA region. 89% of these suppliers had systems such as audits, third party audits and site visits in place to back up these claims.
- The same 96% of suppliers are already monitoring their suppliers. This is lower than last year (100%), but accounts for the additional suppliers who had not previously supplied the EMEA region.
- 93% of suppliers are aware of the need to look for signs of Child Labour within the supply chain, while the remaining 7% is planning to do so in 2024.
- 89% of the suppliers were aware of the need to monitor Conflict Minerals, and 53% of suppliers reported that sourcing was from approved smelter programs.

This year, we asked our top suppliers (80% of PO value) extra questions around working practices. This showed that:

- Employees are included in reviews of health and safety risk assessments
- The large majority of employees had not paid a recruitment fee to secure their employment
- Some employers had paid a recruitment fee to secure an employee
- Almost all second-tier suppliers of our Chinese suppliers were in PR China

In the previous period, we followed up with EMEA suppliers on the survey and SEDEX scores as anticipated. We appointed a Global ESG Manager. The Sustainability Steering Committee (made up of senior manager and colleagues from each region where FKA operates) and a Green Management Team have been formed. The formation of these teams helps ensure that all regions look for signs of forced labour and monitor worker conditions as well as our environmental impact as a priority. We have completed a double materiality impact assessment and identified 12 high priority topics to be improved within the next two years. Four topics cover working conditions and business culture.

FKA intends to:

- Review the H&S policies in each FKA Brands managed site to determine and close any gaps we identify



Homedics
THERA-P
MARLEY
JOM
REVAMP
SBB.
Enigma

- Establish a central register of reportable incidents
- Update the terms and conditions with our suppliers to require appropriate conduct in such areas as workers' rights, health and safety, bribery and corruption, ethical behaviour and environmental protection
- Update and publish our own procedures such as workers' rights, health and safety, bribery and corruption, ethical behaviour and environmental protection
- Publish a mission statement that outlines our business culture
- Follow up on these results and review the supporting evidence to ensure that all suppliers are continuously monitoring their supply chain
- Ensure all new suppliers are members of SEDEX and have completed their new SAQs. We will then assess their SEDEX RADAR Score to identify the factories at the highest risk and work with them to address the areas that require improvement. We have engaged SEDEX consultants for 2024 to assist in this project

Signed on behalf of FKA Brands Ltd, Section 54 statement for the reporting period October 2022 to December 2023 for the Modern Slavery Act 2015

AND

Signed on behalf of Homedics Australia Pty Ltd, Australian Modern Slavery Act 2018 (Commonwealth) statement for the reporting period October 2022 to September 2023.

AND

Signed on behalf of FKA Brands LLC for the reporting period January 2023 to December 2023

Alon David Kaufman
Chief Executive Officer, FKA Brands LLC
3000 North Pontiac Trail, Commerce Township. MI 48390. U.S.A.
Date *March 20, 2024*