

APG & CO
THE BRAND ASSEMBLY

Modern Slavery Statement

FY2023

From the CEO

“Our mission is to continue to work hard to create positive and lasting change within the fashion industry.”

References to *‘our’* and *‘we’* in this Statement are references to APG & Co.

I am pleased to report, in this, our fourth APG & Co modern slavery statement, that we have made significant progress towards achieving our long-term modern slavery goals during FY23.

Our sustainability and compliance teams have many achievements to be proud of this year, which include the implementation of our new digital tracing program, development of our modern slavery training for international suppliers (made available in English, Chinese and Vietnamese) and the development of policies in relation to gender equality, hazardous substances and ethical sourcing.

This statement provides a comprehensive overview of the actions we have taken during FY23 to recognise, evaluate, and address our modern slavery risks. At APG & Co we understand our responsibility to guarantee social compliance within our business and the way we manage our supply chains and operations.

Our modern slavery goals are part of our business’ Social & Environmental Strategy, and form the foundation for our efforts moving forward. This strategy focuses on strengthening three core pillars of our business - social impact, environmental impact and circular product. We believe that stepping up to address modern slavery begins with the supply chain that is at the very heart of APG & Co’s operations. We have understood and acknowledged the impact that our choices and business practices may have on human rights – both positively and negatively – for many years.

Our mission is to continue to work hard to create positive and lasting change within the fashion industry. As we move further along in our modern slavery compliance program, we will rely on the valuable insights gathered through our updated factory audit processes. We will also continue to train and empower our teams and suppliers in their pursuit of modern slavery and ethical sourcing objectives.

During FY24, we aim to further strengthen our collaborative efforts and foster our relationships with suppliers, non-governmental organisations and industry. We look forward to reporting again on our achievements next year.



A handwritten signature in black ink, appearing to read 'E Hopkinson', written in a cursive style.

Elisha Hopkinson

CEO APG & Co

(This Modern Slavery Statement has been approved by the Board of APG & Co – 11th December 2023)

Things that make us proud at APG & Co

- Our steadfast business commitment and dedication to our modern slavery goals
- Our 2025 Social and Environmental Strategy
- Our responsible supply chain and procurement strategy
- Our responsible purchasing practices
- Our ongoing commitment to transparency
- Our nurturing of robust supplier relationships
- Our dedicated sustainability and compliance team
- Our rigorous supplier approval processes
- Our diligent supply chain tracking and tracing
- Our remediation processes, corrective action plans and audit tracking
- Our tailored modern slavery training for procurement teams
- Our tailored modern slavery training for international suppliers which we make available in English, Chinese and Vietnamese
- Our approach to managing risks, including those involved in cotton production
- Our living wage policy
- Our gender equality policy

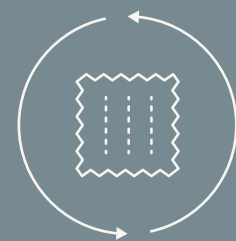
Highlights from FY23 (cont.)



Supplier Onboarding Manual – we built on our existing supplier onboarding process to develop our formal Supplier Onboarding Process Manual, with an increased focus on due diligence from purchasing staff prior to any new engagement, a due diligence checklist, a revised authorisation form and full authorisation being required from the Social & Environmental Manger before onboarding.



Actions to address potential modern slavery issues and challenges – we worked to identify and address potential instances of modern slavery and the challenges we face in addressing these. Details of this work are included in the ‘case studies’ and ‘program focus’ parts of this statement.



Reaching traceability goals – we worked with our suppliers to deepen our product supply chain traceability, achieving 97% visibility of all fabric suppliers for FY23 including those we purchase from directly, and those that our Tier 1 (finished goods) suppliers purchase from.



Communication and goal setting – we held regular meetings between our modern slavery and executive teams to discuss APG & Co’s modern slavery compliance initiatives and challenges.

We are proud to share that in FY23 we have

Traced

100%

of our Tier 1 Suppliers (finished goods)

Audited

100%

of our Tier 1 Suppliers (finished goods)

Traced

97%

of our Tier 2 Suppliers (fabric)

Audited

61%

of our Tier 2 Suppliers in China who we purchase from directly (fabric)

Traced

87%

of our Tier 3 Suppliers for knitwear programs (yarn)

Identification of the Reporting Entity and Consultation Process

This modern slavery statement, published in accordance with the Modern Slavery Act 2018 (Cth), sets out steps taken by APG & Co to identify and address its modern slavery risk over the period 1 August 2022 – 30 July 2023 (FY23).

This Modern Slavery statement was produced for APG & Co and its four brands, Sportscraft, Saba, Jag, and Willow, on behalf of the Beaujolais Unit Trust who privately owns and controls the retail group.



Our team consulted relevant management, procurement, buying, and offshore teams along with suppliers to collect data for this statement. Data was sourced through a number of channels; social audit reports and Retraced assessments provided by suppliers, direct email and verbal communication with suppliers, purchasing and bill of materials (BOM) data collated by product teams, production reports generated from internal PLM and ERP databases, expense reports and external reports from academic and civil society organisations. Once the statement was drafted, it was reviewed by an external legal team, our Audit Committee, and the Board.

There are no affiliated parties which are not under the scope of data collected in this statement.

Governance

Audit Committee

At APG we have Board Level commitment to implementing the human rights requirements set out in our sourcing Code of Conduct and Global Sourcing Principles.

We have an Audit Committee made up of our CEO, CFO, Group Financial Controller, and two members of our Board. The Audit Committee reviews and makes recommendations to the Board in relation to APG's risk management, internal control, financial reporting, compliance (including tax, legal and regulatory), corporate governance and external audit responsibilities. The Audit Committee meets quarterly to encourage continuous improvement of, and foster adherence to, company policies, procedures, and practices at all levels.

Our Modern Slavery Team

We have been investing in compliance for over ten years to decrease human rights risks, improve visibility and improve factory working conditions across our supply chains.

We have a dedicated Compliance team, which consists of our:

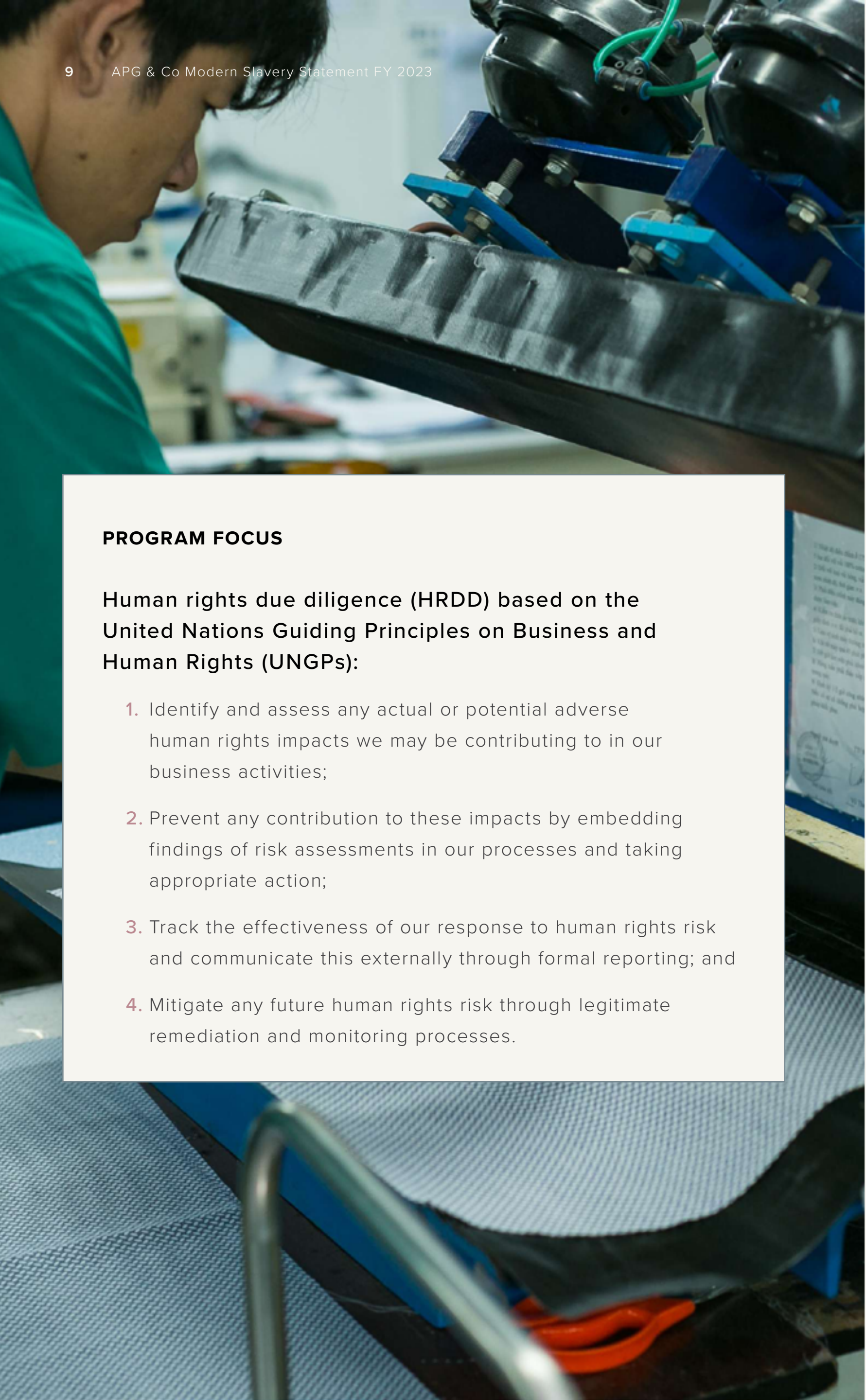
- Senior Global Compliance Officer;
- Production and Ethical Manager; and
- Social and Environmental Manager.

Together this team manages supplier auditing, supplier relationships, documentation and reporting, Retraced activities, risk assessments, issue resolution and regulatory compliance.

Our Senior Global Compliance Officer has been managing our auditing activities for over 7 years. In FY22, we expanded our auditing efforts with a dedicated Production and Ethical Manager, and together this China-based team manages our unannounced factory audits and on-the-ground supplier relationships to build structural compliance, whilst also supporting our suppliers in Retraced activities. This work is overseen by the Social and Environmental Manager at our head office, who also manages APG & Co's supply chain compliance, the Retraced platform and the company's sustainability strategy.

Our auditing processes are frequently and rigorously reviewed. Factory paperwork is cross checked (such as wage records against production records), and our Compliance Officer verifies information and worker wellbeing when they conduct factory floor interviews and review third party audits.

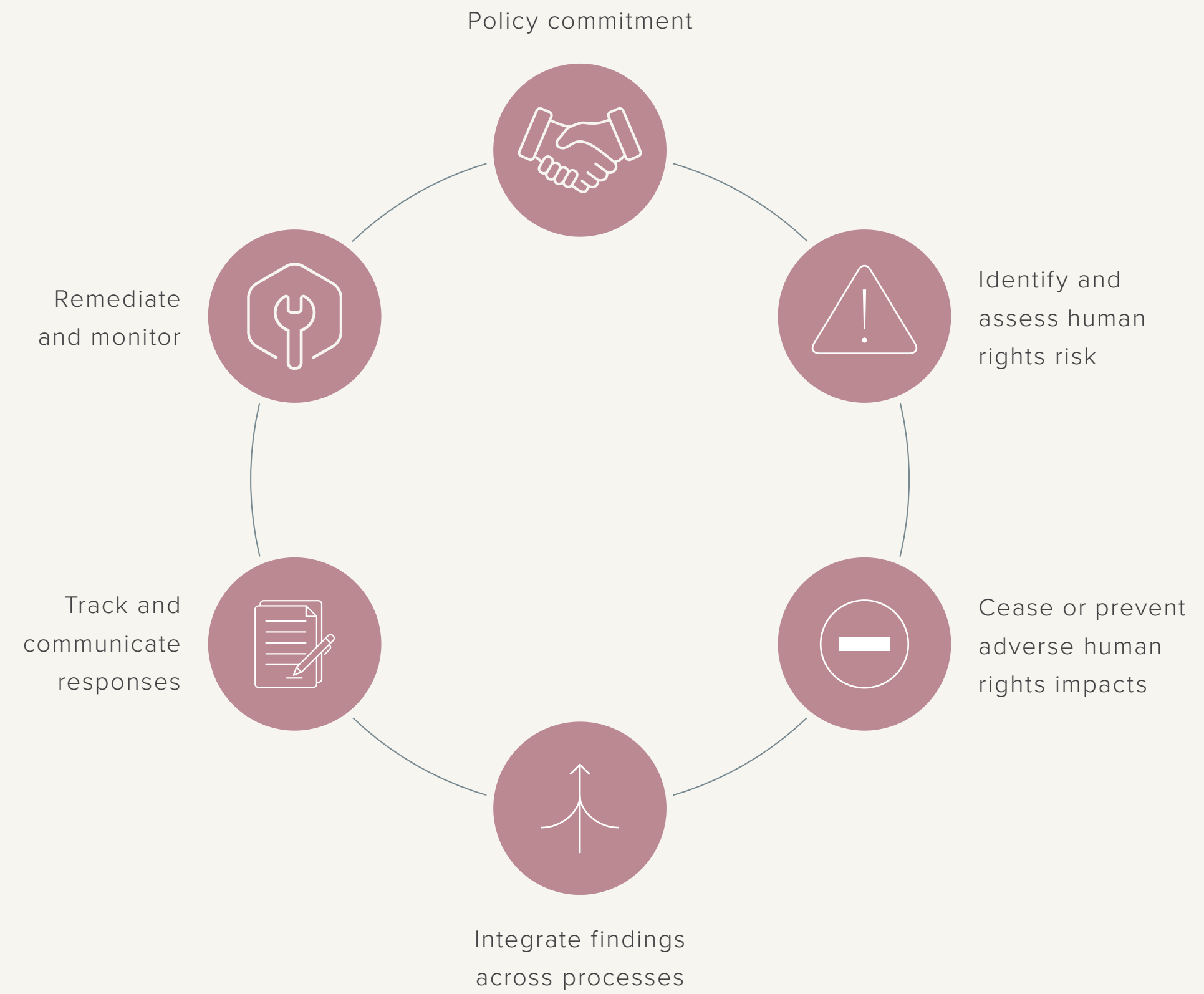
Our Compliance team members work alongside our Social and Environmental Manager and our General Manger of Supply Chain and Logistics. Our Social and Environmental Manager leads projects and programs in Modern Slavery due diligence, ethical compliance, improving factory data collection, traceability, living wage, and capacity building. We have also continued our partnerships with external agencies and consultants in order to work towards our modern slavery goals and initiatives.



PROGRAM FOCUS

Human rights due diligence (HRDD) based on the United Nations Guiding Principles on Business and Human Rights (UNGPs):

1. Identify and assess any actual or potential adverse human rights impacts we may be contributing to in our business activities;
2. Prevent any contribution to these impacts by embedding findings of risk assessments in our processes and taking appropriate action;
3. Track the effectiveness of our response to human rights risk and communicate this externally through formal reporting; and
4. Mitigate any future human rights risk through legitimate remediation and monitoring processes.



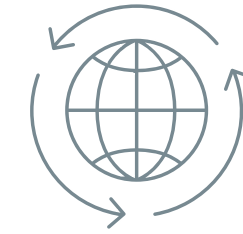
APG & Co Policies – to guide us and our suppliers

We have a series of policies in place to establish mutual commitment to industry best practice and reduce risk in our supply chains. These include:



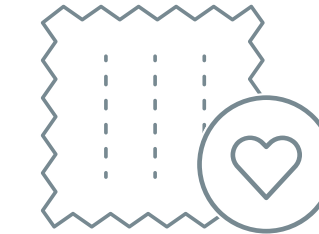
Code of Conduct

Which establishes clear ethical guidelines and expectations around responsible business conduct. It provides a roadmap for suppliers, workers, and employees to understand and adhere to the principles of fair labour, humane treatment, and ethical practices.



Global Sourcing Principles

These are a detailed extension of the clauses in APG & Co's Code of Conduct, this policy expands on the requirements for responsible sourcing of materials and labour.



Responsible Material Sourcing Policy

An internal policy providing guidance for our brands in sourcing responsibly from fibre and textile producers in order to reduce human rights and environmental risk.



Hazardous Substances Policy

A critical policy for protecting the safety of workers, ensuring proper handling and disposal of dangerous substances to minimize health risks and potential human rights violations.



Gender Equality Policy

A policy prioritising the protection of women's rights, which reduces vulnerability to exploitation and workplace safety risks and in doing so, ensures fair treatment and opportunities for all workers.



Living Wage Policy

As part of our wider strategy on human rights, this policy helps us understand how we can improve wage systems for the workers who are engaged within our business and supply chains.

Timeline of actions taken by APG & Co to address modern slavery

APG & Co has been investing in compliance for over ten years to decrease human rights risks, improve visibility and to improve factory working conditions across our supply chains.

In 2015, we introduced our supplier approval process for all Tier 1 suppliers, which was later rolled out to Tier 2 and 3 suppliers. We also engaged factory auditors and first published a list of our finished goods factories and mills.

To the right are some details of our more recent achievements.

FY20	<ul style="list-style-type: none"> • Ongoing Board level commitment to identifying and addressing modern slavery • Joined the International Labour Organisation's Call to Action • Establishment of our modern slavery working group • Product and services supplier review 	<ul style="list-style-type: none"> • Review and update of our APG & Co Supplier Code of Conduct, Global Sourcing Principles, Critical Path Policy, Supplier Remediation Guidelines and Whistleblower Policy • Update of our supplier remediation processes • Development of our first modern slavery training module
FY21	<ul style="list-style-type: none"> • Appointment of our Social and Environmental Manger and Senior Global Compliance Officer • Formalisation of our supplier approval processes for all Tier 1 and 2 suppliers • Development of our 2025 Social and Environmental Strategy 	<ul style="list-style-type: none"> • Development of our internal Responsible Buying Policy • Public commitment to a living wage • Roll out of our first round of modern slavery training for buyers • Further update of our modern slavery policies
FY22	<ul style="list-style-type: none"> • Developing APG & Co's Responsible Buying Policy • Updates made to our fabric information sheet for suppliers to complete and to our internal factory audit • Development of our new modern slavery training module 	<ul style="list-style-type: none"> • Continuous purchasing review process followed • Update of our affiliated factory list on the Open Apparel Registry • Further building of strong supplier relationships
FY23	<ul style="list-style-type: none"> • Harmonisation of our modern slavery goals with the globally recognised UNGPs • Revision of our Code of Conduct and Global Sourcing Principles, including new Gender Equality Cause and traceability requirements • Development of our Responsible Purchasing Practices Policy • Implementation of the Retraced supplier tracing platform • Development of modern slavery awareness training module for our international suppliers 	<ul style="list-style-type: none"> • Implementation of our HRDD Supplier Performance Assessment System • Development of our formal Supplier Onboarding Process Manual • Analysis of several digital Worker Voice tools for planned deployment • Became a signatory to the UN Women's Empowerment Principles (WEPs) • Became a signatory to the Clean Clothes Campaign's Transparency Pledge

APG & CO structure, operations and supply chains



Structure & operations

APG & Co is a privately held Australian company, which was established in the early 1950's. Our business is built upon designing, coordinating manufacture, importing, and selling of women's, men's and children's clothing and accessories within the Australian and New Zealand markets. APG & Co owns and manages four retail brands, Sportscraft, SABA, JAG, and Willow.

STAFF

Head Office	142	Support Office – Mascot, Sydney
APG & Co employs 1098 staff across our head office and stores in Australia and New Zealand.	888	Australian Retail Team
	68	New Zealand Retail Team
Offshore offices in Shanghai, China and Ho Chi Minh City, Vietnam	13	Ho Chi Minh City
	5	Shanghai

STORES AND CONCESSIONS

Brands, stores and concessions	60	Sportscraft Freestanding Stores
	20	Saba Freestanding Stores
	96	Sportscraft David Jones Concessions
	81	Saba David Jones Concessions
	77	Jag David Jones Concessions
	2	Sportscraft Ballantynes Concession NZ
	1	Saba Ballantynes Concession NZ
	2	Saba Smith and Caughey NZ
	2	Jag Smith and Caughey NZ

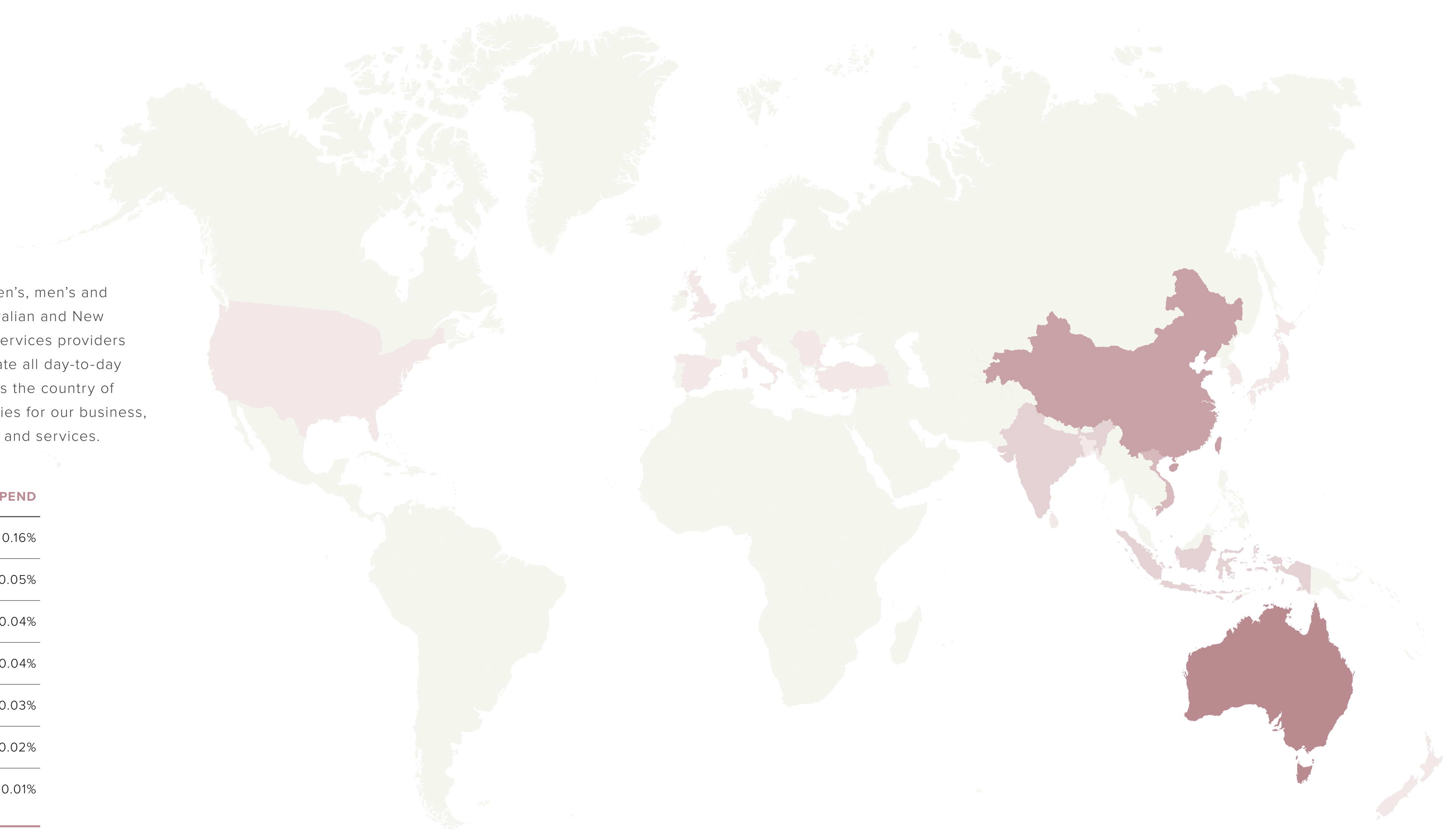
Sportscraft, Saba and Jag Licensed Product in Costco

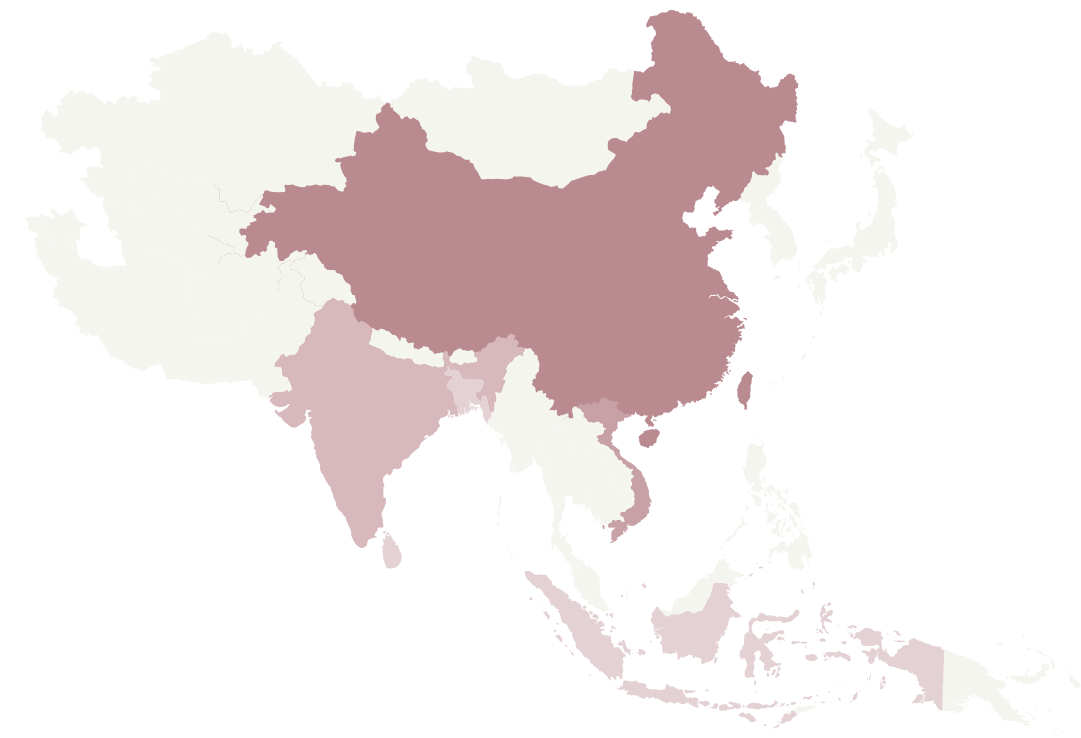
Sportscraft produce the formal apparel uniform for the Australian Olympic team

Supply chain

To support APG & Co's business of designing women's, men's and children's clothing and accessories within the Australian and New Zealand markets, we utilise a range of goods and services providers globally. These goods and service providers facilitate all day-to-day functions of our business. The data below highlights the country of origin spend across all goods and services categories for our business, including all goods for resale, goods not for resale, and services.

COUNTRY	SPEND	COUNTRY	SPEND
Australia	65.39%	Türkiye	0.16%
China	20.53%	Bulgaria	0.05%
Vietnam	9.73%	Sri Lanka	0.04%
India	1.16%	Italy	0.04%
Indonesia	1.00%	Romania	0.03%
New Zealand	0.62%	Spain	0.02%
Japan	0.41%	United Kingdom	0.01%
Korea	0.30%		
Bangladesh	0.29%		
USA	0.22%		





Tier 1 Finished Goods Manufacturing & Tier 2 Fabric Manufacturing

As a retailing business for three apparel brands, our supply chain is central to the way in which we operate. The right provides a snapshot of our partnered suppliers from whom we purchased finished goods (Tier 1) or fabric (Tier 2) from in FY23:

TIER 1			
COUNTRY	FACTORIES	% OF SPEND	% OF UNITS
● China	29	55.7%	40.2%
● Vietnam	11	35.3%	48.0%
● India	6	4.2%	5.3%
● Indonesia	1	3.7%	4.0%
● Bangladesh	1	1.0%	2.3%
● Sri Lanka	1	0.1%	0.1%

TIER 2		
COUNTRY	FACTORIES	% OF TOTAL VOLUME
● China	100	68.6%
● India	8	7.0%
● Japan	2	6.9%
● Türkiye	8	5.0%
● Vietnam	4	3.6%
● Korea	6	3.2%
● Bangladesh	1	2.4%
● Italy	6	2.0%

TIER 2		
COUNTRY	FACTORIES	% OF TOTAL VOLUME
● Unknown	6	0.9%
● Spain	1	0.2%
● Bulgaria	1	0.1%
● Netherlands	1	0.1%
● Romania	1	0.1%
● Portugal	1	< 0.1%

Tier 2 list includes all fabrics purchased either directly by APG & Co or by APG & Co's Tier 1 suppliers.

APG & Co works in partnership with Apparel Group for manufacturing of Costco ranges as well as the Willow brand. APG & Co and Apparel Group were previously one entity, but in 2013 they were separated into two. Apparel Group produces products on our behalf, however we co-source and audit all factories used to make our product.

In addition, in FY22 APG & Co launched Sportscraft Kidswear and have licenced the design and manufacturing of this range to Vision Brand Group.

In FY23, APG & Co launched the JAG accessories range and have licensed the design and manufacturing to Duraflex Australia. Factory compliance for Apparel Group, Vision Brands and Duraflex is carried out by both the licensor and APG & Co.

Our Tier 1 factories in China and Vietnam are located in the provinces indicated on the map to the right, where the size of the circle represents the number of suppliers.

VIETNAM	FACTORIES	CHINA	FACTORIES
Ho Chi Minh City	10	Jiangsu	20
Long An	2	Guangdong	13
Can Tho	1	Zhejiang	11
Quang Ngai	1	Shandong	1
Tien Giang	1	Shanghai	1
Tuyen Quang	1		



Risks of modern slavery in our overseas operations and supply chains

At APG & Co we recognise that due to the prevalence of modern slavery practices within all fashion brand supply chains and the geographic location of our factories and suppliers, sourcing products for our business comes with a modern slavery risk.

Modern slavery could manifest in our supply chains and operations in various ways. As APG & Co has a complex global supply chain, this increases our modern slavery risk.

We are also aware of the need to review and monitor our purchasing practices such as:

- Addition of agents/merchants/intermediaries at different levels – making supply chains complex and visibility over working conditions extremely difficult;
- Reducing cost price – which can force suppliers to ‘cut corners’ by using cheaper labour or increasing speed of production; and
- Shortening lead time for orders.

We have identified the following modern slavery risks that our business faces and have developed training and awareness strategies to educate our buying and procurement teams about these risks.

When we deal with suppliers in Australia and overseas, we make our buyers aware of certain industry and geographic risks that they can look out for, in order to mitigate our modern slavery risks.

We also understand the limitations that we face, and that in some cases our risks contributing to or being linked to modern slavery practices may not be easy to identify. This is especially the case if our teams are only able to rely on desktop review of third-party audit reports or the reports produced after planned factory visits by our Senior Global Compliance Officer.



Inherent industry risk

Factors such as low wages, poor working conditions, and limited labour protections increase the risk of modern slavery in fashion supply chains.

The Walk Free Foundation's Global Slavery Index (2023) places garments and textiles in the top 5 products most at risk of modern slavery (based on G20 spend):

1. Electronics – US \$243.6B
2. Garments – US \$147.9B
3. Palm Oil – US \$19.7B
4. Solar Panels – US \$14.8B
5. Textiles – US \$12.7B

It has been reported that many modern slaves in fashion supply chains are women working in fast fashion garment production lines in Asia. In fast fashion manufacture, clothing brands use quick response production to capture the latest in fashion trends. This type of production is at high risk of worker exploitation as it usually involves:

- urgency to replicate catwalk trends – which can result in forced overtime for workers or cancellation of planned holidays or leave for workers; and
- mass-production at low cost – which can lead to workers being underpaid or not paid at all.

In our pursuit of quality, innovation and ethical partnerships, we are committed to responsible purchasing practices that support our manufacturing partners and do not create working environments that promote risk.

We are aware that the following practices could increase modern slavery risk in APG & Co's supply chains and operations:

- unauthorised sub-contracting – where product is made in a facility we haven't visited or checked;
- complex supply chain webs – where there are multiple agents, suppliers and mills at each level making tracing and visibility over
- working conditions extremely difficult;
- reducing cost price – this can force suppliers to 'cut corners' through using cheaper labour or their own lower cost suppliers who are less concerned about compliance; and
- shortening lead times for orders.

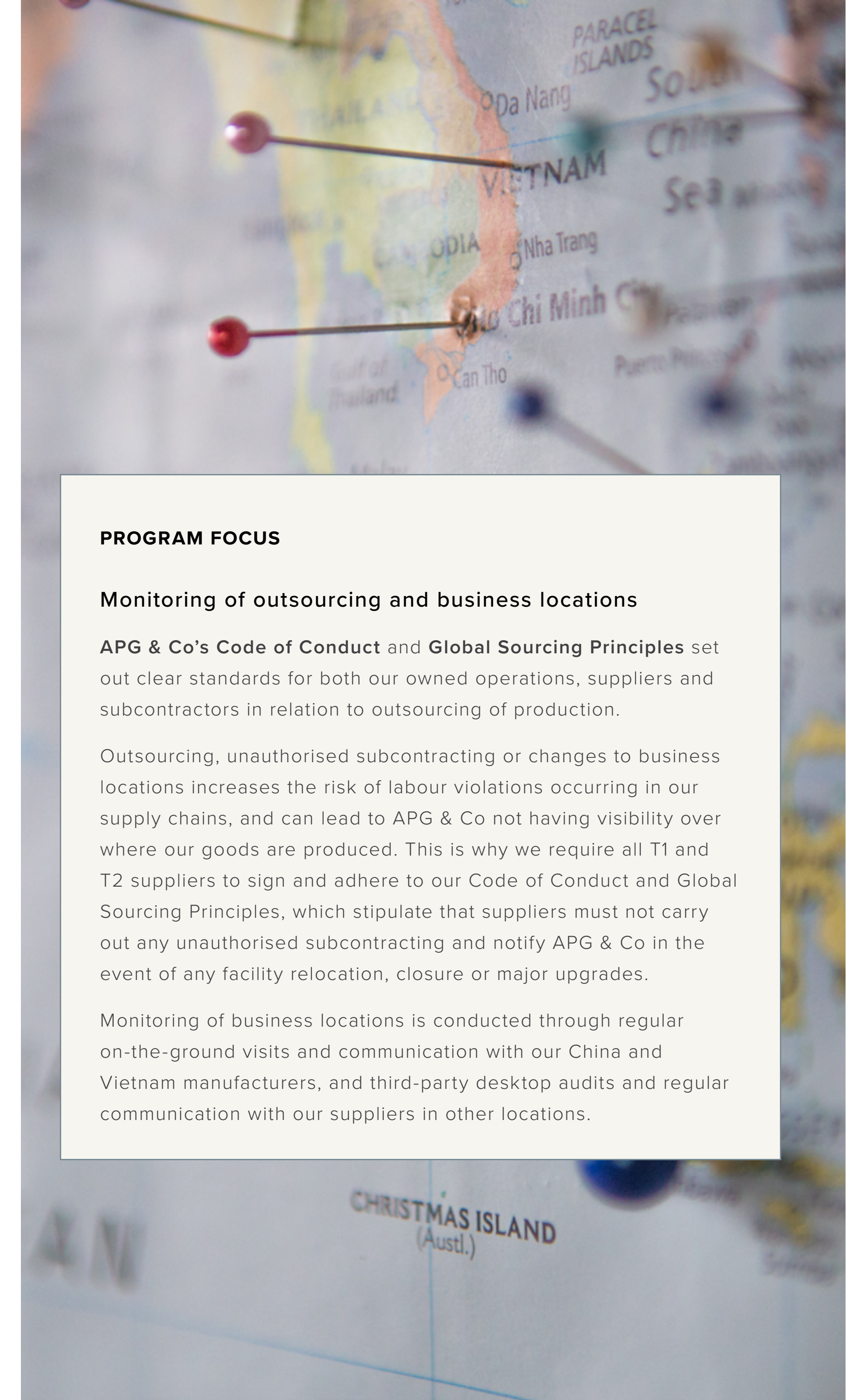
PROGRAM FOCUS

Monitoring of outsourcing and business locations

APG & Co's Code of Conduct and **Global Sourcing Principles** set out clear standards for both our owned operations, suppliers and subcontractors in relation to outsourcing of production.

Outsourcing, unauthorised subcontracting or changes to business locations increases the risk of labour violations occurring in our supply chains, and can lead to APG & Co not having visibility over where our goods are produced. This is why we require all T1 and T2 suppliers to sign and adhere to our Code of Conduct and Global Sourcing Principles, which stipulate that suppliers must not carry out any unauthorised subcontracting and notify APG & Co in the event of any facility relocation, closure or major upgrades.

Monitoring of business locations is conducted through regular on-the-ground visits and communication with our China and Vietnam manufacturers, and third-party desktop audits and regular communication with our suppliers in other locations.



We have also identified that there are number of ‘indicators’ of industry risk that we need to be aware of including:

- vendors avoiding submission of certification or audit reports;
- vendors sub-contracting production to facilities that we have not seen or authorised;
- workers are living at the workplace or another place that is owned or controlled by an employer;
- workers are isolated geographically, socially or linguistically;
- workers are made to work compulsory or excessive overtime;
- worker wages are withheld, or there is worker underpayment or no payment of wages at all;
- travel or other important documents (such as worker passports) have been taken and held by an employer or a third party;
- workers are expected to work as security or as repayment for an inflated debt (debt bondage);
- workers are not free to end their employment at any time;
- workers are deceived or not given information about nature and conditions of the work they will be required to do;
- workers are threatened or actual physical and/or sexual violence; and
- workers are subjected to abusive living and/or working conditions.

PROGRAM FOCUS

APG & Co Modern Slavery Training for Suppliers

We have developed training to provide our valued suppliers with insights into our modern slavery action plan. We will also introduce our new initiatives aimed at enhancing our supply chain transparency, traceability, supplier relationships, and worker engagement.

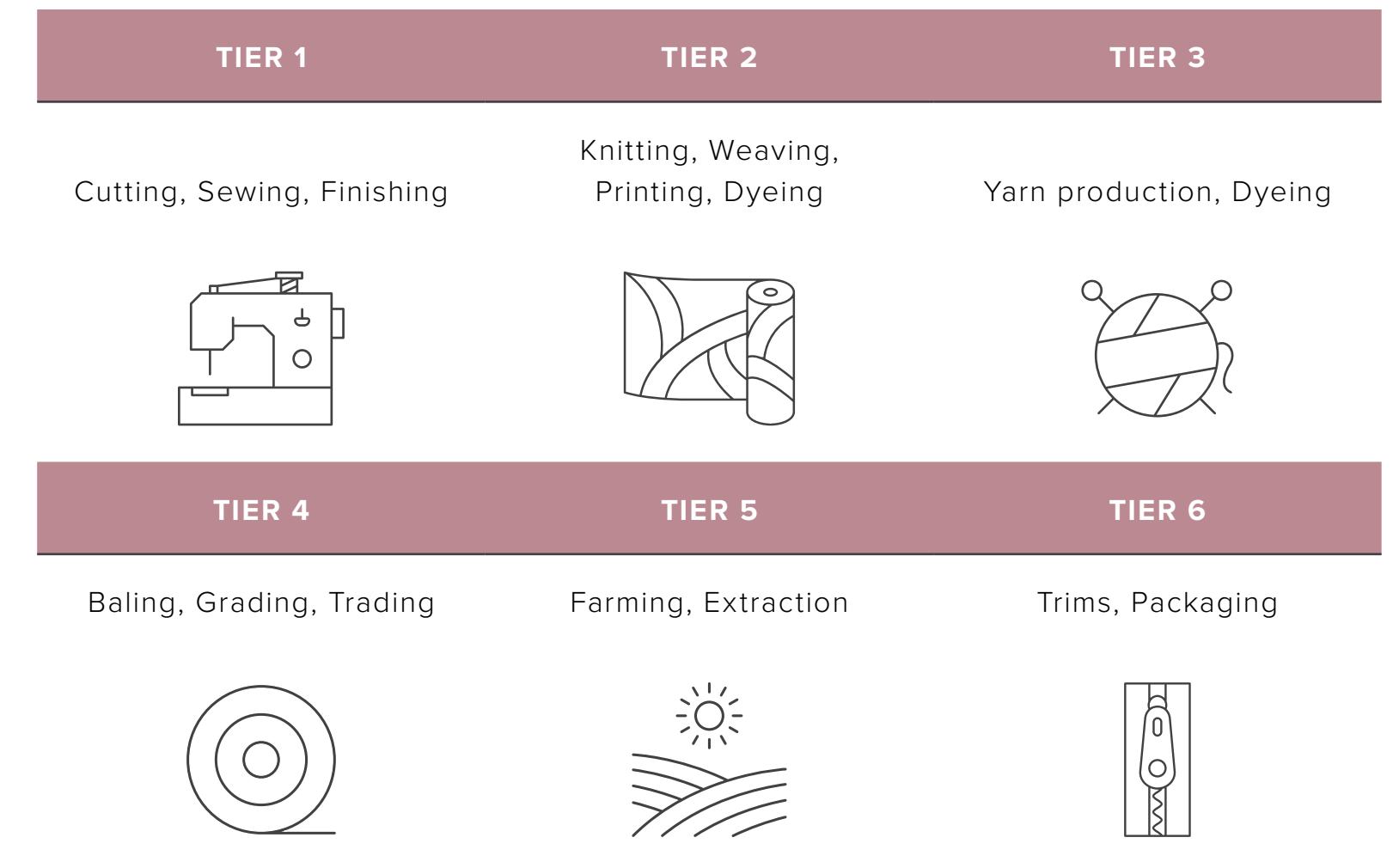
Our trusted supply chain partners play a crucial role in our efforts to address modern slavery risks and to trace our garments at every step of the production process. We are focused on fostering strong collaborations with our suppliers, and want to ensure that worker voices in our supply chain are heard and valued.

The training has been translated into Chinese and Vietnamese and covers topics including:

- What is modern slavery;
- What are the modern slavery laws and reporting requirements;
- What are the modern slavery risks for the fashion and textile industry;
- What has APG & Co been doing to address its modern slavery risks; and
- How we can work together to address modern slavery.

Risk created through transparency challenges

As part of our modern slavery risk assessment process for our goods for resale, we categorised our supply chain into six tiers, and assigned each processing step into this category. We have categorised our supply chain by the tiers below:



Following the passing of the Modern Slavery Act in Australia and similar requirements around the world, some suppliers are coming to terms with the need to address and report on their modern slavery exposure. These suppliers also understand that their handling of modern slavery risk could greatly influence their competitiveness and value as suppliers to large retailers moving forward. However, some suppliers give push back, or have been less than cooperative.

We are aware that modern slavery risks may exist in the deeper tiers of our supply chain. While the majority of our first tier (finished goods) suppliers are willing to disclose their second tier (fabrics) suppliers, we have found that some refuse to disclose their relationships citing fear of competitive practice and loss of Intellectual Property rights. This makes transparency over the lower tiers of our supply chain challenging, so to overcome this APG & Co introduced a Confidential Information Sharing Agreement to guarantee non-competition and promote trust.

We are aware that this lack of visibility helps perpetrators to hide cases of modern slavery and keep it out of reach of identification.

As we push towards full transparency of our supply chains, APG & Co is working to identify and review our suppliers beyond tier 1 to have full transparency of all tiers. We are targeting those suppliers with whom our business has significant expenditure, if they are from a high-risk country, or if they provide a high-risk product or service to our business.

We are also currently reviewing our process for services and Goods Not For Resale (GNFR) compliance to be in line with our Goods For Resale (GFR) standards. This is a significant part of our operations and thus a potential source of modern slavery risk.

PROGRAM FOCUS

Improving transparency with the Retraced platform

Working towards transparency throughout our entire supply chain is one of our key strategies to minimise our risks of modern slavery. Transparency is a vital tool in enhancing human rights protections within fashion and textile industry supply chains. If we do not have transparency over our processes, we expose our businesses to increased risk of modern slavery. APG & Co works with our suppliers to effectively prevent modern slavery through carrying out structured reporting processes and third-party audits. While we realise these processes do not always reveal the full picture of our supplier's situation, they are a critical part of reducing harm to people and environment.

APG & Co has a strict HRDD process that we follow when we engage with any new supplier, or conduct ongoing supplier reviews. To make this process easier for our suppliers, we are now using Retraced – a digital traceability platform. The Retraced platform allows us to connect with our key direct suppliers so that we can automatically gather the relevant data we need for supply chain tracing and modern slavery reporting. This helps APG & Co to empower all stakeholders involved – from farmer to final garment.

With Retraced we can more effectively monitor our suppliers' sustainability standards and gather data on risk factors in our supply chain. APG & Co suppliers are able to:

- connect their upstream/downstream raw material, yarn, fabric and garment suppliers in a network created on the Retraced platform;
- use Retraced's multi-tiered overview to track all manufacturing and business processes, from raw material to yarn, fabric to final garment;
- manage all chain-of-custody and audit documentation in one place, assisted by automated processes; and
- complete yearly supplier assessments as part of APG & Co's HRDD process. All direct suppliers to APG & Co will be onboarded to Retraced free of charge.



Geographic risk

Some of the most at-risk countries for human rights abuses in garment manufacturing include India, Bangladesh, Vietnam, Pakistan and Cambodia. For textile and raw material inputs, this extends to Central Asia, Myanmar, China and West Africa. However, no country is totally free of risk when it comes to modern slavery.

APG & Co produces 100% of our finished goods offshore in China, Vietnam, Indonesia, Bangladesh, India and Sri Lanka whilst the majority of our Tier 2 (Fabrics) are sourced in China.

We had a risk profile developed for each country we source either garments or materials from, which highlighted industry specific cases of modern slavery from that region. These risk profiles utilised data from global organisations such as the International Labour Organisation (ILO), Human Rights Watch, Verisk Maplecroft, Walk Free Foundation, and others to gather and assess the possibility of modern slavery within our supply chain. More generalised profiling occurred for services and goods not for resale utilised in our head office and store network.

Sourcing country risk profiles

China

China's manufacturing workforce has been powered by internal migration of workers from poorer rural areas into the manufacturing hubs. This migration has occurred over the past 40 years and has improved the earning potential for millions of Chinese citizens. However, this migration increases the vulnerability of workers as they are separated from their families and this can make them more susceptible to modern slavery practices. The Walk Free Foundation has identified forced labour, restricted movement, and excessive overtime as prolific issues.

China – forced labour in Xinjiang

A prominent modern slavery issue and one of our highest risks in clothing supply chains is raw cotton and yarn production in Xinjiang, China. Verisk Maplecroft has listed the North-western province of Xinjiang as a region of 'extreme' risk of forced labour, due to the allegations that at least 100,000 Uyghurs and other Muslim minorities being subjected to forced labour in re-education camps – including cotton-picking. According to the United States Department of Agriculture, approximately 20% of the global cotton supply is cultivated in Xinjiang and many of the yarn producers located in the region are assumed to be utilising forced labour.

We have provided specific detail later in this statement about how APG & Co managed our business specific risks relevant to the sourcing of cotton from this region.

Vietnam

Due to the vulnerability of Vietnam's population to poverty, workers are more susceptible to all forms of modern slavery. In Vietnam, vulnerable workers can face child labour, forced labour, informal contracts, abuse, and excessive overtime.

Vietnam does not have any specific modern slavery schemes, however the ILO estimated that in 2020, over half a million 5-17 year-olds were engaged in hazardous work, primarily in the industrial and construction sectors.

Indonesia

In 2016, the Global Slavery Index reported there were 736,000 people trapped in slavery in Indonesia, or 0.29 percent of the Indonesian population.

The Australian Institute of International Affairs has recently reported that thousands of additional Indonesian woman and girls have been plunged into modern slavery, while current victims' experiences have become more severe. It is reported that the COVID 19 pandemic also triggered mass unemployment and a reduction in job opportunities. Many workers are at risk of exploitation as many are willing to do anything for money.

Bangladesh

The Bangladesh apparel sector is the country's largest export earner and the second largest exporter in the world (employing approximately 4 million workers in about 3,500 factories). Bangladesh has been the subject of debate about the impact of globalisation and poor labour standards for many years, due to factories paying low wages and requiring workers to work long hours. The poor working conditions in apparel factories were tragically highlighted by the Tazreen factory fire in 2012 and Rana Plaza collapse in 2013. There are also issues with factory conditions involving high temperatures, excessive noise, poor air quality, unsanitary conditions, and abuse of workers (both verbal and physical).

Child labour is also a concern in Bangladesh, with the US Department of Labor reporting that in 2021, Bangladesh made 'moderate advancement' in its efforts to eliminate the worst forms of child labour, however, children in Bangladesh continue to be subjected to the worst forms of child labour, and perform dangerous tasks in the production of garments and leather goods.

India

In 2016, the Global Slavery Index reported there were nearly 8 million people living in modern slavery in India. The Index adds that discrimination against scheduled castes, Dalits and scheduled tribes is still a characteristic of Indian society, and this increases the vulnerability of these marginalised groups to being exploited by unscrupulous employers. The Index warns that women, especially those from poor and marginalised communities, face an increased risk of exploitation and abuse.

It provides details about illegal Sumangali schemes – where poor families sent their young daughters to work in factories for several years in return for the promise of a bulk payment that can be used as a 'marriage dowry' to attract a husband. It has also been reported by unions that low pay and exploitative conditions are widespread in India, with forced and child labour found in a number of industries including textiles and silk. India has also not ratified all the fundamental ILO conventions, including those on freedom of association, collective bargaining and health and safety at work.

Child labour and children performing dangerous tasks in garment production remains an issue in India and the Bureau of International Labour Affairs reported that Indian authorities rescued 58,289 children from child labour during 2020-2021, an increase from previous years.

Sri Lanka

According to the 2023 Global Slavery Index, an estimated 139,000 people were in modern slavery in Sri Lanka at any point in 2021 (including forced labour and forced marriage). The United Nations has also reported concerns about labour exploitation and discrimination based on gender, age, ethnicity, caste, class and other grounds in Sri Lanka. This includes Malayaha Tamils being disproportionately affected by marginalisation, discrimination, exploitative working conditions and appalling living conditions. Child labour in domestic work, persistent gender inequality and discrimination affecting women are also concerns that have been raised.

In our pursuit of quality, innovation and equitable partnerships, we continue to explore other regions for manufacturing, and may expand into new countries of origin in the future.



Risk in local operations and supply chains

For the daily operations of our head office, stores, and warehouse we utilise a range of services and procure goods to use within these locations. The categories below have been listed in order of spend for our internal operations in the services and goods not for resale categories.

We are aware that modern slavery affects more than just the products we sell. At APG & Co we utilise a range of services for our daily operations such as cleaning, building maintenance, freight, and recruitment. We understand our GNFR supply chains are just as susceptible to modern slavery risk, even though most of these services are undertaken in Australia.

As part of the implementation of our modern slavery compliance program, we also need to consider the ways in which our business may be linked to modern slavery and human rights abuses through services that we may engage to support our stores, head office and other operations.

Some high-risk service industries include:

- Cleaning services
- Transportation and logistics
- Creative and Promotion
- Labour Hire and Recruitment
- Communications
- Information Technology
- Waste Management
- Graphic Design, Printing and Stationery
- Professional Services
- Maintenance

APG & Co has completed a high-level review to identify the modern slavery risks that we face in the operations and supply chains of our GNFR providers. We have identified that we face specific risks related to the procurement of services from the above industries which include:

- The possibility providers may put forward a bid price for a contract or tender that is not sufficient to meet the full cost of the service to be provided which may therefore not allow the business to properly pay their workers;
- The use of forced labour or trafficked persons;
- A lack of proper employment systems, policies and procedures to promote compliance with labour laws;
- Limited or no genuine worker grievance mechanisms or opportunities for engagement with worker representatives;
- Businesses that do not uphold the principles of non-discrimination and equal opportunity;
- Workers not allowed freedom of association and collective bargaining;
- Workers not being educated about their labour rights; and
- Businesses that do not train their managers and supervisors on industry-specific modern slavery risk factors.



Ongoing risk due to the COVID-19 pandemic

We are aware that due to the COVID-19 pandemic there was an increase in the number of people who are deemed to be vulnerable, and therefore more susceptible to modern slavery. It was reported that many of the key manufacturing hubs in Asia saw a significant increase in modern slavery as an outcome of the pandemic, with both Bangladesh and Vietnam being regraded to 'extreme' risk of modern slavery due to the impacts of the COVID-19 pandemic.

We have reported in some detail in our previous statements about the way that APG & Co has addressed our specific COVID-19 related modern slavery risks, including:

- The approach we have taken to manage the impact of the Delta outbreak in Vietnam;
- The need to move production to other factories in Vietnam and also to China;
- Working with our suppliers to manage sub-contracting that became necessary as a result of the pandemic; and
- Responding to supplier issues created by the repossession of factory land by the Chinese Government.

APG & Co is aware that as a result of the pandemic, more people have been made 'vulnerable' – which is a key reason why some workers are susceptible to fall into forms of modern slavery. The COVID-19 pandemic increased modern slavery risks for our business by:

- Creating new risks and abuses of workers;
- Increasing vulnerability to slavery;
- Worsening discrimination;
- Increasing risks for migrant workers;
- Disrupting of global response efforts to address modern slavery;
- Disruption of our production; and
- Increasing the need for sub-contracting by some suppliers.

APG & Co recognises that the pandemic will have lasting impacts on workers and that the true scope of increased modern slavery risk has as yet been challenging to quantify. We are continuously working to identify specific risks for our business, and are relying on guidance from initiatives such as the PayUp Campaign and Fashion Revolution, and reports by institutions such as Monash University, Queensland University of Technology and the ILO. These sources have made recommendations as to what fashion businesses like ours can do to address the impacts of the pandemic.



Actions taken to assess and address our modern slavery risk

APG & Co has worked for over ten years to implement ethical sourcing and compliance processes into our overseas supply chain and operations in order to improve worker conditions where we can.

During FY23, we have continued this work and have undertaken a range of actions to strengthen our current program. These important initiatives and the work we have done to assess and address our modern slavery risks form the foundation for our modern slavery compliance efforts moving forward.

Our commitment

APG & Co has set goals to improve internal systems, processes, and training throughout our business and supply chain, to enable us to detect and act on possible identifiers of modern slavery. Continuous research and risk tracking will be undertaken to ensure that any issues identified have adequate controls embedded. Our hierarchy of goals are:

- Increasing our transparency and building trust by sharing more information internally, externally to our suppliers, and publicly to the industry and our customers.
- Increasing the traceability of our supply chain into tiers 2 (fabric producers), 3 (yarn producers), 4 (raw fibre producers) and 5 (farm), through expanding and refining data collection from current factories and partnering with Retraced.
- Expanding and enhancing our internal factory audit and providing ongoing modern slavery training to our Compliance team, staff and suppliers.
- Implementing capacity building and worker's empowerment programs to educate suppliers and workers in our supply chain on their rights, and to reduce the risk of unfair working conditions.
- Expand our grievance mechanism and introduce a worker voice tool to identify and remediate complex or hidden human rights issues.

Our business has also demonstrated through the everyday decisions and actions of our teams that we are fully committed to addressing and mitigating the risk of modern slavery.

Development of our 2025 Social and Environmental Strategy

Our strategy was developed and launched in 2021 to enhance our existing policies and processes. It was formulated with a focus on strengthening three core pillars of our business – worker's rights and protections, the impact of our materials, and environmental impact. These pillars are underpinned by transparency and traceability, having been informed by global frameworks such as The Pulse of The Fashion Industry, the UN Sustainable Development Goals (UN SDGs/SDGs), the Geneva Centre for Business & Human Rights and the Fashion Industry Charter for Climate Action.

As a business, we are committed to go beyond compliance to measurable action. This why our three core pillars have key outcomes and objectives, which contain targets to achieve in the short, medium (2025) and long-term (2030).

Modern slavery

We have set goals to improve internal systems, processes, and training throughout our business and supply chain to enable us to detect and act on possible identifiers of modern slavery. Modern Slavery training for all staff has been implemented for FY23 and multi-lingual training developed for our suppliers' continuous research and risk tracking will be undertaken to ensure that any issues identified have adequate controls embedded.

Worker's rights

We will expand and enhance our internal factory audit and introduce capacity building programs to educate workers in our supply chain on their rights and to reduce the risk of unfair working conditions. Our internal audit will collect a broader range of data, including temporary workers, wage data, the use of labour hire firms and other areas which could be an indicator of modern slavery.

In addition, our internal audit will be expanded to cover more of our supply chain.

Traceability

We will increase the traceability of our supply chain into deeper tiers through our partnership with the digital tracing platform Retraced. We will focus on expanding data collection from current factories, and improving supply chain tracing on our major volume programs to trace back to tiers 2, 3, 4 and 5.

Transparency

We will increase our transparency by sharing more information internally, and externally to our suppliers and industry. We will share the factories identified from our tracing program and provide further information about working conditions in our supply chain. Our sustainability strategy is based on the key pillars of –Social Impact – Environmental Impact – Circular Product. These must be underpinned by a traceable supply chain, and we must be transparent within our business, supply chain, and to the industry as a whole to achieve these goals. To increase our accountability on modern slavery and other goals within our business, we have also enhanced the transparency of our internal process online.

We have published many of our internal processes and other documents on our corporate and brand websites to offer insight into our practices. These include detail around our sourcing practices and policies, and our factory list. We intend on increasing our transparency by continuously sharing and updating our practices online.

[Read more](#)

Our supplier approval process

In 2015, APG & Co developed a supplier approval process for all our tier 1 and 2 suppliers, plus co-brand and wholesale for all goods for sale suppliers, with compliance checks being non-negotiable. This process has enabled us to undertake our required due diligence and ensure supply chain visibility, whilst permitting our collaborators to maintain control over their supply chain.

In 2023, APG & Co further developed this process into a formal Supplier Onboarding Process Manual, which operationalises supplier procurement.

- 1 Need for new supplier/factory identified.
- 2 New supplier found and relationship begins being built.
- 3 Factory checked for quality and capacity to take on.
- 4 Supplier is asked to sign our APG & Co Code of Conduct and APG & Co Global Sourcing Principles.
- 5 Supplier is asked to provide any third-party Ethical Audit reports (BSCI, SMETA, SA8000, WRAP).
- 6 If China or Vietnam-based, our on-road quality control staff visit the factory to check quality process and execution.
- 7 If China-based, our auditing team will visit facilities and provide an initial audit rating.
- 8 Third-party Audit Reports are reviewed and rated against APG & Co's internal audit criteria and factory is either approved or rejected.
- 9 After 1st orders, audits are conducted periodically.

This manual guides product teams in sourcing suppliers on ethical merits, and advising them early on in the engagement of APG & Co's HRDD requirements, while also expanding knowledge throughout business functions.

All suppliers follow the same process for onboarding and approval onto APG's approved supplier list, which ensures consistency and risk reduction across all our partnerships. Our supplier approval process is as follows:

In 2023, we also completed the roll out of our updated Code of Conduct and Global Sourcing Principles. All our partnered Tier 1 and Tier 2 suppliers signed and returned a copy of these updated documents. This is a simple yet vital step to ensure that suppliers are aligned with our expectations in the ethical sourcing space, and know what is required of them to ensure the supply chains of our products remain free from potential human rights risk.



CASE STUDY

Wholesale suppliers not passing initial HRDD screening

In late 2022, one of our brands sought a wholesale partnership with a well-known and established accessories supplier. We commenced our supplier approval and onboarding process with the supplier's distributor, requiring the signing of our Code of Conduct, Global Sourcing Principles, and provision of a social audit report for the factory producing the stocked goods, current to the last 12 months.

Initially, we received resistance and delays in this process. The distributor had not had to go through this kind of comprehensive HRDD process before. They were unfamiliar with these requirements and the kind of documentation we requested to assess the social compliance of the factory. After reiterating that this is an impartial process and we request the same due diligence evidence from wholesale suppliers as we do from manufactured goods suppliers, the distributor became more responsive and eventually shared the required evidence from the factory.

This interaction led to the expansion of our existing ethical sourcing guidelines to the development of a formal Supplier Onboarding Process Manual in FY23.

Our compliance and auditing process

Our dedicated Compliance team consists of our long-term Senior Global Compliance Officer in China and Production and Ethical Manager working globally, alongside our Social and Environmental Manager and General Manager of Supply Chain and Logistics. Prior to mapping out our Social & Environmental Strategy, our Compliance team conducted an extensive investigation and analysis of APG & Co's processes, practices and supply chain. We developed a risk profile for every country we engage with services from or source garments or materials from, highlighting industry specific cases of modern slavery from that region. We relied on information provided by global organisations such as the ILO, Human Rights Watch, Verisk Maplecroft and the WalkFree Foundation to assess the risks of modern slavery within our supply chain. More general profiling was undertaken for our GNFR, an area for which we are currently monitoring.

We have a strong history of compliance and fair working relationships at APG & Co. Our Senior Global Compliance Officer has been managing auditing on the ground in China, our main country of production, for seven years. We have recently expanded our auditing efforts with a dedicated Production and Ethical Manager, and our China-based team assesses the technical capacity and social compliance of any new supplier before they are approved. This team also manages unannounced factory visits, building structural compliance, collection of verifiable third-party reports, and internal auditing. Further support is provided in Vietnam by our Production and Merchandising team in Ho Chi Minh City, who collect compliance data and chain-of-custody requirements from local suppliers, and conduct regular visits to factories. This work is overseen by the Social and Environmental Manager at our head office.

Our Senior Global Compliance Officer has over 15 years of experience as a senior factory auditor, working in roles with third-party audit providers and global sourcing agencies. Across these roles they have regularly conducted factory audits, provided feedback on how to amend non-conformances and provided training to factories. They can cross check factory paperwork such as wage records against production records to provide insight into the reliability of the paperwork provided, and can also verify information with factory workers when they conduct worker interviews.

Our auditing processes are frequently and rigorously reviewed. Factory paperwork is cross checked by our Compliance team (such as wage records against production records), and our auditor can verify information and worker wellbeing when they conduct factory floor interviews. This allows us to place orders in good compliance factories, and to build leverage with our suppliers in reducing their issues.

We are proud to share that our compliance and auditing process resulted in an

87% 

decrease of major issues across our China-based Tier 1 suppliers in FY23.



CASE STUDY

Remediation of issues around working hours and wages

During an unannounced audit in August 2022, several major issues around working hours and wages were discovered at one of our key garment supplier's factories. Attendance records from March to July showed average monthly overtime was 92 hours. This was well above the legally acceptable limit. Some workers classified as unskilled or older were found to have been paid piece rates for their labour, and some wages from the month prior had not yet been paid to employees.

There were also several minor issues including lack of fire safety certification, Environmental Impact Assessment (EIA) and Environmental Protection Authority (EPA) reports, evacuation plans and some exit signage. Due to the serious nature of these employment practice violations, a meeting was arranged with the supplier to express our concern, give the supplier the opportunity to explain the violations, and confirm a remediation action plan will be followed in line with our company audit policy. The supplier shared that it is challenging to find employees, because younger workers are less inclined towards factory work and demand higher salaries than factories can offer. This leads to the hiring of older or less-skilled workers from more rural areas. In taking these reasons into account to ensure our purchasing practices do not contribute towards these conditions, we also explained that workers should never be forced to work excessive overtime, over the legal maximum of consecutive days without a break, or receive late payment of wages.

The supplier committed to remediating these issues within our four month follow-up period, and achieved our remediation plan. They received a green rating in January 2023.

Our Compliance team also targets issues identified in our risk assessments. Before commencing our digital supply chain tracing with Retraced, we developed a process which enabled us to trace deeper into the supply chain of our essentials ranges and programs. In a multi-lingual spreadsheet formatted for ease of supplier use, we collected the names and addresses of each supplier and mill in tiers 2, 3, and 4 for our largest volume styles. Two variations of the spreadsheet were developed to collect data for styles we purchase the fabric for, and those we only purchase full garments for. From the well-organised data collected through this process, we were able to easily transfer information to our digital tracing platform, which will accelerate our traceability efforts into FY24.

Our Senior Global Compliance Officer conducts an unannounced audit at all China based tier 1 and known tier 2 factories at least every 12 months, and more regularly if there is active remediation as part of a corrective action plan (CAP). They will arrive at the factory with no warning to conduct an audit, to allow us to inspect factories on a regular workday, so it is less likely that they will prepare for the audit.

Internal factory audits are completed by our Senior Global Compliance Officer following the process below:

- The Senior Global Compliance Officer arrives unannounced to the facility. On rare occasions audits are semi-announced, usually if there are suspected barriers such as maintenance work, relocation or other local disruptions.
- They review the audit report and assign a rating based on report findings against our internal audit criteria and ratings.

- The Officer undertakes audit of the facility:
 - checks paperwork
 - tours the factory floor
 - randomly selects workers for interviews, to ask any of the 35 recommended questions about pay and benefits, working hours, Occupational Health & Safety (OH&S), grievances, and working conditions.
- The Officer sits down with factory management to explain non-conformances to our factory audit.
- The Officer completes a CAP, explaining each point, leaving a copy with the factory.
- The Officer enters the non-conformances into a tracking list of audits and applies a colour rating to audit result.
- The Officer re-audits facility based on rating timelines.

After an internal audit has been completed, a CAP is completed on-site. The management of the factory are taken through the audit findings and it is explained what is expected to be amended by the next audit.

The rating and timeline process is as follows:

RATING	AUDIT FINDINGS	RE-AUDIT TIMELINE	SUPPLY CHAIN SPREAD
Green	1-5 minor issues	12 months	73% of Tier 1 65% of Tier 2
Yellow	5-10 minor issues	6 months	6% of Tier 1 0% of Tier 2
Orange	1 or more major issues 10+ minor issues	3 months	20% of Tier 1 35% of Tier 2
Red	Any critical issue	1 month	0% of Tier 1 0% of Tier 2

We also collect third-party social audits from globally accepted frameworks – Amfori BSCI, SEDEX SMETA, SLCP, WRAP, Better Work, and SA8000.

These audits are collected across tier 1 in all countries. The audit results are compared to our audit criteria to be given a Green, Yellow, Orange, or Red rating. Any third-party social audits collected in China are compared to the internal audit for reference, and any discrepancies found are noted and examined in the next internal audit to understand why this occurred.

The stages of our process are as follows:

1. Our Senior Global Compliance Officer collects the third-party factory audit report from the factory.
2. They review the audit report and assign a rating based on report findings against our internal audit criteria and ratings.
3. Third party factory audit reports are collected every 12 months.

To further mitigate our modern slavery risk when sourcing raw materials, we have included a requirement for suppliers to provide us with information on the sources of their cotton raw material. Suppliers are required to include country of origin on cotton source and region. Our requirement that suppliers provide this information to APG & Co ensures that those suppliers are held responsible for their raw materials sourcing and assist to provide our business with some transparency over what raw materials are being used to make our product. This process is supported internally by our Responsible Material Sourcing Policy.

After completing an internal audit, our Senior Global Compliance Officer will list any non-conformances in the CAP. The Officer will sit down and talk through the issues, expected improvements, and timeframes with the factory management at the end of the audit. The Officer and factory management will allocate each task to be improved to the relevant responsible staff member.

After each audit the non-conformances are listed in an audit tracker, which provides an overview of all non-conformances across our factory base and history of previous audit ratings. The audit tracker has continuously recorded audit data since 2015 and provides a holistic overview of the audit outcomes.

On a weekly basis the Senior Global Compliance Officer will report audit results and compliance issues to the Social and Environmental Manager and the Ethical and Production Manager. These results are then shared out to the rest of our supply chain as required.

CASE STUDY

Refusal of entry at factory in China

Our Senior Global Compliance Officer was denied entry during an unannounced audit of one of our finished goods accessories suppliers in October 2022. The supplier was contacted immediately by our Compliance Officer and Ethical and Production Manager to ascertain the reason for the denial of entry.

They explained that APG & Co had not arranged development and sampling from them in some years, so they did not feel obliged to respond to an audit. In addition, they explained that during this period some parts of their factory were undergoing maintenance works, and they were busy with shipments.

APG & Co's auditing guidelines stipulate that denial of entry means we must pause all production until the issue is resolved. All finished goods suppliers to APG & Co must expect unannounced audits as a condition of partnership. However, if the supplier believed we had no intent to continue the relationship, they were also under no obligation to allow us entry.

From this issue, we identified a need to improve the communication around our purchasing practices. We established the need to ensure all production reports are up-to-date and we have confirmed current and continuing orders with a supplier, before embarking on an unannounced audit. We also agreed that for smaller vendors with smaller or infrequent orders, we will provide one week's notice for our in-person audit, making it semi-announced. This is mostly the case for mill and accessories partners, with whom our ordering may be seasonal.

Our modern slavery training program

During FY23, APG & Co developed a new modern slavery training modules designed to assist our buying and procurement teams and our suppliers.

The modules provide our teams and suppliers with information about the business' reporting obligations under the Modern Slavery Act 2018 and also other modern slavery legislation and initiatives around the world and covers topics including:

- What is modern slavery?;
- Why does APG & Co need to address modern slavery?;
- How could modern slavery manifest in APG & Co's supply chains and operations;
- Modern Slavery Risks in the Garment and Manufacturing Industry;
- What is APG & Co doing to address modern slavery?; and
- Next steps – your role in addressing modern slavery at APG & Co.

Our staff and suppliers are also asked to do a quiz to test their knowledge on completion, and are given the opportunity to ask questions and request more information about specific industry or product related modern slavery risks from our Social and Environmental Manager.

Guidance and support for responsible purchasing

We understand that everyone at APG & Co should be aware of what modern slavery looks like, and how our business and their own role may contribute or be directly linked to modern slavery. We have communicated to our team that it is expected that as a business that we undertake due diligence to reduce our risk of modern slavery within our business.

PROGRAM FOCUS

Responsible Purchasing Practices (RPPs)

Commencing in 2023, APG & Co introduced a set of RPPs that have been developed from Fairwear Foundation's Common Framework for RPPs. We believe this framework demonstrates industry best practice, recognising and emphasising that the responsibility to respect human rights and environmental standards in textile supply chains cannot be placed solely on suppliers, but that purchasing companies must also take responsibility. Through implementing these practices and monitoring their effectiveness, we hope to identify areas that both APG & Co and our suppliers can improve on, strengthening our focus on sustainable relationships and response to human rights risk.

In FY23, we further developed APG & Co's Responsible Buying Policy into a set of RPPs to encourage our internal teams to reflect on their own behaviour and how this may impact modern slavery. This set of Practices is designed for use by all staff who procure goods for resale products. Staff are asked to consider how changes such as shortening timelines may increase overtime, or reducing cost price may impact workers' pay. Our RPPs work alongside internal modern slavery training to build deeper capacity.

The key guidance for HRDD by the UNGPs:

1. Identify and assess any actual or potential adverse human rights impacts we may be contributing to in our business activities;
2. Prevent any contribution to these impacts by embedding findings of risk assessments in our processes and taking appropriate action;
3. Track the effectiveness of our response to human rights risk and communicate this externally through formal reporting; and
4. Mitigate any future human rights risk through legitimate remediation and monitoring processes.

We ask our buyers to consider the following questions:

- How does your role impact the buying and placement of our garments?
- Have you considered if your behaviour could impact modern slavery in our supply chain?
- Is there something you could change which reduces the modern slavery risk in your role?
- Could you talk to your team or another person in the business about your modern slavery risks?

APG & Co is committed to ensuring that any team member whose role involves the negotiation or agreement of contracts with suppliers is trained on modern slavery and risk 'red flags'. For example, if they receive abnormally low pricing in a tender or proposal from a supplier, this should prompt them to ask that supplier why they can provide the goods and services at that low cost compared to other suppliers. We make it clear to our teams that price should not be the only driver when sourcing new products or services.

We also train our staff to understand that it is the staff member's responsibility to conduct initial supplier checks (for both current and potential suppliers) to determine if the products or services they are sourcing are from high-risk modern slavery countries, industries or sectors. We advise our product teams that as part of APG & Co's process of addressing modern slavery risk, suppliers of products and services to our business should be completely willing to comply with APG & Co's compliance and due diligence process.

APG & Co works continuously to determine where our modern slavery risks lie, and to develop and update our methods of addressing these risks for both GFR (product) and GNFR (services).

These reviews can be conducted at any time, but would usually take place when negotiating a new contract or a change in budget that may affect purchasing decisions. We require that our product and purchasing staff take steps to identify the suppliers they source products and services from, and to work to identify the inherent and specific modern slavery risks involved in that process.

APG & Co's supply chain review process is ongoing, and continues as our supplier base changes, and as we move through the different tiers of our supply chain. This process is continued as the supply chain grows, and as we onboard new suppliers (following the APG & Co formal supplier approval process for all our tier 1 and 2 suppliers).



We ask our teams to take the following steps to review the products and services they are sourcing for modern slavery risk:

Review all purchasing

Reviewing annual spend is a transparent process that will help us to develop an accurate list of what products and/or services our staff source for the business and who we source these from. This helps us to better understand the overall company spend and how this can affect their purchasing decisions. We understand that poor purchasing decisions have the potential to put strain on suppliers and increase the risk of modern slavery issues. It is therefore vital that we know not only where our products and services are sourced, but the risks that can arise from fluctuating budgets and timelines.

Map all purchasing

To identify any modern slavery risks that may be associated with products, services and suppliers that buyers negotiate for APG & Co. We ask buyers to conduct a broad mapping exercise to assess the risk of each procurement. To do this they need the following information:

- Details of the types of products and/or services they are sourcing or engaging with;
- The contact details of the suppliers of those products/ services, as far back in the supply chain as they are able to go (e.g. a developer will sub-contract builders, logistics services, cleaning services, waste management services etc); and
- The geographic region of the suppliers with whom they are engaging.

With this information, they can then assign a risk rating to the product, service or supplier that they are engaging with. We ask our team to use their own research and judgement for this process to determine whether the business procurement is of low, medium or high risk. We ask buyers to take into consideration:

- inherent product/service, sector and industry risks;
- geographic risks;
- political risks; and
- climate risks.

Review findings and escalate concerns

We ask that the information that is gathered through this process be provided to APG & Co's Social and Environment Manager so that they can advise on how to conduct our business responsibly and ethically, and to provide further detail to our buyers on any risk area they may be unsure of or uninformed about. We advise our teams that if they encounter any kind of unethical practice, mishandling of modern slavery risks or potential violations of human rights law, that they must escalate this immediately with the Social and Environmental Manager, and the issue will then be investigated by our Compliance team. We advise our buyers that they must not stay silent if they encounter an issue of concern – but that if they think they are witnessing a form of modern slavery that they must say something.

All the information that we collect from our teams as part of this review process is then utilised to help make our modern slavery compliance program more effective and to help APG & Co as a company become more transparent, equitable and accountable.

Consolidation of supply chains

APG & Co has undertaken significant work in previous years to consolidate our supply chain and to increase the leverage we have with our suppliers, so we can build strong relationships and drive initiatives to reduce modern slavery risks.

APG & Co continues to ensure we source and manufacture in countries where modern slavery is less of a risk – however we also understand the risk to suppliers if we exit without a clear exit plan as this can cause major disruptions to planned income and a facilities production plan, therefore even with the global risks we have decided to continue sourcing from China, as we have strong, long running relationships with these suppliers. These relationships offer transparency and enable us to reduce modern slavery risks. We have used over 20% of our factories for more than 10 years, and nearly 70% have been our factories for over 5 years. Where we are planning to shift manufacturing countries, we have had frank and open conversations with our suppliers to ensure they are aware that we are reviewing other sources and also the timeframe. We are closely monitoring our risk in China.

We believe our overall approach shows, that as a business, we are committed to addressing modern slavery risks and challenges in responsible and ethical way, and that where we can, we will always strive to do the right thing by our suppliers.

Monitoring and acting on global cotton risk

As a response to the ongoing risk of cotton from regions with elevated risk of human rights abuses entering our supply chains, we developed a range of processes to ensure responsible sourcing of cotton – our most utilised fibre. In FY23, we introduced our Responsible Materials Sourcing Strategy, which outlines a list of global cotton programs by region that set strict standards for environmental and social welfare. From 2023 onwards our product teams will be required to request suppliers source their fibre from one of these programs, which helps improve the overall visibility and conditions under which our cotton is produced.

We continue to ask cotton suppliers for country and province information through our Fabric Information Sheet developed in FY21, and include similar questions in our internal audit checklist for all China T1 and T2 factories. These updates provide oversight into factory knowledge of where raw materials are being sourced from, and at which level information is being flowed through to. This enables us to build and strengthen future sourcing strategies to reduce risk.

As an apparel retailer, one of our main modern slavery risks is the potential for cotton produced in the Xinjiang region of China entering our supply chains. We understand that there have been allegations of the use of forced labour to employ minorities in this region and compel them to work in cotton picking. APG & Co has a strict policy banning the sourcing of cotton from Xinjiang. In order to increase visibility of our risk of exposure in Xinjiang, we arranged several supplier meetings, with both Tier 1 and 2 suppliers, to inform and educate APG & Co's policy around Xinjiang. This awareness will also be increased through the introduction of our Supplier Modern Slavery Training Module.

We are aware that this will not provide a complete solution to addressing the risks of cotton picked using forced labour entering our supply chains, however we see it as a critical part of our action, monitoring and improvement processes as we continue to deepen the visibility in our supply chains through our tracing programs and partnerships.

In addition to ceasing relationships with some businesses that may present a modern slavery risk, we have also implemented and continued our focus on gaining full visibility over our purchasing from fabric agents and traders. Our aim is to have our suppliers share the information they have about their suppliers. To facilitate this process, and to allow suppliers to be more comfortable with the level of information sharing we require, we have developed a Supplier Confidential Information Sharing Agreement to protect the intellectual property rights of the agent and trader. This has allowed us to obtain the information we need for transparency over as many tiers of our supply chain as possible, whilst reinforcing our commitment to equitable and trust-based relationships with all trading intermediaries.

CASE STUDY

Suspected Xinjiang cotton in products

One of Apparel Group's orders from a shared APG & Co supplier was selected for forensic testing as it was flagged as containing cotton of Xinjiang origin. Buyers for whom product must adhere to the Uyghur Force Labor Prevention Act (UFLPA) are using both forensic analysis and PCR-technology to analyse the DNA of materials to detect fibre origins.

We conducted the below due diligence process and investigation in collaboration with our suppliers, which resulted in the product being cleared of its initial high risk origin status. As soon as the supplier was alerted to the forensic result they contacted us, and we advised them we would need to cease all business while we commenced our investigation. The supplier provided us with their traceability documents and a product supply chain map, and informed APG & Co that their fibre certificate of origin indicated the US as the country of origin, not China. They believed the manufacturing country of origin may have been conflated with the fibre country of origin, and were adamant they had followed all requirements of our sourcing policy.

APG & Co's Compliance team reviewed traceability documents, which included raw cotton certificate of origin, commercial invoices, packing lists, bulk yarn invoices and customs declaration, bill of lading, sales and purchasing contracts and delivery receipts from both the Malaysian spinner and the Chinese fabric manufacturer. From this traceability exercise, we identified a previously unknown intermediary trader between yarn purchasing and delivery of goods to the mill. While the received traceability documents did not show evidence of cotton products being sourced from China, having unknown trading intermediaries in China may increase this risk.

We requested the mill procure yarn directly from the spinner in Malaysia, and extended this requirement to all other suppliers. Our relationship with this supplier is friendly and transparent, having been partners for a number of years. It had been our plan to increase orders with this supplier due to the positive and mutually-sustaining nature of the relationship. As such, we worked from the basis that they had followed correct chain-of-custody due diligence to verify the origin of the fibre, and they were happy to comply with our traceability investigation. After requesting the forensic testing body re-test the same product, the result came back showing the cotton was of US origin.

This experience demonstrated that our compliance processes are robust, but that expanding traceability through the Retraced platform and sourcing against our Responsible Material Sourcing Policy would be crucial in preventing modern slavery risk in our supply chains. The supplier involved has also become one of our most collaborative and transparent partners. Their willingness to meet our traceability requirements means that they will be one of the first we take through Retraced's product tracing and supply chain mapping function.



Our ongoing cooperation with external agencies and initiatives

We continue to collaborate with a range of garment industry specific groups which work to reduce modern slavery footprint across the entire industry. Our affiliations with external agencies and initiatives enables us to engage with industry and specialists to act together in reducing possible modern slavery risks and improving worker's rights.

In 2020, we joined the ILO's Call to Action to assist manufacturers across the globe and provide support to workers who were impacted by the COVID-19 pandemic. We continued to support the Action's objectives during FY23 through our auditing activities and open dialogue with our suppliers.

The Open Supply Hub is an open-source map and database of global garment factories, and their affiliated brands. This map allows brands, factories, civil society, and the public to view the names and locations of nearly 70,000 garment and footwear tier 1 factories globally. These transparency systems enable us to connect with other brands or civil society which may operate in the same factories or regions. We submit our updated supplier list to the Open Supply Hub every six months.

In FY21, we solidified our support of a living wage by publicly publishing our Commitment to Living Wage policy. In this policy we defined our accepted definition of a living wage aligning with Anker Methodology and published the first steps of our action plan to drive change in worker's wages through data, collaboration and traceability. Our key focus in FY23 was to continue this work by cross-checking wage data collected in auditing with that provided by the Global Living Wage Coalition (GLWC), Asia Floor Wage Alliance (AFWA) and the Amfori Business Social Compliance Initiative (BSCI), and analysing what percentage of our suppliers met these standards. We also integrated the living wage policy into our RPPs, and continued to monitor collective bargaining agreements and worker's rights to assembly within factories.

In FY23, we became an official partner to UN Women and a signatory to the Women's Empowerment Principles. Being a partner to UN Women entails a commitment to advancing gender equality and supporting initiatives that empower women globally. By demonstrating our alignment with UN Women's mission, advocating for women's rights and fostering women's leadership, and the combined introduction of our Supplier Gender Equality Policy, we can promote the need for inclusive employment benefits, closing of gender pay gaps and commitment to the safety of women in the workplace.

Knowing that traceability and transparency are crucial to understanding and bringing visibility to modern slavery risk, in FY23 APG & Co became a signatory to the Transparency Pledge. By taking the pledge, we commit to publicly disclosing tiers of our supply chain beyond finished goods, including mills and raw materials, with increased worker and audit details. This fosters accountability and allows stakeholders to assess our progress towards our transparency goals.

APG & Co also understands that involvement of trade unions is crucial for effective human rights due diligence within our supply chain. Trade unions play a pivotal role in representing workers' interests, ensuring fair labour practices, and fostering an environment for open dialogue. By collaborating with trade unions, suppliers can collectively address human rights concerns, promote worker welfare, and drive positive change.

We therefore encourage suppliers to engage with trusted independent labour unions and local non-governmental organisations for advice on worker empowerment initiatives and human rights risks relative to their region.

The role of traceability in addressing our modern slavery risk

Traceability entails systematically gathering, securely storing, processing efficiently, and reliably transmitting all relevant data to authorised stakeholders within a value chain, ensuring an uninterrupted chain of custody. Effective data management within apparel supply chains is increasingly viewed as being critical to meeting regulatory requirements and supporting overall business objectives. The increasing emphasis on enhancing supply chain transparency and traceability will bring about significant transformations in the fashion industry in the years and decades ahead, with profound implications for the protection of human rights.

APG & Co has a strict human rights due diligence process that we follow when we engage with any new supplier, or conduct ongoing supplier reviews. To make this process easier for our suppliers, we are now using Retraced – a digital traceability platform. The Retraced platform allows us to connect with our key direct suppliers so that we can automatically gather the relevant data we need for supply chain tracing and modern slavery reporting. This helps APG & Co to empower all stakeholders involved - from farmer to final garment.

With Retraced we can more effectively monitor our suppliers' sustainability standards and gather data on risk factors in our supply chain. APG & Co suppliers are able to:

- connect their upstream/downstream raw material, yarn, fabric and garment suppliers in a network created on the Retraced platform;
- use Retraced's multi-tiered overview to track all manufacturing and business processes, from seed to fibre, yarn to final garment;
- manage all chain-of-custody and audit documentation in one place, assisted by automated processes; and

- complete yearly supplier assessments as part of APG & Co's HRDD process. All direct suppliers to APG & Co will be onboarded to Retraced free of charge.

Our Learnings

We were able to onboard 100% of our Tier 1 and known Tier 2 suppliers to the platform within the first six months of our partnership. Organically, many more previously unknown yarn processors were revealed through the network building function. Coordinating training sessions across timezones and the platform only being available in English at first caused some initial delays, however Retraced responded to these difficulties by introducing multi-language functionality to the platform during the onboarding, and bringing more customer service representatives on board with Asia-specific knowledge. This demonstrated an agile, solutions-oriented approach to the needs of both APG & Co and our suppliers.

The formality, security and ease of use of this digital platform has allowed for simpler communication and sharing of compliance and certification documents, particularly among fabric suppliers that had been less willing to share supply chain information. Previously, we had experienced more resistance to product tracing and compliance from suppliers in regions where there is more 'assumed' human rights compliance such as Western Europe, Japan and Korea. Locations such as India, Bangladesh, China and Indonesia, which are at greater risk of modern slavery abuses, are more used to responding to brand requests for compliance evidence. We have found Retraced creates a strong sense of impartiality, officiality and mutual responsiveness, which will support our traceability goals well into FY24.

Going beyond third-party audits

Retraced allows us to understand the greater context of compliance actions in the following ways:

- Significant reduction of compliance fatigue through digital efficiency, storage and real-time communication;
- Supplier Assessment function provides a support mechanism for social compliance audits, allowing suppliers to supply data against broader areas of environmental and material sustainability that may also impact human rights;
- Transparency simplifies the identification of potential non-compliance or areas requiring attention;
- Retraced authenticates details of third-party audits and certifications, notifying users when there are discrepancies in business information that may render the document illegitimate;
- Suppliers can upload audit and compliance documents directly to their dashboard, controlling what is made public and private, reducing compliance fatigue and giving them control over their own data;
- The digital dashboard system preserves historical data, empowering both supplier and brand to track changes and trends over time; this provides context for recognising patterns of non-compliance or improvements in social and labour standards; and
- Greater ease of remote auditing, saving time and resources while still ensuring compliance is upheld.

HRDD through supplier performance assessments

Through our partnership with Retraced we have been able to initiate a new HRDD system to expand on and strengthen our existing audit and compliance processes.

By using Retraced's Assessment tool, we can support increased supplier performance over the long term, have more open and transparent communication, reduce risk and encourage collaborative improvement.

By getting our Tier 1 and Tier 2 suppliers to complete a series of assessments around materials, human rights and environment, we have been able to more comprehensively map the risks that are most prevalent in our supply chain.

With these findings, we will be able to analyse and evaluate progress, generating data-driven insights that can more adequately inform capacity development and worker empowerment initiatives.

APG & Co's Supplier Performance Assessment System:

1. Suppliers are onboarded to the Retraced platform.
2. Suppliers are asked to fill out a series of assessments annually which cover legal company information, materials, environmental management and Corporate Social Responsibility (CSR) processes and policies.
3. Assessment results are aggregated against audit information provided by third parties, self-assessments and/or APG & Co's internal audit process, and a preliminary score is generated.
4. Suppliers are engaged in rounds of feedback to update any missing or incorrect information, or resubmit documents against APG & Co's findings for improved accuracy.

5. A final score and location within a percentile rank is provided, along with feedback, which allows for comparison against other suppliers' performance.

6. An action plan is developed for each individual supplier based on their results, capacity and goals.

In FY23, we conducted the first three stages of this process with direct Tier 1 finished goods vendors who we have ongoing partnerships with. The final stages of the process will be carried out in FY24. From there, formal progress benchmarks will be developed and integrated into a new Preferred Supplier Program. In FY25, we plan to expand this process to include Tier 2.

From running our Supplier Performance Assessment with our Tier 1 (finished goods) suppliers in FY23 we learnt that:

95%

of our suppliers are using a legitimate grievance system that is anonymous, accessible and transparent

80%

of our suppliers have a human rights policy, however only 35% providing training on modern slavery, human rights and worker rights

only

20%

of our suppliers have a dedicated gender equality policy or Diversity, Equity & Inclusion Policy (DEI)

Worker voice

Our current APG & Co grievance mechanism system will soon be expanded with the introduction of a new digital worker voice tool, which will be administered through an app. This tool will incorporate anonymous surveys that will allow us to gain valuable workers insights on key sustainability and compliance topics. Taking action to make workers' voice heard will demonstrate both APG & Co and our suppliers' commitment to responsible and ethical business practices. This will help to attract and retain customers, investors, and employees who value sustainability and social responsibility.



Assessment of actions taken to address modern slavery risk

At APG & Co we have undertaken a range of actions to understand and potentially reduce our modern slavery risks over the course of FY23. These actions have helped to identify potential gaps within our strategy and embed stronger processes to improve our systems.

Our Human Rights and Modern Slavery Risk Assessment conducted in FY21, gave us a holistic view of the business, its operations, our supply chains, and the risks associated with our business. Since that process was completed, we have worked on what indicators we can use regularly to assess how we are going as a business in terms of addressing our modern slavery risks.

APG & Co now has a clear direction and roadmap on how we can work to reduce the possibility of modern slavery within our business and supply chain. This roadmap encompasses multiple departments and teams and provides goals for increased transparency, factory workers rights, traceability, GFR and GNFR. The tools we use to assess our progress in this space include:

Our internal factory audit

During FY21, there were an additional 47 questions added to our internal audit process and during FY23 we have been able to rely on the additional information gathering to monitor our progress and the further challenges we have in addressing modern slavery. The additional questions were added in relation to categories including modern slavery, OH&S, collective bargaining, and grievance. The responses we have received from suppliers to these questions during FY22 allows us a deeper understanding of the facilities that we are engaging with and the conditions that their workers face.

The modern slavery category questions that now form part of our internal audit process, enable us to gather and evaluate additional information in relation to key potential indicators. These indicators provide us with further insights on our risks than we previously had, and allow us to take action on possible cases of modern slavery if they arise. Adding these indicators reduces the likelihood that we will engage directly with modern slavery.

Improved human rights due diligence processes

To bring a greater depth of understanding to our internal factory audits and supplier-provided third-party audits, we integrated a new HRDD evaluation process through the Supplier Assessment function of our digital traceability platform, Retraced. Triangulating results and feedback from multiple sources provides us with a broader context within which to analyse and interpret social compliance and supplier efforts towards improving human rights and working conditions.

Monitoring of our supplier approval process

Our review of this process and the addition of formal guidance documents means that our team has greater visibility over the factories that we produce in than previous systems had allowed. During FY23, we improved our process of engagement with any new supplier, whereby the technical capacity and social and environmental measures of a new supplier are re-assessed by our Compliance team before any further documentation was exchanged. If the engagement is deemed suitable to pursue, our usual onboarding process is carried out. This means that we are more thoroughly conducting due diligence both during the process of engaging with new suppliers and following on-boarding processes.

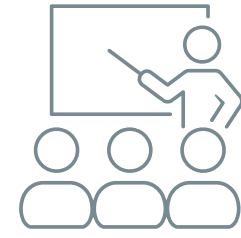
Improved supplier remediation processes

In FY22, our CAP was expanded to capture additional information around modern slavery indicators and improved working conditions, to move beyond purely non-conformance detail. Some of these data points were around migrant, temp and home workers, legal and actual weekly overtime, minimum and living wage benchmarks and how workers are paid. In FY23, the CAP process was strengthened through more direct and regular communication with suppliers around non-conformances. By discussing audit findings through a combination of email, phone calls and direct meetings, vendors gained a greater awareness of the possible risks within their facilities and worked more quickly and collaboratively to remediate issues.



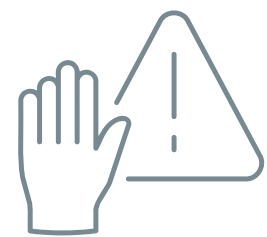
Our focus in FY24

APG & Co will continue to take action to address modern slavery risks within our business.



Training international teams on modern slavery

We will use our newly developed modern slavery awareness module for suppliers to train our international factory-based teams and suppliers on modern slavery and possible indicators. This will be on-going training to familiarise our teams and suppliers with possible modern slavery indicators and their remediation actions. This can empower our own employees and partnered suppliers to identify and reduce modern slavery risks. The module will be made available in English, Chinese and Vietnamese.



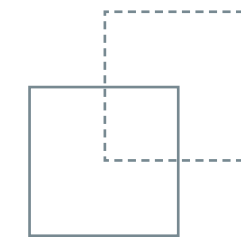
Developing our grievance mechanism

We intend to monitor the effectiveness of APG & Co's grievance mechanism administered through our internal factory audits, and the results of supplier-deployed grievance mechanisms as reviewed in third-party audits. We will develop this mechanism where required to ensure 100% of mechanisms meet the expectations set out by the UNGPs; being legitimate, accessible, predictable, equitable, transparent, rights-compatible, promote continuous learning, and be based on engagement and dialogue.



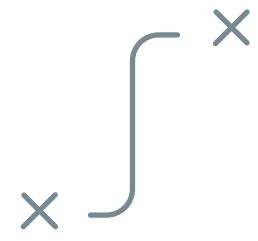
Worker voice focus

We intend to enhance our global grievance mechanism by introducing a worker voice tool into factories producing our goods. This tool will be provided by an independent third-party service and integrate both UNGPs and global social auditing frameworks, on advice from our Compliance team and industry best practice. This tool will give us visibility and insight into potential modern slavery risks as factory workers will be able to answer a series of survey questions in a safe, anonymous way to produce a true picture of worker sentiment by demographic. This mechanism will be supported by our on-the-ground Compliance team members, and the results will be used to decide on the most beneficial and relevant capacity building initiatives to introduce from FY25.



Ongoing commitment to transparency

We will continue to utilise the Retraced platform to improve our transparency over our supply chains and operations and to build trust by sharing more information internally, externally to our suppliers, and publicly to the industry and our customers. We will continue to update any changes to policies and publish new policy documents on our corporate website, and will improve access to this information by extending it out to dedicated web pages on our brand websites, with the inclusion of an interactive supplier map.



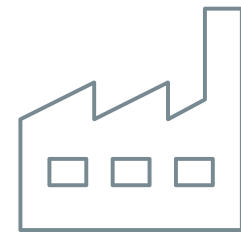
Increased supply chain traceability

We will continue tracing our supply chain into tiers 2 (fabric producers), 3 (yarn producers), 4 (raw fibre producers) and 5 (farm), through utilising Retraced’s digital blockchain tracing capabilities and chain-of-custody authentication. We will expand and refine social and environmental data collection from current factories through Retraced’s Supplier Assessment function, paving the way for data-informed HRDD, capacity building and product footprinting.



Supplier performance assessment system

Using Retraced’s Supplier Assessment tool and aggregating this against results from social audits, we will complete all stages of our new Supplier Performance Assessment System. This system will support improved performance over the long term, foster open and transparent communication, reduce risk and encourage collaborative improvement. Through Retraced, we have been able to map the social and environmental risks that are most prevalent in our supply chain. By implementing this system, we will be able to deeply analyse and evaluate aggregated findings, creating clear and collaborative pathways for improvement that we can use to develop a data-driven Preferred Supplier Program.



Improving factory audit data

We will continue to review the effectiveness of our internal factory audit process based on the data gathered throughout FY23 and feedback from our Compliance team. This review and resulting improvements will take into account challenges faced by suppliers due to ongoing local and global issues, as well as benchmarking our audit criteria against the standards of global social auditing systems. This will deepen our understanding of systemic and more hidden modern slavery indicators in our supply chains and enable us to respond more effectively to these if discovered. Improving factory audit data



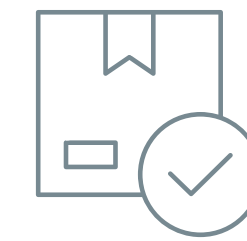
Expansion of internal audits to Vietnam

We aim to expand and implement our internal audit system globally, commencing with our second largest country of production, Vietnam. Due to ongoing COVID-19 related travel disruptions, our Senior Global Compliance Officer was unable to travel to Vietnam during FY23. We aim to conduct announced and unannounced audit visits in all countries we operate in, increasing our audit footprint and our visibility over practices and working conditions of a greater number of workers in our supply chain.



Development of policies and training around services and GNFR

We will continue the roll-out of our updated modern slavery training module for all head office staff so that they can gain knowledge in how to identify, understand, and mitigate risk within our Services and GNFR categories.



Development of processes around responsible purchasing

Over the next financial year we will implement processes and training around RPPs and Supplier Onboarding for all staff involved with procuring products and services for the business. We will also monitor changes to purchasing in our production monitoring systems so we can measure the effectiveness of our new policies and processes. This will empower more of our staff to improve their purchasing practices, understand, identify and reduce modern slavery risks, and work towards improving working conditions in our supply chains. We intend to develop specific objectives for GNFR, allocate team members to oversee improvements in this space and further develop these policies and processes.

Compliance with Reporting Requirements

We have addressed the mandatory criteria detailed in the *Modern Slavery Act 2018* as follows:

- **Identification of the reporting entity**
This is addressed on page 7
- **Description of the process of consultation with any entities the reporting entity owns or controls**
This is addressed on page 10
- **Description of our structure, operations, and supply chain**
This is addressed on pages 12-15
- **Description of the risks of modern slavery practices in our operations and supply chains and any entities we own or control**
This is addressed on pages 16-23
- **Description of the actions we have taken to assess and address these risks (including due diligence and remediation processes)**
This is addressed on pages 24-39
- **How we assess the effectiveness of our actions**
This is addressed on pages 40-41

