

# MODERN SLAVERY STATEMENT

FY23



**RODD & GUNN**<sup>®</sup>  
NEW ZEALAND



*Rodd & Gunn recognizes and honours the traditional custodians of the land on which we operate, both across Aotearoa (New Zealand) and Australia. We pay our respects to their Elders, past, present, and future, and acknowledge the enduring connection of all Māori, Aboriginal, and Torres Strait Islander peoples to land, sea, and communities.*

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## INTRODUCTION

This is Rodd & Gunn's second Modern Slavery Statement, which outlines the actions we are committed to taking to help identify, manage, and remedy modern slavery risks in our supply chain and operations.

Although we are not required to submit a mandatory statement, in accordance with the Australian Modern Slavery Act 2018, (Cth) as a responsible brand, we are submitting an annual statement on a voluntary basis, to demonstrate our continued commitment to transparency and eradicating modern slavery in all our business operations and supply chain.

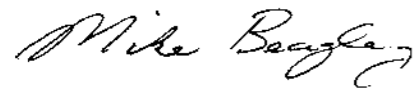
This statement applies to Rodd & Gunn New Zealand Limited, and all its subsidiaries, during the financial year ending 30 June 2023:

- Rodd & Gunn Australia Pty Ltd
- Rodd & Gunn USA Inc
- Rodd & Gunn USA Retail Inc.
- Ross & Gunn Canada Limited
- Rodd & Gunn UK Limited
- Rodd & Gunn France
- Rodd & Gunn Netherlands BV

The Rodd & Gunn New Zealand Limited Registered Office is:  
Rodd & Gunn New Zealand Limited  
Level M, 17 Albert Street  
Auckland 1010

Rodd & Gunn acknowledges its responsibilities in relation to tackling modern slavery. We recognise that our business practices may have caused, contributed to, or been linked to modern slavery in the supply chain or through our operations. This statement sets out the continued approach that Rodd & Gunn have taken to ensure that risks of modern slavery and human trafficking are mitigated throughout its supply chain and business operations.

Consultation and guidance for this report was provided by Go Well Consulting Ltd, Auckland New Zealand. This statement has been reviewed and approved by the Rodd & Gunn Board, and signed by Michael Beagley on the 15th November 2023. Michael Beagley is a Director of the Board and CEO of Rodd & Gunn New Zealand Limited.



Michael Beagley  
*Chief Executive Officer and Director of the Board*





## LETTER FROM THE CEO

In an industry driven by creativity, trends, and innovation, we are deeply aware of the challenges that lie within our business and the responsibility we bear to ensure our products are created with integrity and respect for human rights.

In the last 12 months, Rodd & Gunn experienced substantial growth as we embarked on our journey to enter the European market. With this growth comes greater responsibility and we must remain steadfast in our commitment to continuously improve our due diligence, transparency, traceability, monitoring, and responsible practices.

We have emerged out of the Pandemic with a renewed sense of purpose and a global attitude, but many challenges lie ahead as we navigate through the USA and European regulatory landscape whilst maintaining the well-being of our stakeholders within our business and across our supply chain.

Our pledge to report voluntarily under the Australian Modern Slavery Act for a second year, was a decision made without reservation and with a full commitment. That commitment was demonstrated this year by the inception of our internal Modern Slavery Committee. The committee plays an important role in accountability, cross functional collaboration and raising awareness of modern slavery risks across our domestic business operations where human rights violations may hide from plain sight. As an antipodean brand, we were proud to learn that Aotearoa New Zealand are the next country to introduce a Modern Slavery Act, adding to the growing list of nations determined to combat modern slavery and improve transparency and accountability.

This statement is a comprehensive document that reflects our dedication to transparency, robust due diligence, strong partnerships, and the well-being of every individual involved in the creation of our products. To understand more about our commitment and the actions we're taking to address modern slavery within our business please refer to [page 22](#).

Whilst we're proud of the progress we've made, we acknowledge that this is an ongoing journey, and we remain resolute in our efforts to take meaningful action. We are committed to regularly reviewing and updating our practices, staying informed about emerging risks, and collaborating with experts to drive impactful change.

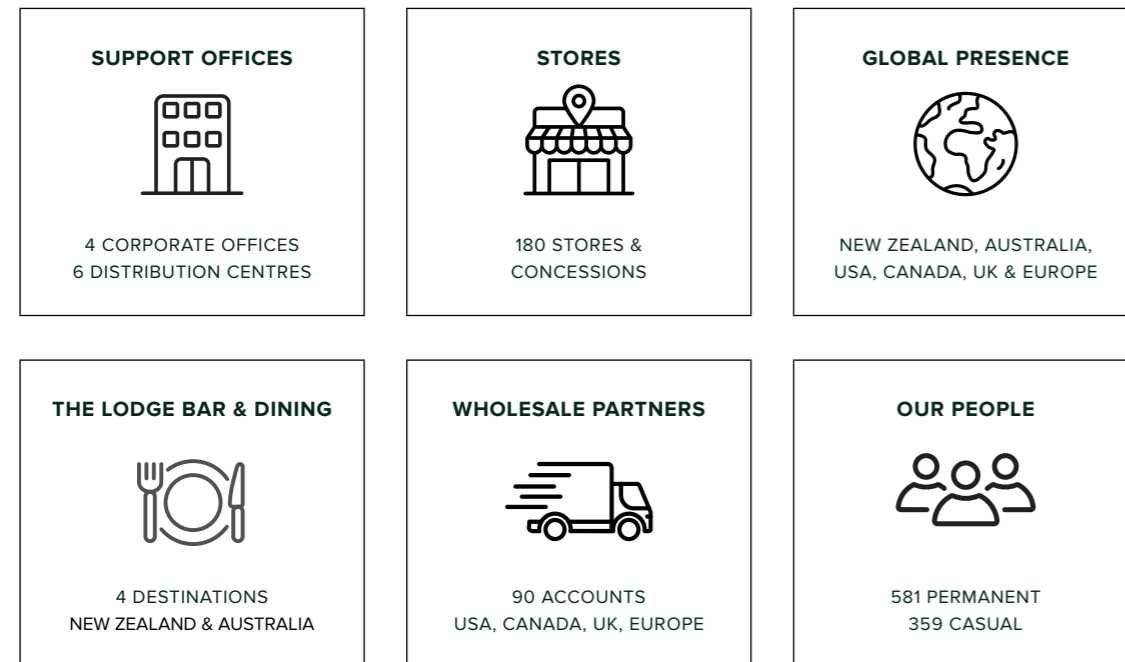
Thank you for your continued support as we work together to shape a more ethical and sustainable future for our brand and the industry. We welcome any feedback on this statement, please email: [sustainability@roddandgunn.com](mailto:sustainability@roddandgunn.com).

Regards,

Michael Beagley  
Chief Executive Officer and Director of the Board

## RODD & GUNN STRUCTURE

### OUR OPERATIONS



We're a proud antipodean brand, with an ever-growing global presence. Rodd & Gunn was established in 1987 when the first stand-alone store opened in Auckland, New Zealand. And from that moment forward, the Rodd & Gunn brand became synonymous with quality. In 2023 we expanded our retail & wholesale network into Europe and adding to the already established portfolio across New Zealand, Australia, USA, Canada, and the UK.

We have we have 4 support office locations in Melbourne, Auckland, New York and London. Our main headquarters is in Melbourne, Australia, and every market we operate in has access to on the ground operational support teams that provide training, recruitment, and guidance.

We own a distribution centre in Melbourne, Australia, and Auckland, New Zealand and we use third party fulfilment centres in USA, Canada, UK and more recently The Netherlands for our European market.

Due to recent growth, we have seen our workforce increase from 731 team members in FY22 to 940 in FY23. People have and always will remain the core focus of our business. All team members are given an employment contract, and are required to uphold our Employee Code of Conduct as outlined in the Operations Manual. This document highlights our position and expectations for all our staff on matters of Health and Safety, Anti-Bullying, Anti-Sexual Harassment and Equal Opportunities, and we continue to monitor and manage any breaches in this area.

### OUR SUPPLY CHAIN

Our apparel, footwear and accessories are designed exclusively in house by our talented design team in Melbourne, Australia. Our products are manufactured through a global network of trusted suppliers with a strong relationship history. We distinguish each level of our supply chain with a supplier tier system broken down into four tiers for each stage of the process. Each supplier is carefully selected for their quality workmanship, ethical practices, and integrity. For FY23 Rodd & Gunn have worked directly with a total of 78 suppliers, across tiers 1-4 in 18 countries.

Please review our latest supplier list on our website ([roddandgunn.com/brand-story/sustainability](http://roddandgunn.com/brand-story/sustainability)) where our direct relationships are broken down into the following four levels, or 'tiers':

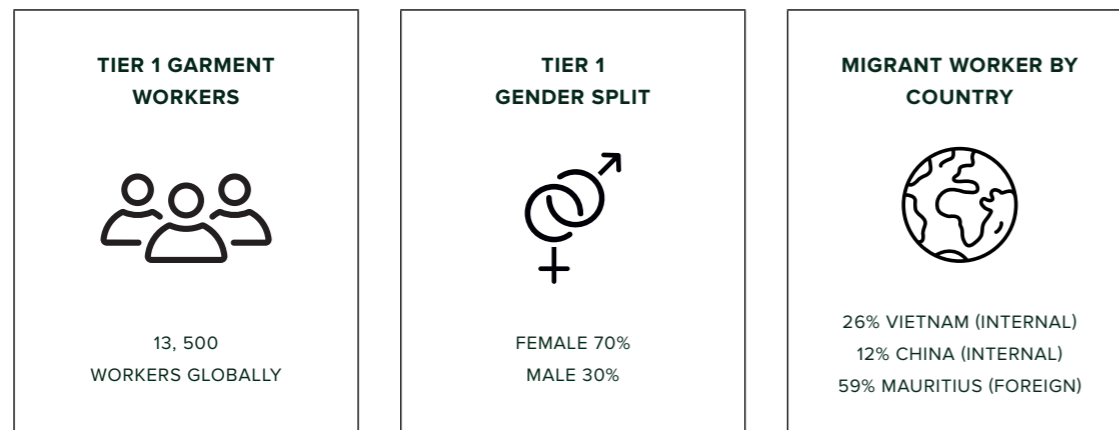


Above: Rodd & Gunn Conduit St, Mayfair London.

### GARMENT WORKERS

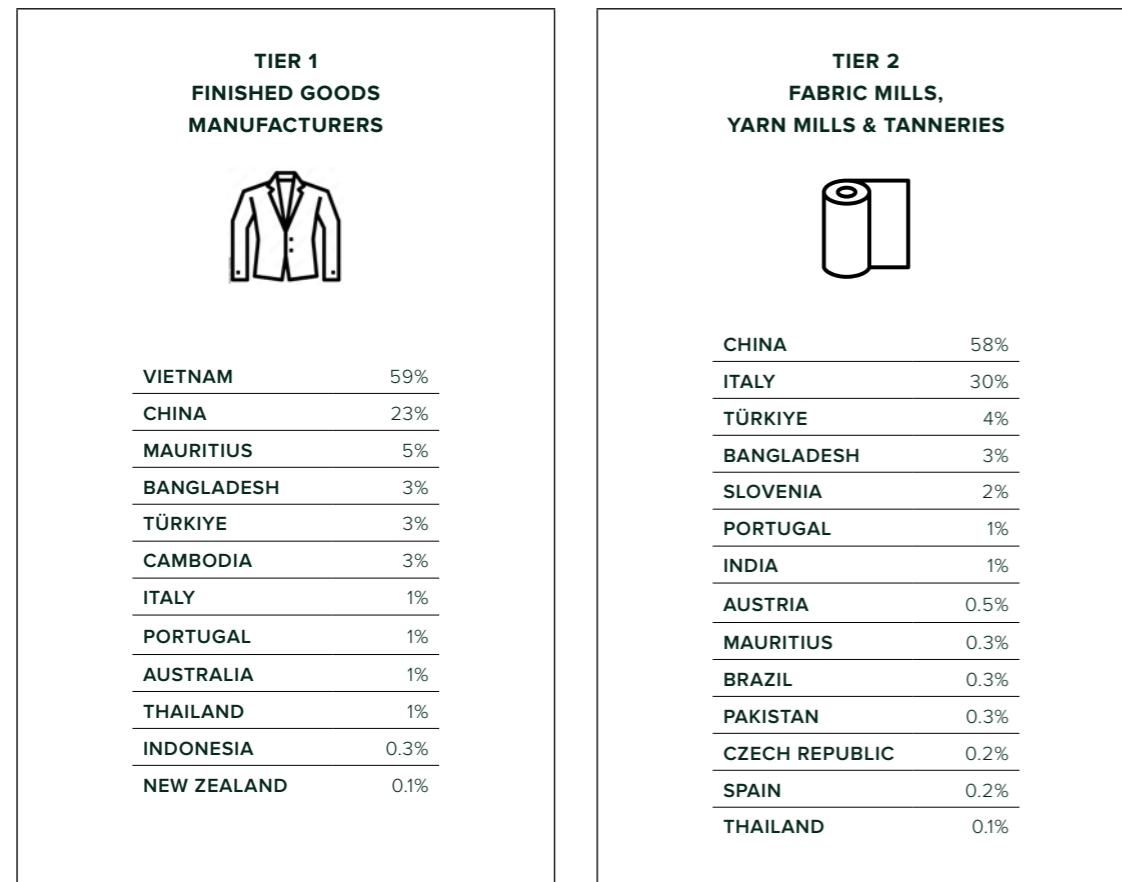
It is fundamental that our commitment to upholding human rights is extended to the very people who produce our products. We value the skills and craftsmanship of artisan production and aim to support traditional artisan producers where we can. Any form of exploitation is contrary to everything we stand for as a brand and we believe that all garment workers have the right to be treated with dignity, respect, can afford to support their families, and live and work in a healthy and safe environment where their craft and skill is celebrated and rewarded. Tracking internal and foreign migrant workforces is highly important due to the increased risk of exploitation through the recruitment process. Please see [pages 24](#) to learn more about the processes and policies we have in place to support our garment workers.

Here is a snapshot of the garment workforce across our supply chain, noting that these workers are not exclusive to Rodd & Gunn but make for many other brands also. These figures were taken from our FY23 factory assessment portfolio and can vary slightly year on year.



### ORDER VOLUME BY COUNTRY

Transparency of our supply chain, at all levels, is important, for us to gain full visibility of any human rights and modern slavery risks in our supply chain. It also provides an understanding about where our financial investments are spread across the supply chain, which is very important when evaluating impact, assessing risks, allocating resources, and making decisions for the business. Below you can see how that investment is allocated across our Tier 1 and Tier 2 supply chains.



### SUPPLIER MAP

The Supplier Map on the following page highlights our direct supplier relationships across all tiers. Note: this is not representative of all the traced facilities, for more on our traceability work please refer to [page 26](#).

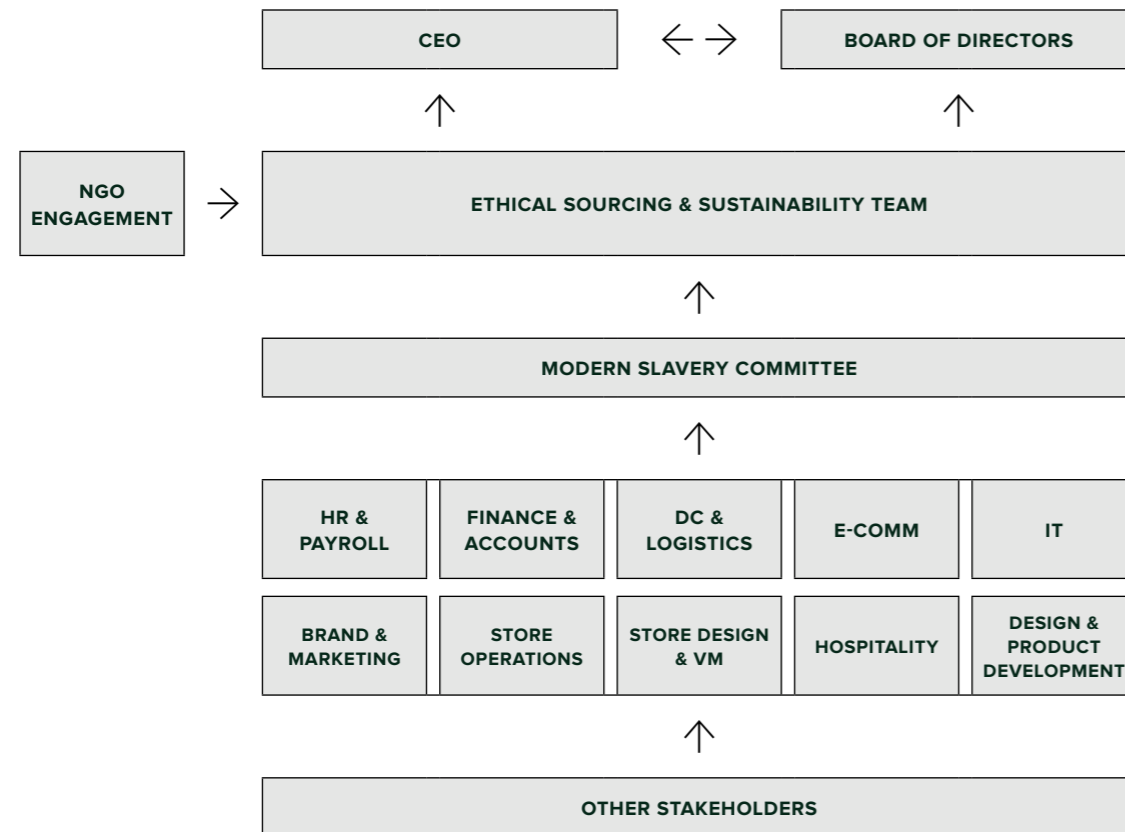


## OUR HUMAN RIGHTS GOVERNANCE

Our Human Rights Governance Structure demonstrates the responsibility and reporting process for the company for matters of ethical sourcing and human rights due diligence. Accountability for our modern slavery progress and action plan sits with our board, and they are responsible for ensuring that human rights is upheld throughout all levels of the business. Our Sustainability & Ethical Sourcing Team work diligently to help limit the risks associated with any social responsibility, or environmental issues that may occur in our supply chain. They work directly with our suppliers to ensure due diligence processes are followed through, and they help identify any potential risks that may occur before they happen.

One of our key initiatives for FY23 was the need for a whole business approach to modern slavery. Therefore, we formulated a Modern Slavery Committee that comprises of a representative from each area of the business and who's role is to work cross-functionally at helping the business understand, identify, mitigate, and remediate the risks of Modern Slavery. You can read more about the Modern Slavery Committee and how it operates on [Page 24](#).

### HUMAN RIGHTS GOVERNANCE STRUCTURE





## MODERN SLAVERY RISKS

We recognise that by operating in the global apparel, footwear, and accessories market, we could cause or contribute to modern slavery practices in both our operations and supply chain. We have reviewed our current practices and identified possible risks that could occur to the people associated with our operations, and in our supply chain.

### WHAT IS MODERN SLAVERY?

Modern slavery is the umbrella term used to describe the use of exploitive labour practices, which include, but is not limited to; servitude, forced labour, human trafficking, debt bondage, forced marriage, slavery, deceptive recruitment for labour or services, and child labour.

According to Walk Free and the International Labour Organisation (ILO), 49.6 million people are currently trapped in Modern Slavery. Freedom from slavery is a fundamental human right, and we believe that all people associated with our business should be treated with respect and dignity.

### OUR OPERATIONS

Our main corporate business operations are carried out in countries with strong regulation, and human rights compliance, such as Australia, New Zealand, and USA. We consider the risk of modern slavery happening in our operations as low, and our higher risks to be associated with our product supply chain. However, this does not mean that our own operations are immune from modern slavery issues. Rodd & Gunn has recently expanded into new markets such as the UK and Europe where Human Rights Due Diligence legislation is extensive. Navigating this regulatory landscape has been challenging, but as the industry evolves, the tools and frameworks in which we utilise must evolve too. Understanding the increased challenges and heightened risks with such growth will be paramount to the way in which we operate the business.

Our operational risks can be identified across some of the following areas:

- Staff Recruitment
- Third party service providers and non-trade suppliers
- Shipping and logistics partner
- The Lodge Bar & Dining Suppliers

### RECRUITMENT PRACTICES

All our team members are given an employment contract and are required to adhere to the operational standards which includes our Code of Conduct and helps protect them from human rights abuses once employed. However, we have increased risk, due to our Melbourne and Auckland DC recruitment processes using third-party labour providers. There is a possible risk of Modern Slavery related incidences, due to the lack of transparency of how and where these team members are recruited.

### THIRD-PARTY SERVICE PROVIDERS

At Rodd & Gunn, we procure the services of a variety of facility management third-party businesses across our office and store network. Due to the casual and physical human nature of many of these jobs, there is a risk of the use of sub-contractors and migrant workers through these third-party suppliers, which can increase the risk of forced labour. Some of the services we use third party suppliers for include:

- Cleaning contractors
- Alteration services
- Security contractors
- Offshore data processing
- Marketing and packaging suppliers
- Office supplies
- Tradespersons

### SHIPPING AND LOGISTICS PARTNERS

We currently use the following shipping and logistics partners; Kerry Logistics, Kex Express, TNT, FedEx, Bergen Logistics, Australia Post and New Zealand Post. All these companies have conducted their own modern slavery due diligence and are working to reduce risks in their own operations and supply chains. However, as these suppliers are not owned or controlled by us, we have little visibility over their recruitment practices. There is a risk that the use of contracted, migrant, and temporary labour has been used, and modern slavery practices could be discovered.

### THE LODGE BAR & DINING

For our hospitality business our suppliers are based locally to each location and most goods are ordered, manufactured, grown, or farmed domestically. This procurement makes us reliant on supply chains which may carry varying degrees of modern slavery risk. Agricultural industries such as seafood, meat, dairy, and fresh produce are vulnerable to human rights violations such as temporary recruitment, migrant labour, and poor wage conditions with pick rates. Our food & beverage suppliers are carefully selected by an experienced hospitality team with an increased awareness about a supplier's ethical business model and a shared commitment to best practice.



**OUR SUPPLY CHAIN**

Rodd & Gunn do not own any of our factories, but we have spent many years building and nurturing long term relationships with many of our supply chain partners, and we will continue to work closely with them to help identify and mitigate any potential risks that may arise.

**LABOUR RIGHTS RISK ASSESSMENT**

87% of our Tier 1 order placement goes to Vietnam, China and Mauritius. With small contributions split between Türkiye (3%), Cambodia (3%) and Bangladesh (3%). We understand that each of these countries has associated risks, and we have conducted a geographical labour rights risk assessment, based on findings from our SGS third party audits gathered over 8 years of audit history and the guidance from publications developed by;

- International Labour Organization (ILO) ([ilo.org/global/topics/forced-labour/lang-en/index.htm](https://ilo.org/global/topics/forced-labour/lang-en/index.htm))
- Labour Rights Index 2022 ([labourrightsindex.org](https://labourrightsindex.org))
- Wage Indicator ([wageindicator.org](https://wageindicator.org))
- 2023 Global Slavery Index report ([cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf](https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf))
- Transparency International ([transparency.org/en](https://transparency.org/en))
- Anti-Slavery International ([antislavery.org](https://antislavery.org)).

Important to note the following summary of changes made to our FY23 risk assessment:

**COVID-19 INFECTION RISK VS. WORKER IMPACT**

3 years on from the start of the Covid-19 pandemic, thanks to the overwhelming global response and infection control measures taken in our supply chains, we understand that, apart from a very sharp but short-lived spike in cases reported in China between late Dec'22 and early Jan'23, the risk of individuals contracting the Covid-19 virus continues to decline. ([ourworldindata.org](https://ourworldindata.org)). At the same time, the pandemic has highlighted the need for better protection of vulnerable workers' jobs and regular income. As such, we updated our assessment to reflect the direct impact on workers and, along with learnings from our 3rd party audits, are guided by the labour market evaluations from the Labor Rights Index 2022 ([labourrightsindex.org/about-us](https://labourrightsindex.org/about-us)). We recognise that Mauritius has not yet been assessed by the LRI but hope to see this included in future publications.

**GRIEVANCE MECHANISM & REMEDY**

From our FY22 Statement, we identified that grievance mechanisms and remedy solutions have an industry wide lack of effectiveness. In FY22 our current grievance mechanism had resulted in no reports or feedback. So, in 2023 we added in Grievance Mechanisms and Remedy to our risk assessment, to ensure we are annually reviewing the effectiveness of our reporting channels.

Please see our Labour Rights Risk Assessment tool displayed below

**LABOUR RIGHTS RISK ASSESSMENT**

RISK	RISK LIKELIHOOD		
	VIETNAM	CHINA	MAURITIUS
CHILD / FORCED LABOUR	LIKELY	LIKELY	LIKELY
WORKPLACE DISCRIMINATION	UNLIKELY	UNLIKELY	LIKELY
LACK OF FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	RARE	LIKELY	LIKELY
UNSAFE WORKING CONDITIONS	UNLIKELY	MODERATE	LIKELY
PAID BELOW MINIMUM WAGE	RARE	MODERATE	UNLIKELY
EXCESSIVE OVERTIME	RARE	LIKELY	UNLIKELY
TEMPORARY AND/OR MIGRANT WORKFORCE	UNLIKELY	LIKELY	ALMOST CERTAIN
UNAUTHORISED SUB-CONTRACTING	RARE	MODERATE	RARE
COVID-19 IMPACT ON WORKERS	UNLIKELY	UNLIKELY	MODERATE
GRIEVANCE MECHANISMS & REMEDY	MODERATE	MODERATE	MODERATE
<b>SCORE</b>	<b>19</b>	<b>32</b>	<b>32</b>
<b>OVERALL COUNTRY RISK</b>	<b>MEDIUM</b>	<b>HIGH</b>	<b>HIGH</b>

	RARE	UNLIKELY	MODERATE	LIKELY	ALMOST CERTAIN
<b>RISK LIKELIHOOD</b>	THE EVENT MAY OCCUR IN EXCEPTIONAL CIRCUMSTANCES	THE EVENT SHOULD OCCUR SOMETIMES	THE EVENT COULD OCCUR SOMETIMES	THE EVENT WILL PROBABLY OCCUR IN MOST CIRCUMSTANCES	THE EVENT IS EXPECTED TO OCCUR IN MOST CIRCUMSTANCES
<b>POINTS PER RISK</b>	1	2	3	4	5

	LOW	MEDIUM	HIGH	CRITICAL	CATASTROPHIC
<b>OVERALL RISK RATING</b>	ACCEPTABLE WITH PERIODIC REVIEW	TOLERABLE WITH PERIODIC REVIEW	TOLERABLE WITH CONTINUOUS REVIEW	INTOLERABLE - IMMEDIATE ACTION REQUIRED	INTOLERABLE - URGENT ACTION REQUIRED
<b>POINTS RANGE</b>	0 – 12	13 – 24	25 – 35	36 – 44	45 – 50

## VIETNAM – MEDIUM RISK

Vietnam is the second largest apparel manufacturer in Asia and employs over 2.5 million people. The Vietnamese government has recently made significant improvements in reducing the use of forced and child labour in the country, by collaborating with international organisations and governments. But the apparel industry in Vietnam still relies heavily on the use of internal migrant workers, and there are still risks of trafficking, and forced and child labour in the country's manufacturing sector. Rodd & Gunn's Vietnam suppliers largely employ local workers, except for a small number of internal migrant workers (around 12%), and a few skilled labourers from China, which is why our risk rating is considered low for temporary and/or migrant workforce. Although not independently formed, 100% of workers in our Vietnam factories have access to Trade Union representation and active collective bargaining agreements are in place. Despite this, the lack of grievances or complaints received/recorded gives rise to question how effective or accessible the existing processes are for workers and as such, we believe there is a moderate risk their voices not being heard. Vietnam now receives the highest volume (59%) of order placement from Rodd & Gunn which demonstrates our investment in this region.

## CHINA – HIGH RISK

China is the largest garment manufacturing country in the world and is where many of our Tier 1 suppliers are located - although the combined order volume from this region for this reporting period is 23%, compared to 32% the previous year. China is the majority supplier of our Tier 2 trim suppliers. Due to the geographic size of the country, migrant work from rural communities is a regular occurrence, and the use of forced labour has been linked to the apparel sector, most recently in the Xinjiang region, where 80% of China's cotton is grown. The Chinese government also strictly control union organisation, with the All-China Federation of Trade Unions (ACFTU) being the only legally existing union in the country. Although all our Tier 1 factories in China have internal worker representation in place, only 17% of those have a Trade Union established for additional support. The use of excessive overtime, and sub-contracted laundering, embroidery or print processes poses a risk of forced or debt bonded labour occurring in our supply chain.

## MAURITIUS – HIGH RISK

Mauritius is a tropical island off the eastern coast of Africa and has become a manufacturing hub for the global apparel industry. African countries have the highest prevalence of modern slavery in the world, and Mauritius, due to its island location, has been a hub for migrant workers from countries, such as Bangladesh. The Mauritian apparel industry has been linked to risks of debt bondage and forced labour as recently as 2023. According to the Global Slavery Index and Transparency International, currently only 50% of reported cases are addressed by the government, due to high levels of corruption and bribery, leaving many workers vulnerable and with lack of support. ([state.gov/reports/2023-trafficking-in-persons-report/mauritius](https://state.gov/reports/2023-trafficking-in-persons-report/mauritius)).

Mauritius is our third largest country for Tier 1 garment manufacturing and due to the Covid-19 pandemic, we now have limited visibility over our factories which has placed this region in a high-risk sourcing category for us. In our previous reporting period, we made a commitment to resume third party monitoring activities in Mauritius and work on addressing our identified risks. The additional due diligence and monitoring activities we carried out on suppliers in Mauritius has provided valuable context and insights. Unfortunately, the conditions we uncovered in Mauritius has caused increased concern, with the prevalence

of workers' vulnerability to risks such as unethical recruitment processes, unsafe working/living conditions, ineffectiveness of grievance mechanisms and access to remedy for workers. We have since updated our risk profile of Mauritius to reflect these findings.

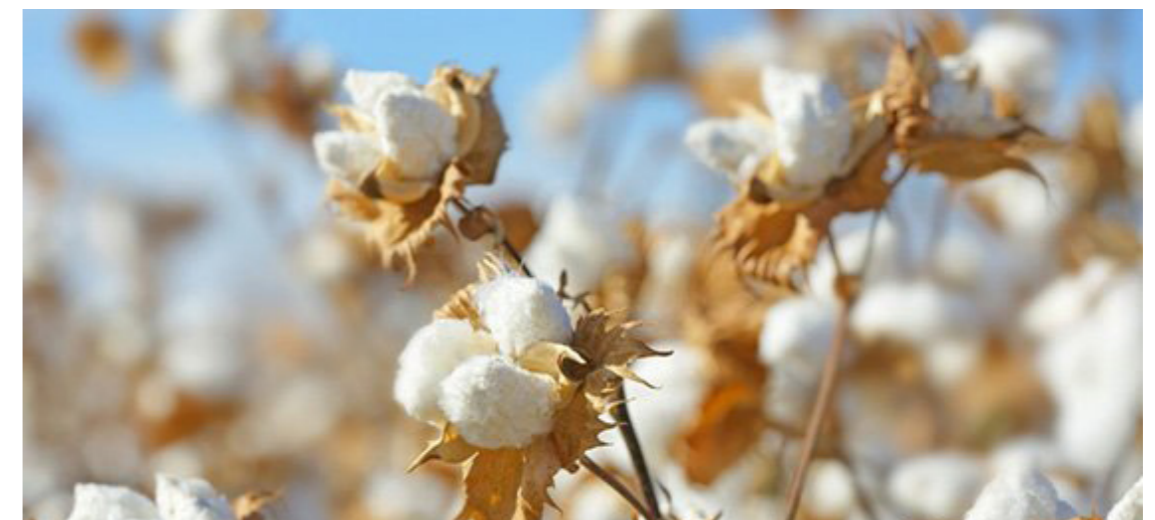
## SUB-CONTRACTOR RISK

From time to time, specialist skills or technology are needed to create our products, which is outside of the scope of services our Tier 1 or 2 factories can provide. This leads our suppliers to sub-contract the work out to other factories, growing the risk of exploitive practices happening in factories, that are not directly contracted to Rodd & Gunn, and decreasing our visibility.

## COTTON SOURCING

According to the 2023 Global Slavery Index Cotton production has a long history of slavery and continues to be harvested by men, women, and children working in conditions tantamount to modern slavery. Child and forced labour have been used to produce cotton in Benin, Burkina Faso, China, Kazakhstan, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. Prompting governments to force change through legal clamp-downs. In the United States, the Uyghur Forced Labor Prevention Act (UFLPA) came into force in June 2022. Banning all goods from the Chinese region known as Xinjiang Uyghur Autonomous Region, which is responsible for 20% of the world's cotton production and 80% of China's cotton is grown in the Xinjiang region.

Cotton is our most used raw material making up 85% of Rodd & Gunn's total fibre use. Our top 3 cotton sourcing regions are Australia (55%), USA (22%) and Brazil (10%) and only 5% comes from China. Please refer to [page 26](#) to understand the actions we've taken to reduce the risks associated with Cotton through our Responsible Cotton Sourcing Policy, Raw Material Partners, and ongoing traceability work with a goal to eliminate all Chinese cotton by 2025.

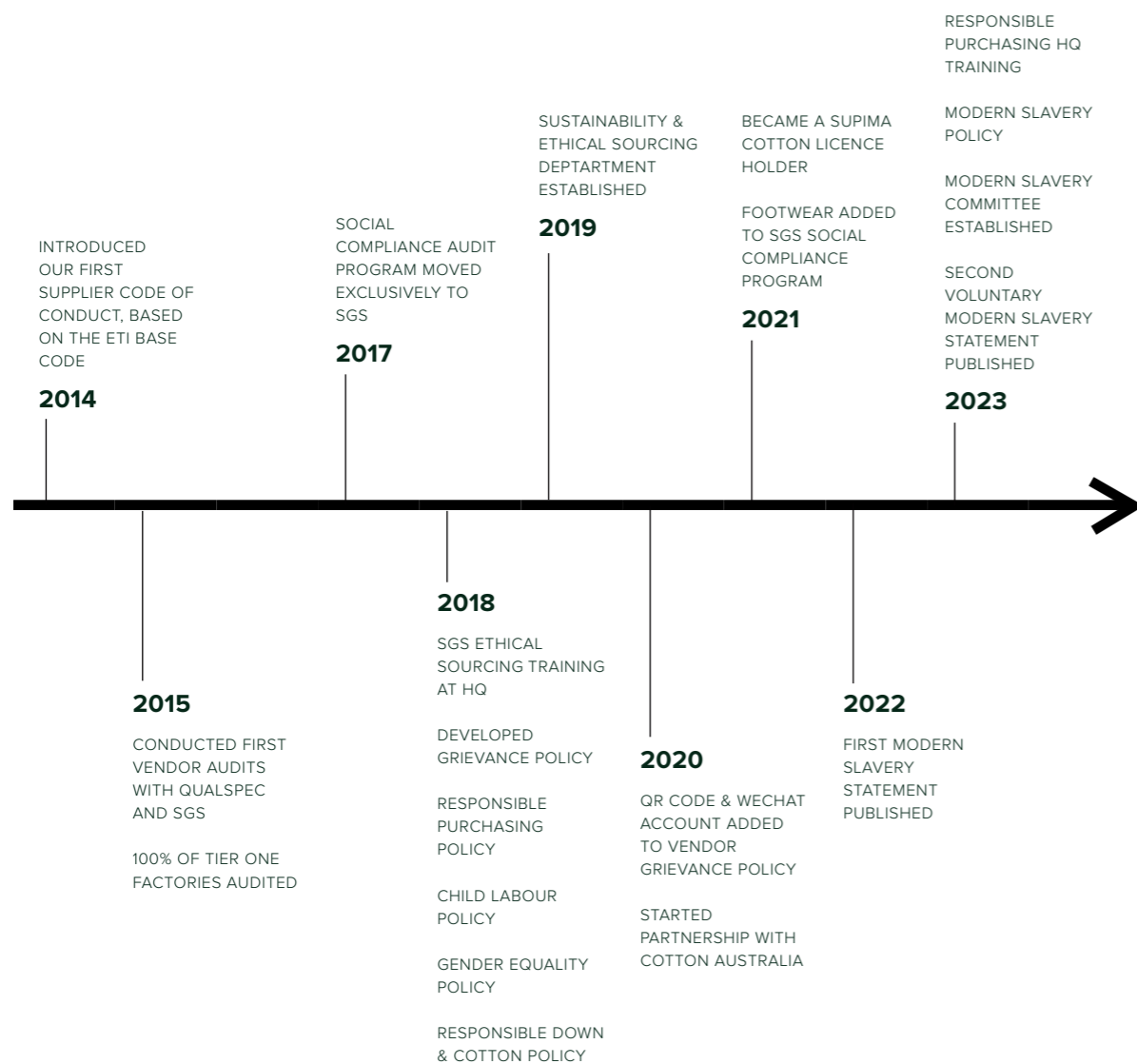


## ACTIONS TO ADDRESS MODERN SLAVERY RISKS

Rodd & Gunn adopt the three pillars of the UN Guiding Principles on Business and Human Rights - to protect, respect and remedy - throughout our operations and supply chains. Our board are committed to working with our team members and suppliers to help identify, mitigate, and remedy any potential modern slavery risks, and the board take responsibility for any modern slavery impacts.

Outlined here are some of the actions taken to address and assess the modern slavery risks in our business operations and supply chain year ending 30th June 2023. The Good Business Journey below highlights the brands sustained progress since 2014.

### OUR BUSINESS JOURNEY



### OUR OPERATIONS

All Rodd & Gunn team members receive an employment contract, which outlines their rights and responsibilities. All team members are also required to adhere to our Employee Code of Conduct, and abide by our Health and Safety, Anti-Bullying, and Anti-Sexual Harassment stipulations.

Our human resource policies and processes help to identify any human rights breaches early on, and each team manager is required to monitor and manage any reported incidences through our Governance Structure. This initiative was further supported by the Modern Slavery Policy drafted in 2022. The focus for the reporting year ahead will look at completing this integration into our business practise.

### MAPPING OUR BUSINESS OPERATIONS

We engage with many different non-trade / third-party service providers. To increase our visibility of modern slavery risks within this sector of the business, the Modern Slavery committee have been working cross functionally on identifying and mapping these providers. We then conducted an analysis of these providers to understand more about their own supply chain management practises and position on modern slavery due diligence, and in some cases obtained copies of their own Modern Slavery Statements and Code of Conduct. This is the first step in working towards full transparency across our operational service providers and formulating an Operational Risk Assessment tool that will identify high risk providers and introducing a 'terms of trade' policy into all future relationships and contracts.

### TRAINING AND COLLABORATION

Educating our team members on modern slavery, and human rights occurrences ensures our business is accountable for identifying any potential cases of modern slavery. Key operational teams have engaged in several events, educational workshops, and collaborations throughout the reporting period to strengthen and upskill their knowledge on matters concerning modern slavery. Such as:

- Human Rights in the Cotton Supply Chain Conference hosted by Cotton Australia
- Modern Slavery Advisory Webinar hosted by Baptist World Aid
- Modern Slavery Statement Peer Review facilitated by both Baptist World Aid and a group of QUT Associate Professors who specialise in evaluating the business sector response to Modern Slavery.
- The Five Principles of Responsible Purchasing E-Learning Course facilitated by Better Buying. Mandatory attendance for all Buying, Planning, Design, Procurement, and Sustainability & Ethical Sourcing teams.
- Rodd & Gunn head office Modern Slavery Awareness session, outlining the commitment to voluntary reporting, prevalence of modern slavery practises existing in our operations and supply chain and our responsibility to mitigate and remedy.

## MODERN SLAVERY COMMITTEE

In 2023, we established a Modern Slavery Committee. This was a key initiative outlined from our FY22 Statement and it was important that we established this committee to ensure we have a whole business approach to modern slavery awareness and action. The process commenced with a company wide awareness session about modern slavery more broadly and our voluntary reporting commitment. The Sustainability & Ethical Sourcing Team then consulted each business area, and a representative was elected. The group meets every 6 months to discuss goals for each department, proposed initiatives, progress, and what cross functional support is required to carry out those initiatives. These conversations have elevated the awareness on modern slavery across the business and initiated a collaborative culture of engagement.

## OUR SUPPLY CHAIN

### ONBOARDING NEW SUPPLIERS

We undertake thorough due diligence checks on all suppliers, including verifying social compliance audits and any certifications, checking relevant policies, reviewing public profiles and websites, reviewing how they engage with their workers and other stakeholders. This is actioned through the Rodd & Gunn Minimum Sourcing Requirement Checklist covering the following four areas that the supplier must confirm their commitment to:

- Governance + Transparency
- Supplier Certifications and Standards
- Traceability + Raw Material Sustainability
- Packaging, Materials and Shipping

Once this assessment is completed the supplier is approved for engagement, they are then required to read and sign the Supplier Code of Conduct ([roddandgunn.com/brand-story/sustainability](https://roddandgunn.com/brand-story/sustainability)) and other responsible policies before commencing production. Once a supplier has been actively producing for more than 12 months, they will be added into our Audit schedule, please see [page 30](#).

### SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct outlines our commitment, standards, and values that we expect, as a minimum, of our supplier partners. The Code is made available to our suppliers in 11 different languages that are spoken across our supply chain. We work with our auditing partner to ensure these are well displayed. The Code is aligned with the Ethical Trade Initiative (ETI) Base Code Guidelines and the International Labour Organisation (ILO) Principles. The Code is continuously reviewed and updated according to industry best practise guidelines.

It is mandatory for 100% of all our Tier 1 suppliers to have viewed, signed, and displayed our Code of Conduct. One of our goals for FY23 was to start distributing our Code to our Tier 2 & Tier 3 suppliers. Currently 27% of our Tier 2 suppliers have signed our Code as well as one major Spinning Mill partner at Tier 3.



### SUPPORTING POLICIES

Below is a list of additional policies that we have developed to strengthen our Code and supplier practises. This suite of policies is to not only drive best practise within our supply chain but to also hold ourselves accountable to these high standards. To access these policies in more depth please visit our website ([roddandgunn.com/brand-story/sustainability](https://roddandgunn.com/brand-story/sustainability)).

- No Child and Forced Labour Policy
- Gender Equality Policy
- Responsible Cotton Sourcing Policy
- Worker Grievance Policy

Rodd & Gunn also require suppliers to adopt a range of environmental, animal, chemical and material sourcing policies:

- Animal Welfare Policy
- Sub-contractor Approval
- EU Reach Regulation & Compliance
- Restricted Substance List
- Manufacturing Restricted Substance List

### SUB-CONTRACTORS

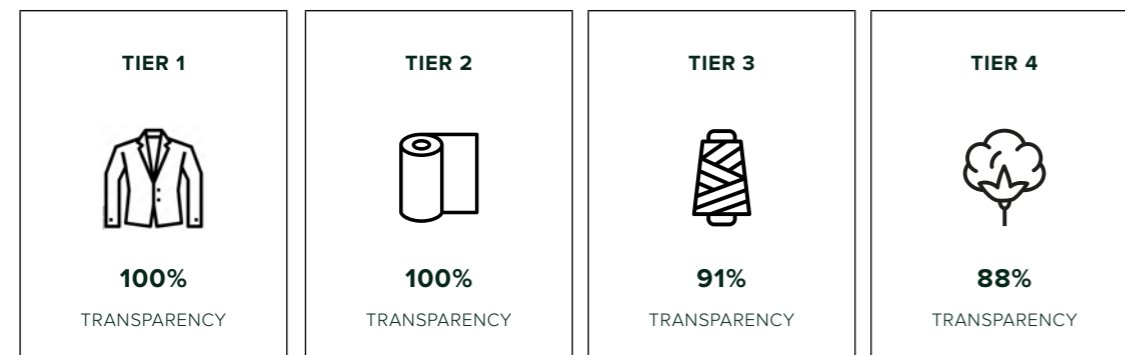
We require any supplier that wishes to sub-contract Rodd & Gunn production, to write to us for prior approval. For our Tier 1 production the only sub-contracted services we will approve is the use of specialist laundries, embroiders and printers. Suppliers must complete our Sub-Contractor Approval Form which outlines location, and details on the sub-contractor and traceability requirements. The sub-contractor must also read and adhere to the Supplier Code of Conduct and supporting policies before work is commenced and we verify this compliance through our 3rd party audits.

### TRANSPARENCY AND TRACEABILITY

It is important for us to continuously map our supply chain and ensure the traceability of all our products. To hold us accountable, and to be a transparent business, we publish our Tier 1, 2, 3 & 4 supplier list on our website ([roddandgunn.com/brand-story/sustainability](http://roddandgunn.com/brand-story/sustainability)). This document is updated annually and allows our customers and other business stakeholders to view information on the factories and mills we use, what products they make, how many they employ, the gender of those employees, when they were last audited, and what certifications they hold.

We are continuously reviewing and working with our suppliers to trace the lower tiers of our supply chain, to identify and build relationships with all suppliers that help produce Rodd & Gunn products. Currently we have visibility at facility level for 100% of our Tier 1 and Tier 2 suppliers, and 91% of our Tier 3 suppliers, an increase of 21% on the previous year. We have also traced back to the country of origin for 88% of our Tier 4 suppliers, an increase of 13% on the previous year. We keep a traceability file for each style each season, where we record the chain of custody and other relevant tracing information. This is achieved through various document verification, and communication with our suppliers, in the form of Certificate of Origin, Transaction Certificates, Spinner Declarations, Invoices, Bill of Lading, Packing Lists, and Spinner and Bale Code Declarations.

### TRACEABILITY ACHIEVED BY TIER (COUNTRY OF ORIGIN)



### SOURCING MATERIALS

Through increased transparency, audit results and supplier risk analysis, we can focus our resources on the factories, countries or fibres that have a higher risk of modern slavery and help us identify and mitigate any potential risks before they occur. However, we do recognise that the greater exposure to instances of modern slavery is more likely to occur beyond our garment manufacturers, and into the lower tiers of the supply chain such as raw materials providers and the mills that spin, weave, dye and produce the fabrics and yarn.

### RESPONSIBLE COTTON SOURCING

Due to Cotton being traded as a commodity, achieving full traceability to farm level can be difficult, especially when a farms output changes every season dependent on so many factors such as climate, yield, staple length, colour, quality and so on. In FY23 85% of our raw materials come from cotton, so in 2018 we developed the Responsible Cotton Sourcing Policy ([roddandgunn.com/brand-story/sustainability](http://roddandgunn.com/brand-story/sustainability)) which aims to address specific geographical areas which have been identified as high risk to human rights violations and to ensure that the chain of custody of our cotton products could be verified. Currently, thanks to our cotton partnerships, we have full traceability of 94% of our cotton, back to Country of Origin and in some cases right back to the raw material processor themselves.

Through our transparency work, we established that building relationships with organisations who are working on the ground to improve environmental, and social practices on cotton farms, would have the biggest impact. The following partnerships are particularly important in reducing our exposure to modern slavery risks and help to provide transparency, verification, and assurance by conducting their own human rights due diligence, upholding local legislation and innovate and engage in mechanical harvesting and fibre tracing technologies.

**Cotton Australia** ([cottonaustralia.com.au](http://cottonaustralia.com.au)) is the industry organisation supporting Australian cotton farmers. Many of the Australian Cotton farmers participate in the myBMP farm management programme, where farmers are supported to produce cotton in harmony with the natural environment. The programme provides a traceable and audited supply chain, helping to ensure visibility through the entire supply chain.

Rodd & Gunn’s partnership with Australia Cotton has seen our cotton procurement grow from 0% Australian Cotton in 2019, to 55% Australia Cotton in 2023. In 2021, Rodd & Gunn became a member of the Australian Cotton Sustainability Reference Group, an initiative to provide a permanent forum for internal and external industry stakeholders and to support the cotton industry efforts to improve sustainability performance.

**Cotton USA** ([cottonusa.org](http://cottonusa.org)) sets a high standard for all its farmers, to ensure high ethical and environmental standards on the far. Currently, over 22% of Rodd & Gunn’s cotton is sourced from the USA, and in 2022 we began working closely with Cotton USA to verify the origins of our cotton.

**Supima Cotton\*** ([supima.com](http://supima.com)) Supima cotton is grown in the USA, and provides extra-long-staple, high quality cotton that is one of the most durable cotton fibres in the world. Supima Cotton use DNA technology to verify their cotton origins through a scientific chain of custody. In 2021, Rodd & Gunn became a Supima licence holder and each year we launch a Supima Capsule globally across all markets to promote this relationship and premium cotton fibre.

## EUROPEAN FABRIC & YARN MILLS

We are privileged to continue our long-standing relationships with some of the most premium textile mills in Italy and Europe. Our European mills are our preferred fabric source, making up 40% of our apparel wool yarns and woven fabrics. Our mills fuse traditional methods with the latest technology to produce fabrics, in part exclusively for us. Many of our mills celebrate a long history in the textile industry, supporting local townships, stringent environmental regulations and continuing to provide opportunities for local communities and future generations. In addition to our European Mills, we work with raw material producers and organisations that help us verify the origin of our materials. Here are some of our highlights:

- 55% of our total Cotton is traceable through Cotton Australia
- 100% of our Wool is Woolmark® accredited.
- 100% of our Linen is sourced through European Flax® certified suppliers.



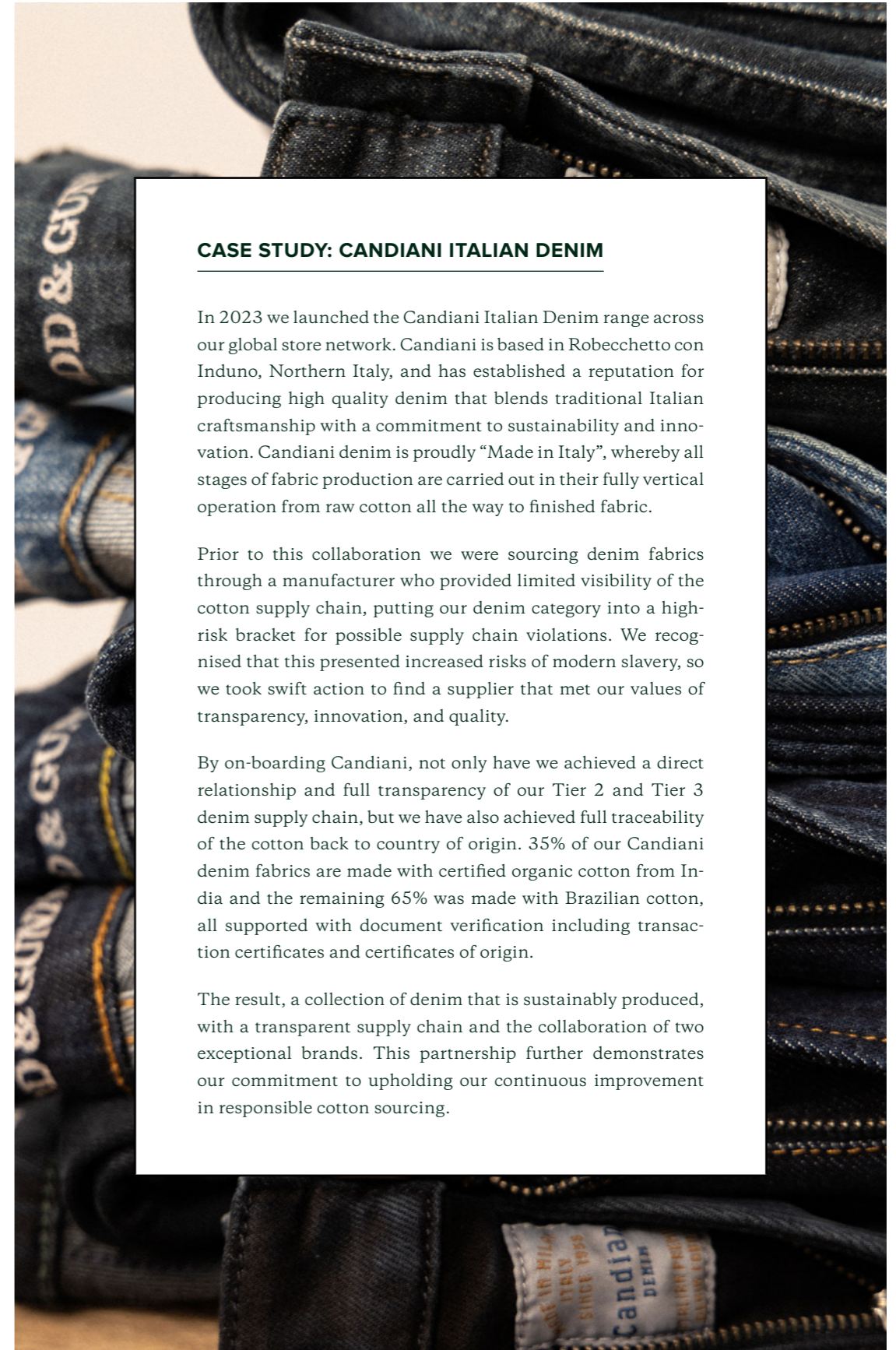
## CASE STUDY: CANDIANI ITALIAN DENIM

In 2023 we launched the Candiani Italian Denim range across our global store network. Candiani is based in Robecchetto con Induno, Northern Italy, and has established a reputation for producing high quality denim that blends traditional Italian craftsmanship with a commitment to sustainability and innovation. Candiani denim is proudly “Made in Italy”, whereby all stages of fabric production are carried out in their fully vertical operation from raw cotton all the way to finished fabric.

Prior to this collaboration we were sourcing denim fabrics through a manufacturer who provided limited visibility of the cotton supply chain, putting our denim category into a high-risk bracket for possible supply chain violations. We recognised that this presented increased risks of modern slavery, so we took swift action to find a supplier that met our values of transparency, innovation, and quality.

By on-boarding Candiani, not only have we achieved a direct relationship and full transparency of our Tier 2 and Tier 3 denim supply chain, but we have also achieved full traceability of the cotton back to country of origin. 35% of our Candiani denim fabrics are made with certified organic cotton from India and the remaining 65% was made with Brazilian cotton, all supported with document verification including transaction certificates and certificates of origin.

The result, a collection of denim that is sustainably produced, with a transparent supply chain and the collaboration of two exceptional brands. This partnership further demonstrates our commitment to upholding our continuous improvement in responsible cotton sourcing.



## AUDITING

Since the beginning of our formal social compliance program in 2015, we remain strongly committed to our factory auditing program. Rodd & Gunn are working with SGS, one of the world's leading verification, testing and inspection company, to help us audit our suppliers for social compliance and environmental standards. The table below provides an overview of the key protocols of our auditing program.

AUDIT PRE-REQUISITE	Rodd & Gunn only work with factories who demonstrate full cooperation with our audit program and due diligence screening process
ASSESSMENT CONTENTS	Our checklist scans factories on local, national & international laws, in conjunction with our Code of Conduct & other brand specific requirements
AUDIT TYPE	On-site only for all new & initial audits. On-site or remote desktop review for follow-up audits
AUDIT FREQUENCY	Approx. every 2yrs, subject to meeting Rodd & Gunn's performance expectations.
AUDIT DATE	Semi-unannounced. We provide a 4 week window to our factories during which the auditor(s) arrive on any given day.
AUDITORS	All SGS auditors are fully trained & APSCA accredited, speak the local language of the regions we audit in and collectively share many years of experience

In FY23, Rodd & Gunn commissioned a total of 10 factory audits across five countries. Depending on the length and nature of our buying relationship with a Tier 1 supplier, we may temporarily accept a suppliers' own audit or independent certification, if doing so reduces duplication and audit fatigue. For any suppliers that have significant areas of improvement or ongoing recurring non-compliances, we conduct audits annually. For suppliers that demonstrate willingness and evidence of ongoing improvement, we conduct audits bi-annually.

We assess and review every audit we conduct, and work with each supplier around managing and correcting non-compliance, rating them from 'high' to 'low' risk. In FY23, 7 out of 10 of our audited factories had scored an A or B rating, or 'Low Risk', whereas two (2) factories had scored as 'High Risk'\*.

*\*At the time of publishing this report, both factories had already started the remediation process and demonstrated evidence of significant improvements made.*

## NON-COMPLIANCES

The most common non-compliances we have found during FY23 audits are:

- Health & Safety issues (61%) - such as fire safety, chemical management and building conditions.
- Excessive Working Hours (8%) - such as overtime and weekly working hours.
- Freedom of Association (7%) - such as lack of collective bargaining agreements and grievance records.
- Wages & Compensation (5%) - such as lack of legal benefits to rural workers in China.
- Environment (5%) - such as lack of energy assessments and waste storage.

Further details and analysis of our audit results can be found in the FY23 Audit Summary. ([roddandgunn.com/brand-story/sustainability](https://roddandgunn.com/brand-story/sustainability))

## CHANGES TO CHECKLIST

A key element of our social auditing program requires a regular review of our auditing checklist and making amendments as needed. This ensures we stay up to date with industry best practice, align with our risk assessments, and that the information we capture remains relevant to the due diligence activities we carry out in our supply chains.

For example, our auditors perform additional checks on our suppliers' sub-contractor policies on child/forced labour and make simple calculations to compare factory capacity with workers' workload to help identify possible undeclared sub-contracting.

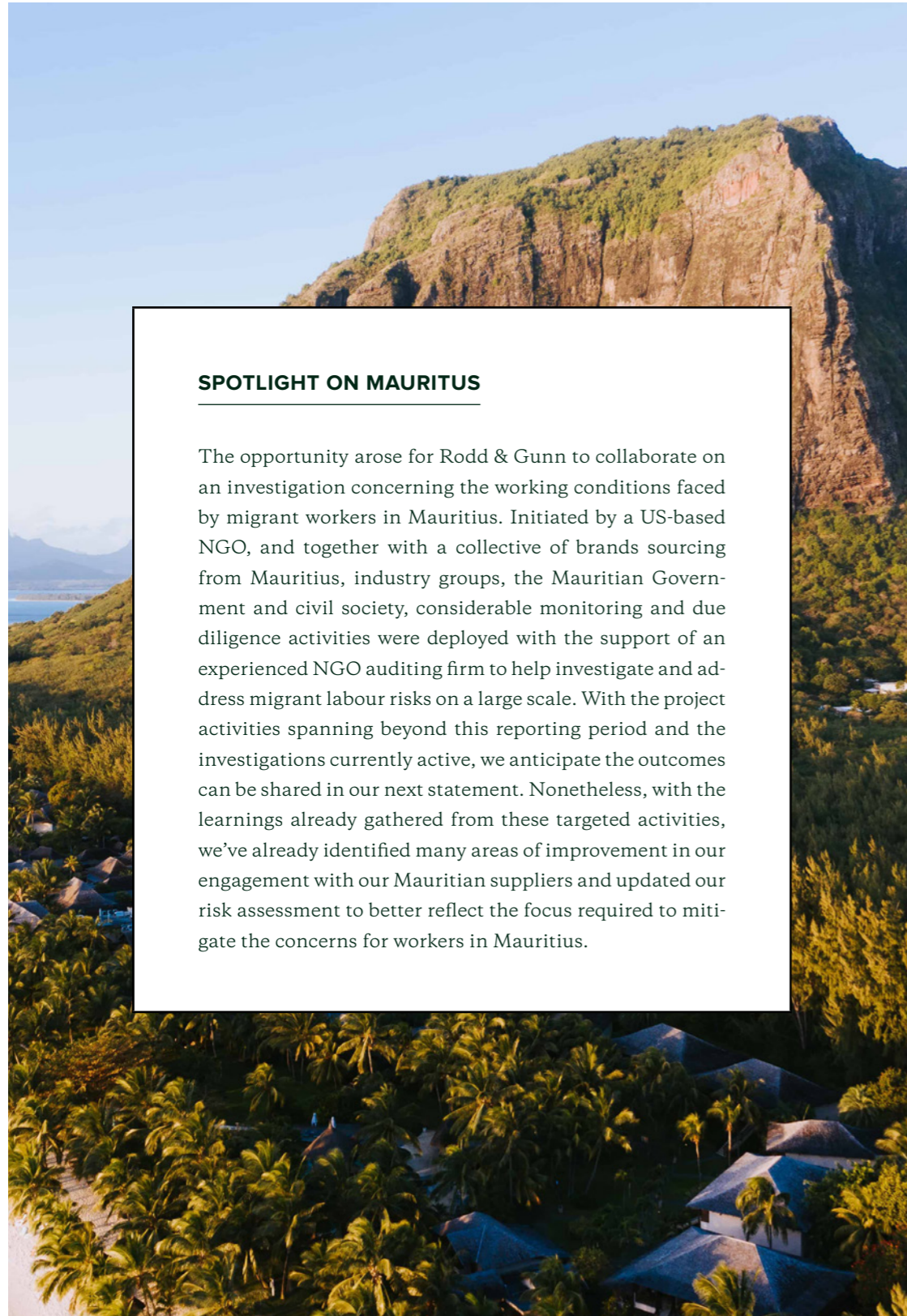
Gender equality and discrimination is another area our checklist was expanded on, by including specific checkpoints for auditors on suspected pregnancy testing, forced use of contraception, termination of employment due to pregnancy, to name just a few.

With the added understanding of our risk assessment on freedom of association and grievance mechanisms our auditors are evaluating whether worker committees are operating independently from factory management and to what degree follow-up actions to grievances include involvement from union or worker representation.

## FAIR WAGES

Rodd & Gunn believe it is a right for every person to earn a fair wage, which is most often higher than the government set minimum wage in many countries. We understand that low wages are often a key indicator of slavery practices, so we consistently monitor and record minimum, actual wage received and living wage data from our production countries, to compare with wage records supplied to us through our third-party auditors. We ensure that the suppliers we choose to work with uphold our values, to ensure all workers have enough income to live safely and freely, with some discretionary income, and are working towards paying a living wage for all workers.





### **SPOTLIGHT ON MAURITIUS**

The opportunity arose for Rodd & Gunn to collaborate on an investigation concerning the working conditions faced by migrant workers in Mauritius. Initiated by a US-based NGO, and together with a collective of brands sourcing from Mauritius, industry groups, the Mauritian Government and civil society, considerable monitoring and due diligence activities were deployed with the support of an experienced NGO auditing firm to help investigate and address migrant labour risks on a large scale. With the project activities spanning beyond this reporting period and the investigations currently active, we anticipate the outcomes can be shared in our next statement. Nonetheless, with the learnings already gathered from these targeted activities, we've already identified many areas of improvement in our engagement with our Mauritian suppliers and updated our risk assessment to better reflect the focus required to mitigate the concerns for workers in Mauritius.

### **GRIEVANCE MECHANISMS**

Ensuring the workers in our supply chain have a voice, is an important step to help identify any potential modern slavery or human rights breaches. In 2018 we developed our Grievance Policy, which outlines the steps a worker can take to confidentially communicate directly with Rodd & Gunn.

In 2020, we increased the accessibility of our grievance mechanism, by adding a QR code, email address and WeChat account to allow workers to contact us more easily. All suppliers are directed to display the Grievance Policy with QR code and WeChat details in a prominent staff location, outside of the view of management - such as break rooms, dormitories, or rest rooms with follow up on the display of the Grievance Policy by our auditing partners.

To date, we have received no grievances through our email, or WeChat account. A robust grievance mechanism is a crucial tool for elevating the worker voice, so investigating other mechanisms that we can adopt to encourage worker engagement will be a key focus for the next reporting period and we are working with SGS on how to make our grievance mechanism more accessible and trusted by all workers.

### **RESPONSIBLE PURCHASING PRACTICES**

Rodd & Gunn have built strong relationships with our suppliers over many years, and we understand that our purchasing decisions could lead to an increase of modern slavery risks.

In 2018, we first developed our Responsible Purchasing Policy, which outlines our strategies and actions for all staff at Rodd & Gunn, to help uphold human rights and alleviate pressure on our suppliers. The policy outlines guidelines for our team members on how to interact with our suppliers, without causing negative environmental or social impacts, and covers strategies for the following business areas, planning and forecasting, design and development, price and price negotiation, payments, and responsible exit strategies. As part of commitment to continually monitor and review our purchasing practises, in 2023 our Buying, Planning, Design, Procurement and Sustainability teams took part in The Five Principles of Responsible Purchasing E-Learning Course facilitated by Better Buying. As a result, we have established a stronger understanding of what will impact future engagement and decision making.

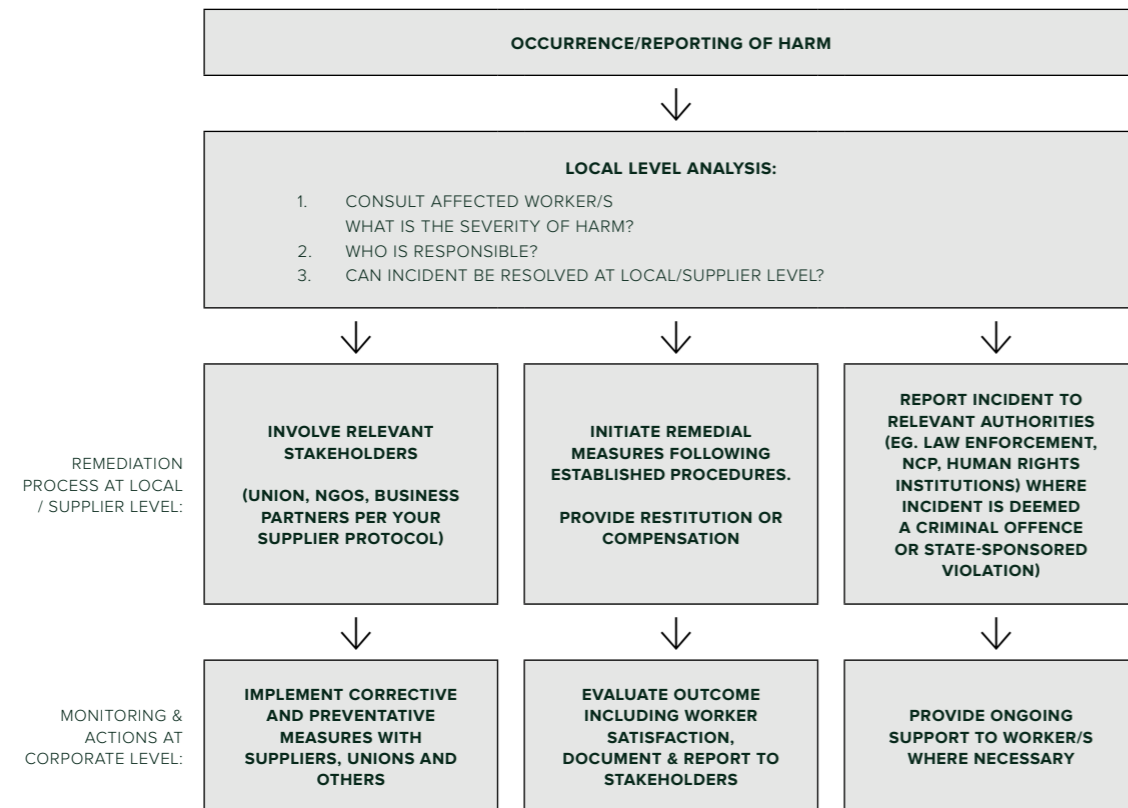
## REMEDATION

Remediation can take many different forms, and we work closely with our suppliers and our third-party audit company, SGS, to help remediate any non-compliances or breaches from our Code of Conduct when issues occur.

Once audits have been completed, SGS develop a Corrective Action Plan for the supplier based on any non-compliances and rate them according to their severity (minor / major / critical). We then receive and review the results and compare these with previous years. We then work with suppliers directly to amend and correct any non-compliances. Critical non-compliances must be corrected immediately on the Audit Day or within an agreed time-frame. All other non-compliances are addressed in order of priority and recurrence. We believe this direct communication greatly enhances our relationships, and builds our understanding of the root causes, and potential systemic challenges. For any non-compliances that cannot be verified by us internally, we request a follow up audit to ensure these non-compliances have been officially assessed.

If a case of modern slavery or forced labour is identified through our supply chain, either through our grievance mechanism, third party audit company or other external avenues, we adopt the Ethical Trade Initiative (ETI) process for remediation. ([ethicaltrade.org/sites/default/files/shared\\_resources/Access%20to%20remedy\\_0.pdf](https://ethicaltrade.org/sites/default/files/shared_resources/Access%20to%20remedy_0.pdf))

## REMEDATION PROCESS



## SUPPLIER EXIT STRATEGY

We aim to support, educate, and collaborate with our suppliers to help drive sustained business, continuous improvement, and positive change. In the rare circumstance where we decide to exit a supplier, we ensure the supplier is provided with sufficient notice and a long-term phase-out plan is determined with a clear time-frame that is in line with their production and worker schedule. We understand that terminating relationships with suppliers can impose further distress for workers and will only resort to this if the attempts to remediate have been unsuccessful. Exiting a supplier is actioned when one or more of the following circumstances occur:

- A decline in workmanship.
- Inability to carry out a design requirement.
- Rodd & Gunn is unable to meet a supplier requirement or minimum quantity.
- No longer commercially viable such as changes in trade regulations and logistical challenges.
- An unwillingness to resolve non-compliances to our Social Compliance or the transparency and traceability requirements laid out at the beginning of the relationship.
- A change in supplier practice where the human rights impacts are too great.



## ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Our Ethical Sourcing and Sustainability team continuously monitor our risks, implement action, and identify areas for further resource. Here we have outlined our current objectives and the tools we've used to measure their effectiveness.

	OBJECTIVES	EFFECTIVENESS INDEX
OUR OPERATIONS	MODERN SLAVERY COMMITTEE	<ul style="list-style-type: none"> <li>• Cross-functional engagement</li> <li>• Mapping of suppliers</li> </ul>
	POLICIES AND CONTRACTS	<ul style="list-style-type: none"> <li>• Number of new contracts issued with Modern Slavery Clauses</li> </ul>
	IDENTIFY & MONITOR RISKS	<ul style="list-style-type: none"> <li>• Voluntary reporting to Australian Modern Slavery Act</li> <li>• Number of suppliers with existing Modern Slavery Statements</li> </ul>
	AWARENESS RAISING & TRAINING	<ul style="list-style-type: none"> <li>• Voluntary reporting to Australian Modern Slavery Act</li> <li>• OECD Due Diligence Gap Analysis</li> </ul>
OUR SUPPLY CHAIN	TRANSPARENCY & TRACEABILITY	<ul style="list-style-type: none"> <li>• Public vendor list</li> <li>• Voluntary reporting to Australian Modern Slavery Act</li> <li>• Supplier mapping of all tiers, including sub-contractors</li> </ul>
	RESPONSIBLE MATERIAL SOURCING	<ul style="list-style-type: none"> <li>• % of Cotton traced</li> <li>• Farm to floor programs (e.g. Australian Cotton)</li> </ul>
	IDENTIFY & MONITOR RISKS	<ul style="list-style-type: none"> <li>• Supplier mapping</li> </ul>
	CODE OF CONDUCT & POLICIES	<ul style="list-style-type: none"> <li>• Number of Tier 1, 2 and 3 suppliers signed</li> </ul>
	AWARENESS RAISING & TRAINING	<ul style="list-style-type: none"> <li>• Collate completion rate, feedback and comprehension</li> </ul>
	SUPPLIER AUDITING	<ul style="list-style-type: none"> <li>• Annual audit reporting</li> </ul>
	NGO ENGAGEMENT	<ul style="list-style-type: none"> <li>• Baptist World Aid Fashion Report</li> </ul>
	GRIEVANCE MECHANISM	<ul style="list-style-type: none"> <li>• Number of grievances received</li> </ul>

## MOVING FORWARD

We recognise that continuous improvement is about setting goals, integrating them into our business practices and company strategies, but also having mechanisms that regularly assess their effectiveness. We are committed to staying informed on emerging risks, progressing forward, and communicating our progress in 2024 and beyond.

We have identified the following key focus areas to further improve our mitigation and remedial actions of modern slavery risks across our operations and supply chain.

### OUR OPERATIONS

- Implement a Terms of Trade for our third-party service providers.
- Advance the mapping of our operational suppliers into an Operational Risk Assessment tool.
- Start to build a supplier chain register for our hospitality suppliers.
- Deploy training modules to both internal and external stakeholders through our new Learning Management Systems (LMS)
- Implementing our new Modern Slavery Policy
- Continued collaboration with NGO's, advisory groups, and modern slavery specialists.
- Conduct a corporate self-assessment through the OECD Due Diligence GAP Analysis and the Walk Free Modern Slavery Benchmarking Tool.

### OUR SUPPLY CHAIN

- Actively pursuing farm to floor programs by partnering with leaders in the raw materials and fibre innovation space.
- Increasing our Tier 2 supplier engagement and further establishing our Code and supporting policies.
- Strengthening our Grievance Mechanisms and increasing worker representation by conducting direct worker surveys and collaborating with local NGO's.
- Conducting further supplier engagement and surveys to help support our initiatives for more robust mechanisms.
- Update the Supplier Code of Conduct to incorporate a clause on modern slavery and responsible migrant worker recruitment practices.
- Develop a Migrant Worker Recruitment Policy to support the work we're undertaking in Mauritius and other countries where migrant labour is a relied form of recruitment.
- Re-evaluate our monitoring programs to better assess the risks migrant workers face.
- Update our remediation process for child / forced labour to reflect the risks we identified in our China and Vietnam risk assessments.

## GLOSSARY

### **The American Apparel & Footwear Association (AAFA)**

A US based trade association representing apparel and footwear companies, and their suppliers, which compete in the global market.

### **Anti-Slavery International**

Founded in 1839 the oldest international human rights organisation in the world who work to eliminate all forms of slavery and slavery like practices throughout the world.

### **Artisan Production**

An establishment or business where an artist, artisan, or craftsperson teaches, makes, or fabricates crafts or high-quality products by hand or using traditional methods, with minimal automation and in small batches.

### **Baptist World Aid (BWA)**

A Christian charity organisation based in Australia, helping to reduce poverty in communities around the world.

### **Chain of Custody**

In legal contexts, is the chronological documentation or paper trail that records the sequence of custody, control, transfer, analysis, and disposition of materials, including physical or electronic evidence.

### **Code of Conduct**

A statement that describes a minimum set of behaviours, rules, responsibilities, and practises which an organisation expects of its suppliers and staff to uphold. It may extend to the supply chain and may include commitments on how the organisation will work with its suppliers to build trust and ensure compliance.

### **Due Diligence**

Refers to an ongoing management process to identify, prevent, mitigate, and account for how an entity addresses actual and potential adverse human rights impacts in their operations and supply chains, including modern slavery.

### **Ethical Practices**

An umbrella term describing the efforts within the fashion industry or a brand to reduce its environmental impacts, provide protection for garment workers, and uphold animal welfare.

### **Ethical Sourcing**

Products and services from each point of a business's supply chain are obtained in an ethical way, which includes upholding rights, decent working conditions, health and safety, good business ethics and more.

### **Ethical Trade Initiative (ETI)**

The Ethical Trading Initiative is a UK-based independent body, which brings together companies, trade unions and non-governmental organisations to ensure compliance with international labour standards in the global supply chains of member companies.

### **Fair Labor Association (FLA)**

A non-profit collaborative effort of universities, civil society organizations, and businesses. It describes its mission as promoting adherence to international and national labor laws.

### **Fair Wage**

The wage which is above the minimum wage but below the living wage.

### **Global Slavery Index (GSI)**

The Global Slavery Index is a global study of modern slavery published annually by the Minderoo Foundation's Walk Free initiative.

### **Grievance Mechanism**

A grievance mechanism is a procedure that provides a clear and transparent framework to address complaints in recruitment and the workplace.

### **Human Trafficking**

The unlawful act of transporting or coercing people to benefit from their work or service, typically in the form of forced labour or sexual exploitation.

### **International Labour Organization (ILO)**

The International Labour Organization is a United Nations agency whose mandate is to advance social and economic justice by setting international labour standards.

### **Labour Rights Index**

A de jure index that measures major aspects of employment regulation affecting a worker during the employment life cycle in 135 countries.

### **Migrant Worker**

A person who moves away from his or her place of usual residence, within a country known (Internal) or across an international border (Foreign), temporarily or permanently, and for a variety of reasons.

### **NGO**

A non-profit organization that operates independently of any government, typically one whose purpose is to address a social, environmental, or political issue.

### **The Organisation for Economic Co-operation and Development (OECD)**

An intergovernmental organisation with 38 member countries with market-based economies collaborate to develop policy standards to stimulate sustainable economic growth and world trade.

### **Supplier Tiers**

Supply chains can be broken down into a system of "Tiers" based on closeness to your business or final product. Tier 1 suppliers are the direct garment manufacturers for the final product. Tier 2 suppliers provide all the input materials for production. Tier 3 suppliers are the sub-contractors to your Tier 2 and tend to be spinning mills. Tier 4 suppliers are the providers and traders of the raw materials.

### **Trafficking in Persons Report (TIP)**

An annual report issued by the USA. State Department's Office to Monitor and Combat Trafficking in Persons. It ranks governments based on their perceived efforts to acknowledge and combat human trafficking.

### **Traceability**

Supply chain traceability is the process of tracking every commercial transaction in the end-to-end supply chain to account for the time and place where every step occurred in the supply chain of a unit, batch, or lot of finished good.

### **Transparency**

Supply chain transparency is the process of disclosing suppliers to private customers and other stakeholders.

### **Transparency International**

A global civil society organization working in over 100 countries to end the injustice of corruption.

### **United Nations Guiding Principles on Business and Human Rights**

An instrument consisting of 31 principles implementing the United Nations' "Protect, Respect and Remedy" framework on the issue of human rights and transnational corporations and other business enterprises.

### **Uyghur Forced Labor Prevention Act (UFLPA)**

A United States federal law that would change USA. policy on China's Xinjiang Uyghur Autonomous Region with the goal of ensuring that American entities are not funding forced labour among ethnic minorities in the region. Act (UFLPA)

### **Voluntary Reporting**

The reporting person or entity, without any legal or administrative requirement to do so, submits a voluntary report because they chose to do so and not because they were forced.





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