

# Accent Group



Accent Group Limited

## 2023 Modern Slavery Statement

For the Period 1st July 2022 to 30th June 2023

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This Statement was prepared by the reporting entity Accent Group Limited ('Accent Group', 'the Company') (ABN: 85 108 096 251). Accent Group is an Australian public company listed on the Australian Securities Exchange (ASX code: AX1). The Company's registered office and principal place of business is 2/64 Balmain Street, Richmond, Victoria, Australia. This Statement has been prepared in accordance with the *Modern Slavery Act (Cth) 2018* ('the Act') and outlines the actions taken by Accent Group to identify, assess, and address modern slavery risks across our operations and supply chains for the year ending 30 June 2023.

Accent Group Limited makes this single joint Statement on behalf of all reporting entities in the Accent Group and all other owned and controlled entities.<sup>1</sup> A list of all subsidiaries is included in Appendix A.

<sup>1</sup> In addition to Accent Group Limited, Platypus Shoes (Australia) Pty Ltd, The Athletes Foot Australia Pty LTD, Hype DC Pty Ltd and Accent Lifestyle Pty LTD are also reporting entities under the Act.

# 1. Introduction

**We recognise that modern slavery is an ongoing challenge facing global supply chains, including our own. We remain committed to operating responsibly and take our role seriously in identifying and managing modern slavery risks.**

This Statement, Accent Group's third Modern Slavery Statement, covers the reporting period 1 July 2022 to 30 June 2023. During this period, our Company continued to grow, opening 80 new stores across Australia and New Zealand. Our continued growth expands the role we play to identify and manage the risks of modern slavery throughout our operations and supply chains. In response, we have taken several steps throughout the year to enhance our modern slavery program.

We are pleased with the progress made during the year, including:

- Continuing to embed our supplier onboarding process across Accent Group owned brands
- Updated our Ethical Sourcing Policy to align to our own increased expectations, while also adhering to changing global standards and our customers' expectations
- Delivering continued modern slavery training for our Accent Group owned brands teams and extending this to our buying teams in the distribution brands portfolios. This has built their awareness to identify modern slavery risks in the supply chain and given them the capability to have conversations with their suppliers on our requirements
- Embedding our supplier portal to record and manage our suppliers, factories and sub-contractors across Accent owned brands and extending this across our business
- Continuing to focus on our audit processes to better understand modern slavery risk

There continues to be more work to do. Key activities planned for the coming year include continued follow-up on corrective action plans across our supply chain and further developing our audit processes. Further details on our planned next steps for FY24 are outlined in Section 7 of this Statement.

We are committed to progressing our approach to managing modern slavery risks and understand we must place ongoing attention in this space in order to contribute to the goal of eliminating modern slavery. We look forward to working further with our team members, suppliers and broader business partners to strengthen our due diligence practices.

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## APPROVAL OF THIS STATEMENT

This Statement was approved by the Accent Group Board on 16<sup>th</sup> November 2023.



**Daniel Agostinelli**  
Chief Executive Officer  
Accent Group Limited

## 2. About Accent Group

### OUR OPERATIONS

In the reporting year FY23, we operated 786 retail stores, 35 online platforms and represent 26 retail brands across Australia and New Zealand.



**786**  
RETAIL STORES



**35**  
ONLINE PLATFORMS



**26**  
RETAIL BRANDS

We have a portfolio of 9 own brand labels along with our store brands and hold the exclusive distribution rights for 17 global brands across Australia and New Zealand.

All our operations are located within Australia and New Zealand, and include the following activities:

#### MULTI-BRAND RETAIL OPERATIONS:

The retail stores and websites through which we sell third-party and own-branded merchandise, including a range of Australian and global footwear and apparel brands.



#### DISTRIBUTED BRANDS:

We hold exclusive distribution rights for a range of global footwear brands across Australia and New Zealand. We sell merchandise from these brands in our multi-brand and stand-alone retail operations and online. We also sell merchandise from these brands to other retailers on a wholesale basis.



#### ACCENT OWNED BRANDS:

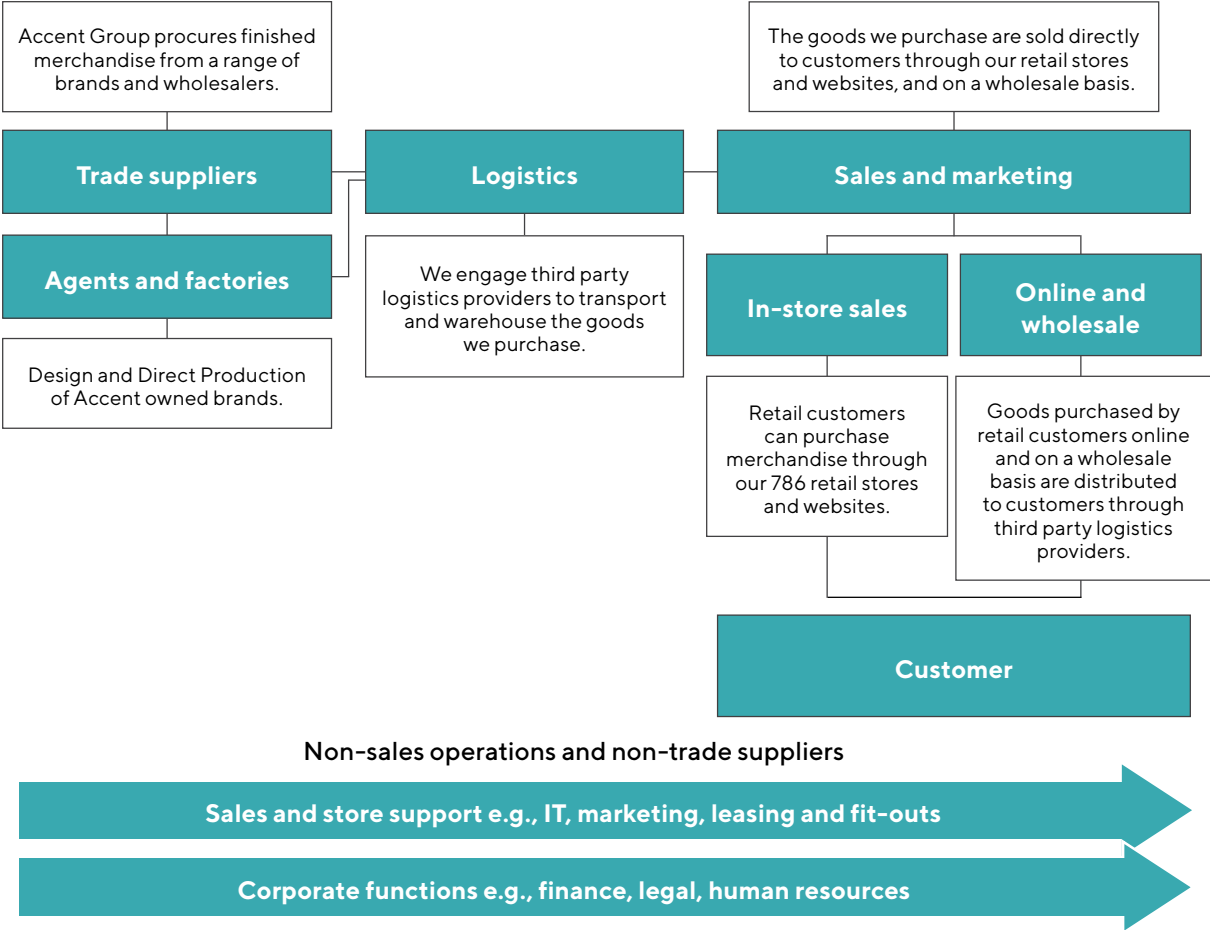
We source finished merchandise across footwear, apparel, and accessories, created specifically for Accent owned brands that we source directly from third party agents and factories for direct retail and wholesale distribution.



## 2. About Accent Group

### Our value chain

Figure 2 – Accent Group value chain



### Our workforce

Accent Group directly employs 7,360 team members<sup>2</sup> across Australia and New Zealand into a range of roles across our retail stores and retail support operations (i.e. support centre office and warehousing, wholesale, and shared services). The majority of our people are employed on a casual basis and work within our retail stores.

We have maintained our female to male ratio of 65:35 female to male across the reporting year and continue to invest in female orientated brands such as Nude Lucy and Stylerunner.

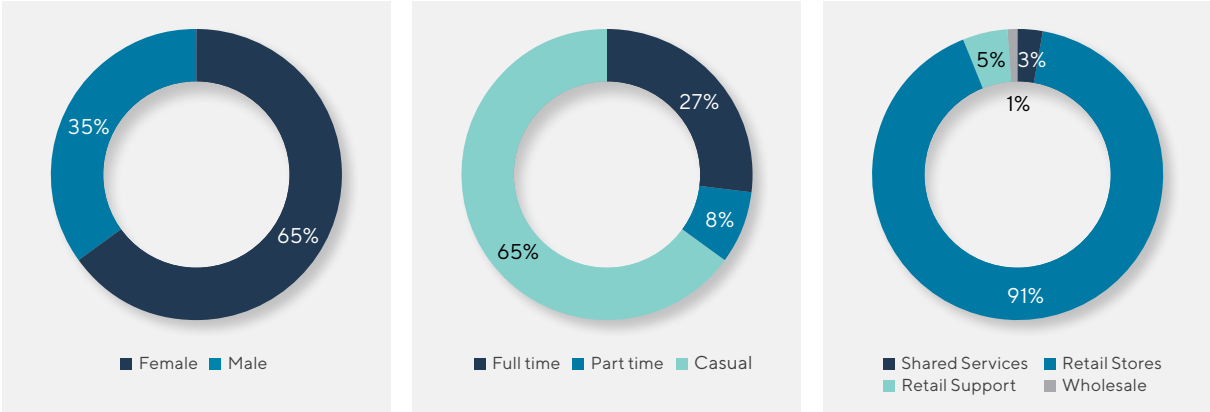
Our [Diversity and Inclusion Policy](#) and [Code of Conduct](#) embeds our commitment to diversity and inclusivity across the group. Accent Group fosters an environment of mutual respect, dignity, openness to other cultures and an appreciation of differences. Dimensions of diversity at Accent Group include, but are not limited to, age, gender, race, national or ethnic origin, learning, physical ability, disabilities, religion, language, family/marital status, and sexual orientation.

2 As at 30th June 2023

## 2. About Accent Group

A breakdown of our workforce is provided below:

**Figure 3 – Accent Group workforce**



### OUR SUPPLY CHAIN

The primary operations of our business are in retailing and wholesaling of merchandise. Our sourcing involves the acquisition of finished goods (merchandise) from trade suppliers as well as the design and direct production of merchandise for Accent Group owned brands from agents and factories. The successful integration of Glue Store and continued focus on Accent Group owned brands such as Nude Lucy and Stylerunner, has seen the continued expansion of design and direct production of apparel into our supply chain. The range of trade and non-trade goods and services that directly support our business operations has remained constant over the last year.

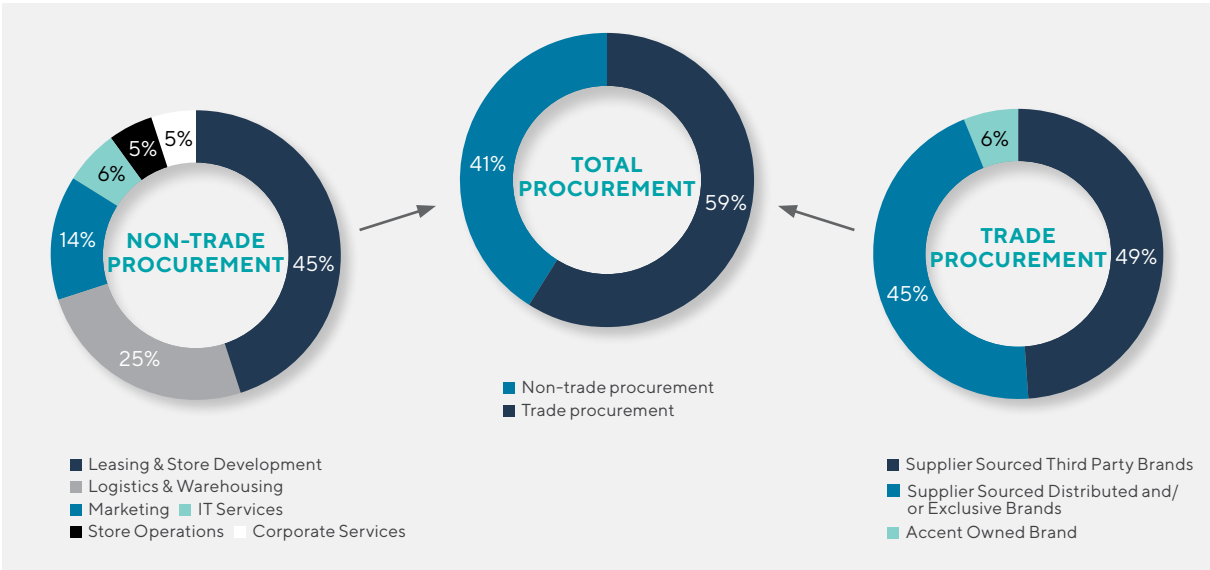
Table 1 below summarises the key types of trade and non-trade goods and services we procured in FY23.

**Table 1 – Main categories of goods and services procured in FY22**

Supply chain segment	Category	Description
Trade suppliers – merchandise for sale and distribution	Supplier sourced distributed and/or exclusive brands	Footwear and apparel merchandise that we source for direct retail and wholesale e.g. Skechers, Vans, Dr Martens.
	Supplier sourced third party brands	Footwear and apparel merchandise that we source solely for direct retail e.g. Nike, Adidas.
	Accent owned brands	Merchandise across footwear, apparel and accessories designed and directly produced for Accent Group owned brands that we source from third party agents and factories for direct retail and wholesale e.g. Platypus-branded socks, Nude Lucy, Stylerunner the Label and brands under Glue stores such as First Mse and Article One.
Non-trade suppliers – goods and services not for resale	Logistics and warehousing	Freight and warehousing services used to transport purchased goods to our warehouses, store goods prior to sale and transport sold goods to customers.
	Leasing and store development	Leasing of retail stores from landlords as well as store design and fit out.
	IT services	IT hardware and software used in retail stores and websites, and in the retail support services.
	Marketing	Advertising and marketing services and products, including printing.
	Corporate services	Professional services, corporate office operational services, employee recruitment, and banking.
	Store Operations	Store operations such as electricity, cleaning, security and repairs and maintenance, and store consumables

## 2. About Accent Group

Figure 4 – Accent Group supply chain spend in the 2022 reporting period



In the FY23 reporting period, we procured more than \$1b in goods and services and worked with just over 2,600 suppliers. The majority of our supply chain spend relates to ‘trade’ suppliers (59%), with our top 20 suppliers within this category representing 80% of total ‘trade’ spend. These suppliers include both ‘distributed’ brands who we partner with on both an exclusive and a non-exclusive basis as well as our ‘third party’ brands. The value of Accent owned brands continues to grow year on year – aligned to our strategy to grow this channel – which will in turn support our efforts to gain greater oversight of supplier activities.

### GOVERNANCE AND CONSULTATION

Accent Group owns and controls several entities that operate in Australia and overseas. A list of all subsidiaries at 30 June 2023 is included in Appendix A. In addition to Accent Group Limited, Platypus Shoes (Australia) Pty Ltd, The Athlete’s Foot Australia Pty Ltd, Hype DC Ltd and Accent Lifestyle Pty Ltd are also reporting entities under the Act.

All Accent Group entities operate under a common central governance framework and common management system. Specifically, the individuals charged with responsibility for managing modern slavery risks represent Accent Group Limited and all subsidiaries (as listed in Appendix A). In preparing this Statement, and in managing the risks of modern slavery across our operations and supply chain, these representatives actively engaged and consulted with all companies we own or control in the development of this statement. The details of the reporting requirements of the Modern Slavery Act 2018 were discussed, including the actions we intend to take to address these requirements and the entities were provided with relevant materials and updates.

Accent Group’s Audit and Risk Committee has delegated responsibility from the Board for monitoring the Group’s risk management framework and to ensure that the Company’s responsibilities and obligations regarding modern slavery are managed. The Audit and Risk Committee reports to the Board, which is ultimately accountable for the Company’s management of modern slavery risks. The Board has been engaged in the discussion of Accent Group’s modern slavery commitments throughout the reporting period.

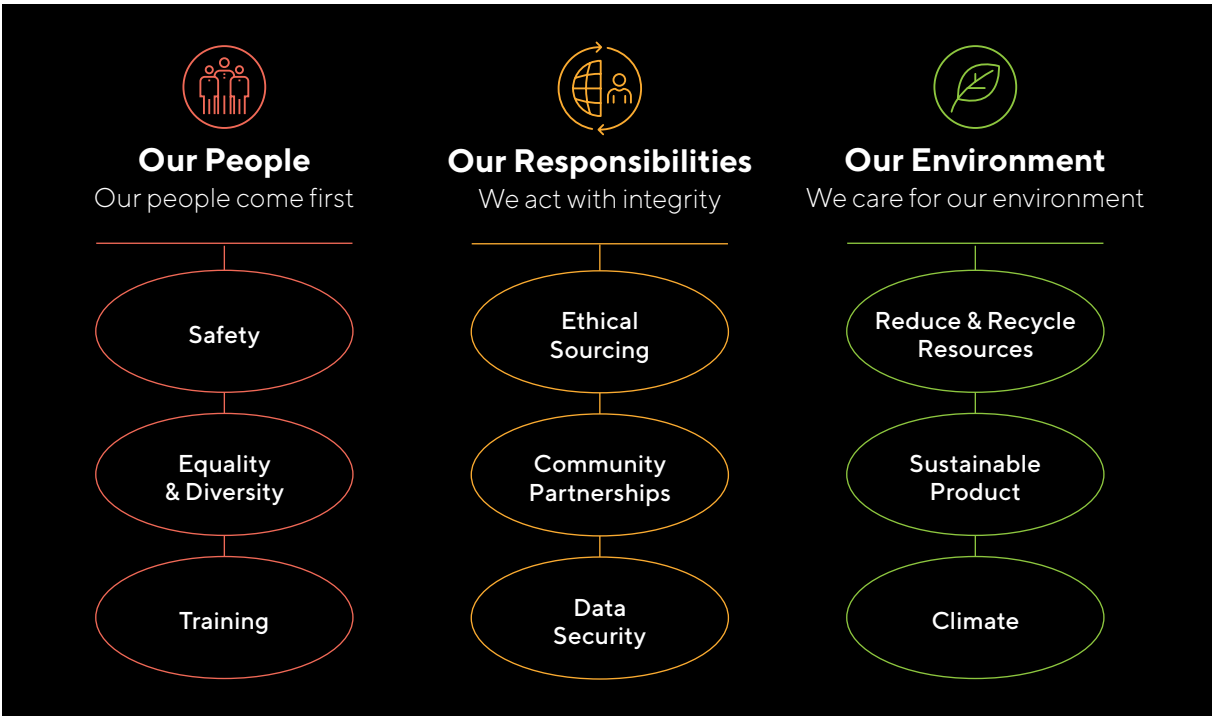
The Accent Group ESG Framework is used to drive the ESG agenda through the business and focuses its commitment on three key pillars: people, responsibilities and a commitment to the environment.

- **Our People Come First** – because Accent Group would not be where it is today without its dedicated team members.
- **Our Responsibilities** – Accent Group has a corporate responsibility to act with integrity and with an ethical purpose.
- **Our Environment** – Accent Group cares for the Environment and has committed to initiatives to improve the impact it has on the planet.

## 2. About Accent Group

The Accent Group ESG steering group governs the sustainability agenda and drives the Company’s ongoing commitment to the environment, health and safety, corporate social responsibility, sustainability, and other public policy matters. The ESG steering group has a broad representation within the business and is charged with supporting leaders across the Company to align their respective business strategies with evolving ESG strategies. Our Audit and Risk Committee and Board have ultimate responsibility and sign-off on all key ESG related matters.

**Figure 5 – Accent Group ESG Framework**



**Figure 6 – Modern Slavery governance at Accent Group**





### 3. Risks of modern slavery in our operations and supply chain



Accent Group has made a commitment to operating responsibly and meeting the highest standards of ethics and integrity. We acknowledge that there are likely to be modern slavery risks deeper in our supply chain, and will continue to seek out ways of identifying, managing and when required, remedying these.

Within our own operations, the risks of modern slavery are lower but not absent. We will do all we can to ensure that our team members, customers and community members are not subject to any form of exploitation.

In the reporting period, Accent Group continued to operate within Australia and New Zealand and whilst we understand potential operational risk exists, we deem the processes we have in place, along with the legal and regulatory obligations across these regions, to be sufficient while we focus on higher impact areas.

### 3. Risks of modern slavery in our operations and supply chain

#### RISKS IN OUR SUPPLY CHAIN

We acknowledge there are risks of modern slavery in our supply chain. The nature of our industry however means our supply chains are complex, multi-tiered and global, and as a result it is difficult to have clear visibility of where these risks lie. We are also a relatively small player in the global apparel and footwear sector so our leverage of, or ability to influence, third parties is less. That said, we have taken steps to improve the quality of our supplier data and utilise this to undertake a more comprehensive inherent risk assessment so that we can be more targeted in our due diligence activities.

Within the footwear and apparel sector, the risks of modern slavery exists within the full value chain, ranging from the harvesting and processing of certain commodities (e.g. forced labour in the cotton and leather supply chains) to the manufacturing process itself (e.g. exploitative conditions and forced labour in production factories). Within our retailing business, there are also modern slavery risks within new store development (e.g. construction materials) and operations (e.g. cleaning and security). Typically, any activities requiring lower skilled and high labour-intensive work that tend to attract more vulnerable workers are therefore sources of modern slavery risk. These areas continue to be our focus.

We have greater leverage and access to information when sourcing products for Accent Group owned brands. For this reason, we have and will continue to focus here as we can have a greater impact. We acknowledge our responsibility also exists with our distributed or exclusive brands and will continue to work with these brands directly to ensure their sourcing frameworks align to our expectations.

Table 2 below outlines the inherent risks of modern slavery likely to be present in our main categories of procurement, the level of inherent risk we identified through our risk assessment and how we have prioritised these categories for further due diligence.

**Table 2 – Indicative risk factors by supply chain segment**

Supply chain segment	Category	Inherent risk rating	Identified risk factors
Trade suppliers – merchandise for sale and distribution	Supplier sourced distributed and/or exclusive brands  <i>Representing approximately 26% of total spend and 1% of total suppliers by number</i>	High	Our trade procurement consists of finished footwear, accessories and apparel merchandise. These industries have a heightened risk of various forms of modern slavery, including child labour, forced labour and human trafficking. Manufacturing processes require high labour intensity, and combined with low skilled work, pose risks associated with excessive hours and deceptive recruitment practices.  The overall inherent risk for this category is also high due to the high proportion of sourcing from suppliers with production activities in places like Vietnam and China where labour laws are not as strictly regulated. Given that we hold exclusive distribution rights for brands in this category, Accent Group has a heightened relationship to these risks and a greater potential to influence supplier performance. This category also represents a large proportion of our overall procurement spend, concentrated across a small number of suppliers.  <b>Priority for action: High – continued due diligence to be actioned in the next 12 months.</b>

### 3. Risks of modern slavery in our operations and supply chain

Supply chain segment	Category	Inherent risk rating	Identified risk factors
Trade suppliers – merchandise for sale and distribution (continued)	Supplier sourced third party brands <i>Representing approximately 29% of total spend and 6% of total suppliers by number</i>	High	As noted above, inherent risks of modern slavery are present in the footwear and apparel manufacturing sector. Again, the higher inherent risk identified is due to the high-risk production locations of our suppliers in countries such as Vietnam, Brazil and China. Unlike our distributed brands, there is a less direct relationship to the risk. The vast majority of suppliers in this category are major International and Australian brands, generally with a good understanding of their supply chains and established due diligence and risk mitigation practices in place. This category represents a large proportion of our overall procurement spend, spread across a relatively large number of suppliers and is therefore considered a secondary priority.  <b>Priority for action: Medium – continued due diligence to be actioned in the next 12 months.</b>
	Accent owned brands <i>Representing approximately 4% of total spend and 2.5% of total suppliers by number</i>	High	As noted above, inherent risks of modern slavery are present in the footwear and apparel manufacturing sector. This category is rated high overall due to the volume of sourcing from high-risk locations, such as China. The nature of Accent Group’s relationships with suppliers of Accent Group owned brands differs to those of other trade suppliers, as we generally purchase this merchandise directly from factories or from third party agents. Given that we have a closer relationship to these risks we continue to prioritise our due diligence activities here.  <b>Priority for action: High – due diligence activities remain focused here.</b>
Non-trade suppliers – goods and services not for resale	Logistics and warehousing <i>Representing approximately 10% of total spend and 4% of total suppliers by number</i>	Low to Moderate	Inherent risks of modern slavery are associated with transport, warehousing, and distribution activities. Although our suppliers are in Australia and New Zealand, these risks often stem from the use of labour hire services which have been linked to deceptive recruitment and forced labour of vulnerable populations, including migrant and low-skilled workers. This category represents a small proportion of spend and total suppliers. We will continue to engage with suppliers in this category (especially landlords and our warehousing partners) to assess any changes to our risk assessment.  <b>Priority for action: Low – continue with current approach to supplier monitoring.</b>
	Leasing and store development <i>Representing approximately 18% of total spend and 22% of total suppliers by number</i>	Moderate	Inherent risks of modern slavery are associated with store fit outs, repairs and maintenance and the construction materials used in them. Although all suppliers are in Australia and New Zealand, risk factors include the frequent use of migrant or lower-skilled labour, and poor or dangerous working conditions. This category represents a large amount of total spend and total suppliers.  <b>Priority for action: Medium – continued due diligence to be actioned in the next 12 months.</b>

### 3. Risks of modern slavery in our operations and supply chain

Supply chain segment	Category	Inherent risk rating	Identified risk factors
Non-trade suppliers – goods and services not for resale (continued)	IT services <i>Representing approximately 3% of total spend and 3% of total suppliers by number</i>	Low to Moderate	Inherent risks are associated with IT equipment manufactured offshore, particularly forced labour. Limited inherent risks were identified in IT support services provided by Australian-based suppliers. This category represents a small proportion of spend and total suppliers. We will continue to refine our risk assessment of this category.  <b>Priority for action: Low – continue with current approach to supplier monitoring.</b>
	Marketing <i>Representing approximately 6% of total spend and 24% of total suppliers by number</i>	Low	Limited inherent risk factors identified. Accent Group source primarily Australian based services.  <b>Priority for action: Low – continue with current approach to supplier monitoring.</b>
	Corporate services <i>Representing approximately 2% of total spend and 16% of total suppliers by number</i>	Low to Moderate	Accent Group primarily source Australian based services, however the nature of the work can attract a vulnerable workforce required for lower skilled, labour intensive work like catering and waste removal.  <b>Priority for action: Medium – continued due diligence to be actioned in the next 12 months.</b>
	Store operations <i>Representing approximately 2% of total spend and 21% of total suppliers by number</i>	Moderate	Inherent risks of modern slavery are associated with migrant and vulnerable workers in cleaning and security services. These include debt bondage, forced labour and human trafficking. Although total spend is relatively low, a large proportion of the suppliers here are often smaller businesses.  <b>Priority for action: Medium – continued due diligence to be actioned in the next 12 months.</b>

# 4. Our approach to managing risks of modern slavery

## RISKS IN OUR OPERATIONS

Through an internal review of our operations, we have assessed the risk of modern slavery to be low. Our operations are located across Australia and New Zealand and we are therefore required to comply with all industrial relations laws across these regions. Further, and as detailed in Section 4 below, the majority of our team members are employed under employment Awards, most commonly the General Retail Industry Award. We also maintain a sound policy framework that governs our corporate behaviour.

We acknowledge that 65% of our workforce is employed on a casual basis and while this type of employment has a higher inherent risk, in Australia and New Zealand, they are afforded the same industrial relations framework as other team members.



At Accent Group, we are committed to building and maintaining sustainable business practices throughout our operations and be an employer of choice for team members, meet our customers' expectations and deliver long-term value to our shareholders. We also believe that the people who work for our suppliers should be treated with respect and should work in a safe environment and have their human rights protected.

To support this, we expect our people to adhere to the highest legal, moral and ethical standards in order to uphold our commitment of operating responsibly. Further, we expect that our suppliers take steps to minimise any negative impacts that their operations have on their people, and the environment.

Throughout the reporting period we have built upon the policies and procedures we already had in place and have taken a number of steps to raise awareness of modern slavery risks, to engage directly with our suppliers, and to hold our partners to account for their activities.

# 4. Our approach to managing risks of modern slavery

## CONDUCTING DEEPER DUE DILIGENCE OF SUPPLIERS

During the reporting period, further developing our supplier due diligence practices has been our main priority. A range of activities have been undertaken to engage our trade suppliers and to better understand their maturity in relation of modern slavery risk management. These activities varied for suppliers of Accent Group owned brands when compared to suppliers of distributed and/or exclusive brands and third-party brands.

### Suppliers of Accent Owned Brands

Across our operations, Accent Group owned brands continue to utilise a bespoke onboarding process for new suppliers and manufacturing facilities. Our onboarding process requires a formal and staged approval process that includes an assessment of the suppliers' suitability to manufacture or supply products to Accent Group. Once an assessment is completed to our satisfaction, the relevant entity General Manager must approve the onboarding request before moving forward.

Prior to onboarding, suppliers must sign and return a copy of the Accent Group Ethical Sourcing Policy and demonstrate that an independent, valid social compliance audit has been completed (which must be current within the last 12 months). Once received, the social compliance audit is assessed internally.

In addition to the Accent Group Ethical Sourcing Policy, we also ensure suppliers receive a copy of our 'Manufacturing Agreement' which sets out the terms and expectations which our suppliers must agree to in order to manufacture and supply products to Accent Group, including full compliance with our Ethical Sourcing Policy.

The Manufacturing Agreement applies to all suppliers of Accent Group owned brands and is expected to be signed and returned to us by all such suppliers to Accent Group.



As we work with our suppliers to collect the outcomes of their social audits, we are pleased to report that suppliers of Accent Group owned brands have provided valid audit information. We received a variety of accepted examples, including SMETA, BSCI and WRAP, all of which align to the SA8000 standard which requires organisations to develop, maintain and apply socially acceptable practices in the workplace. We continue to invest in training to support our team members to analyse the various audit report formats, so they are best placed to liaise with our suppliers in supporting them to identify risks and develop corrective action plans.

Suppliers are assigned a risk rating of High, Medium, or Low. Suppliers with a high-risk rating are required to work on a corrective action plan and may also be required to undergo further investigation to meet our compliance expectations. If a supplier refuses to remediate compliance issues, we reserve the right to cease engagement with that supplier.

### Corporate Services

This reporting year has seen Accent Group expand its engagement of providers of appropriately skilled customer service and finance services beyond Australia. Key to onboarding our suppliers in these areas was conducting due diligence over their work practices and employee management. We exchanged our policies and conducted several site visits to undertake our own audit of their facilities. This raised the profile of our ethical trade requirements and allowed us to engage in open dialogue on delivering safe and respectable work environments for people working on the Accent Group account.

## 4. Our approach to managing risks of modern slavery

### DEEP DIVE: INHERENT MODERN SLAVERY RISKS IN ACCENT OWNED BRANDS

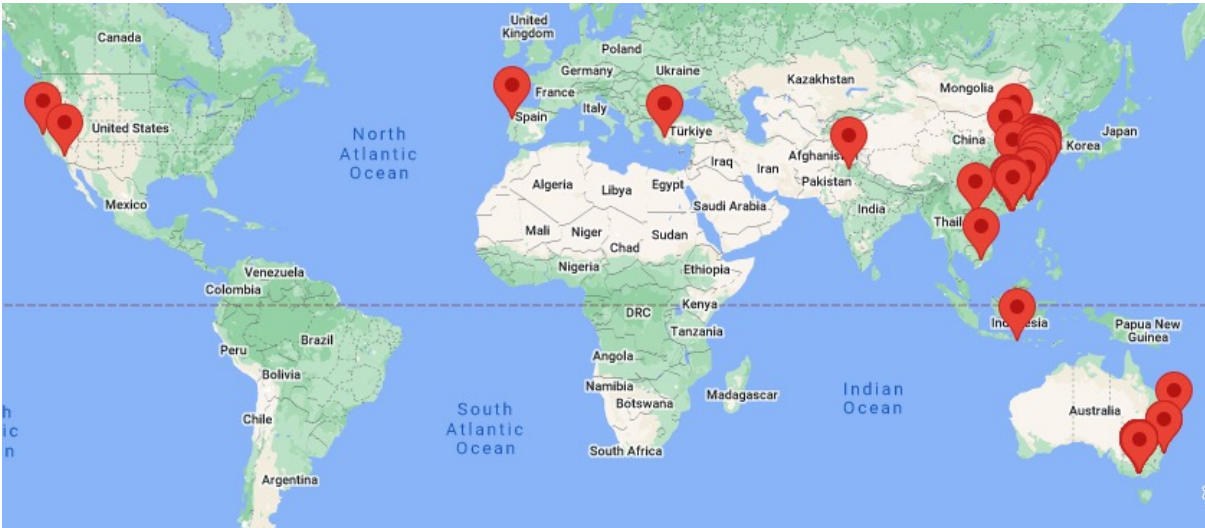
Across the reporting period, the Accent Group owned brands category continues to be a priority as the business plans for continued growth. The majority of our suppliers for Accent Group owned brands were rated inherently high for risks of modern slavery given the country of manufacture and the nature of the product produced (footwear & apparel).

Given the reasonably high level of risk across all types of modern slavery considered, we have continued to build on the key activities undertaken in the last reporting year to ensure we continue to have strong risk assessment and due diligence processes, and this included:

- Travel to China to visit key suppliers and factories across key brands in Nude Lucy and The Athlete’s Foot. This travel has allowed us to develop closer relationships with our key suppliers and assess the facilities and working conditions of the factories used to source our branded merchandise
- Embedding our supplier on-boarding process which has allowed us to identify factories that pose a higher level of risk than we are willing to accept for Accent Group owned brands and direct our business elsewhere. We have also extend this to factories we use for trials of merchandise before orders are placed.
- Training of Accent Group owned brand team members on how to review audit documentation, assess the level of risk and develop corrective action plans was also conducted.
- Investment in an online software platform that has improved the management of our supplier and factory records and traceability. This has allowed the team to better analyse the outcomes of factory audits and work with factories on corrective action plans.

Figure 7 – Location of Factories used across Accent Owned Brands

### Location of the Factories Used Across Accent Group Owned Brands



Key outtakes as at the end of FY23 for Accent owned brands:

- We have **45 approved suppliers** who have passed through the Accent on-boarding process
- Of these suppliers, we work across **62 approved factories**; of which **92%** are in China
- **75% of factories are Tier 1** (Cut, Make, Trim) and **all of these** have submitted a social compliance audit

## 4. Our approach to managing risks of modern slavery

### Suppliers of distributed and/or exclusive brands

We acknowledge our responsibility also exists with our distributed or exclusive brands and will continue to work with these brands directly to ensure their sourcing frameworks align to our expectations. This year, our Brand Managers, who own the relationships with our global brand partners, have started to form relationships with their respective brand's Ethical Sourcing or Compliance Managers. In doing so, we have begun to collate key documentation from our brand partners such as:

- Ethical Sourcing Policy or Statement
- Cotton Sourcing Policy or Statement on Cotton Sourcing
- Animal Welfare Policy
- Restrictive Substances List
- Supplier Code of Conduct
- Carbon Emissions statement
- Packaging Policy

### MODERN SLAVERY TRAINING

We recognise the value and importance of training our teams in this area. We have conducted refresher training on modern slavery across the Group and also conducted focused training on ethical sourcing to our key buying and sourcing teams across the Accent Group owned brands.

The training program focused on aspects of "Responsible Sourcing" and how our purchasing behaviors can and do drive labour rights improvements across our end-to-end supply chain.

The training was conducted by an industry expert and was delivered to all levels of operations including our Brand Managers who are the custodians of the relationships with our key global distribution brand partners.





## 4. Our approach to managing risks of modern slavery

### CASE STUDY: OUR SUPPLY CHAIN (OSC) PORTAL

Over the last 18 months, we have continued to gain a better understanding of our end-to-end supply chain. This included implementing a **software platform called Our Supply Chain (OSC)** which enables us to record and manage information from Accent Group suppliers, factories and sub-contractors in greater detail.

A key feature within OSC is the ability to record and measure our level of traceability across all stages of production. The system enables us to store supplier and factory information including social compliance audit reports, corrective action plans (CAPs), certifications, sustainability and environmental attributes and chain of custody requirements.

Internally, our teams have received periodic training on the use of the OSC platform and additional training on social compliance including how to read different audit documentation and enter that data into OSC.

We know our journey is not finished and we have more work to do. As we continue to learn, we are utilizing OSC to help us identify our traceability gaps across different tiers of manufacture or stages of production within our entire supply chain.

For further information on the OSC platform visit [www.oscdata.com](http://www.oscdata.com).



### USING THE OSC PORTAL TO MANAGE SUPPLIER CORRECTIVE ACTION PLANS

Over the last year, our focus has been on assessing our factories’ social compliance audit reports and working through their corrective action plans to ensure findings identified in the audits have been actioned and closed in a timely manner. We have used the OSC system to support this work.

The most common issues identified across our corrective action plans have been working hours, machinery guards and safety signage.

The analysis of factory audits has been an important step in assessing a suppliers overall social and ethical performance and serves as a clear reminder that we at Accent Group take our social responsibility seriously.

## 4. Our approach to managing risks of modern slavery

### OUR POLICY FRAMEWORK

Our policies and procedures articulate our values, ways of working and the expectations of our team and suppliers.

#### The Accent Group Ethical Sourcing Policy

Doing the right thing and sourcing our products through an ethical supply chain is important to Accent Group. Over the last year, we have worked with external resources to undertake an independent review of the Accent Group Ethical Sourcing Policy, ensuring our Policy aligns to our own increased expectations, while also adhering to changing global standards and our customers expectations.

Throughout FY24 we will share our updated Ethical Sourcing Policy with our suppliers and Brand partners across the Group. This will require our Accent Group owned brands suppliers to return to us a signed copy of the Policy as a commitment to adhere to our expectations. The Accent Group Ethical Sourcing Policy is guided by international standards and guidelines. Our Policy has four key expectations that Accent Group suppliers must adhere to including:

- **Business Integrity and Ethics:** Suppliers must comply with all relevant laws and regulations and to operate in an ethical manner.
- **Labour Standards and Human Rights:** Suppliers & Factories must ensure worker rights are protected. Workers must be presented with the freedom to choose their employment and receive fair and legal remuneration for all work performed. We also expect that child labour, discrimination and harsh or inhumane treatment of workers be prohibited at all times.
- **Healthy and Safe Working Conditions:** All workplaces and operations are safe, occupational hazards are minimised through emergency preparedness, training and machinery safeguards are in place.
- **Environmental Protection:** Suppliers and Factories ensure they continue to implement all efforts to reduce their environmental impact and improve their performance over time.



Our Ethical Sourcing Policy and Modern Slavery Statement can be viewed on our website [here](#).

Our other existing policies outline collectively the standards of behaviour we expect of our team members, the working conditions they are entitled to and the mechanisms available to them to report issues or concerns. These include:

- **Code of Conduct** – sets out the expectations that Accent Group has of our employees and business partners regarding lawful and ethical conduct. These expectations include the provision of fair and reasonable treatment, non-discrimination and that our employees will not be placed in unnecessary danger in the course of their employment.
- **Whistle-blower Policy** – explains the protections afforded to employees that raise concerns about misconduct and provides guidance on communicating these concerns to Accent Group. We aim to ensure that individuals feel supported to come forward if they have information or concerns about serious misconduct.
- **Diversity Policy** – confirms Accent’s commitment to establishing and actively encouraging diversity in its workforce and to provide employees with a safe workplace environment free from unlawful discrimination, bullying or harassment.



We also maintain bullying and harassment, and grievance policies. All team members are provided with these policies, as well as the employee Code of Conduct and our standard conditions of employment in a Team Member handbook when they commence employment with us. We have zero tolerance for harassment (including sexual harassment), bullying, discrimination and any other act or omission which deviates from our Code of Conduct.

# 4. Our approach to managing risks of modern slavery

## Enhancing our terms of employment

Accent Group adheres to the expectations and protections of Employment Awards. Our retail store, warehouse and shared services team members are typically engaged under the applicable Award for the nature of work they undertake. The majority of these team members are employed under the General Retail Industry Award, and a smaller number under the Cleaning Services Award, the Storage Services and Wholesale Award and the Clerks - Private Sector Award.

## Investing in our People Management Systems

Our 'People Dashboard' provides valuable insights to the Board and senior management who receive regular updates on key employee metrics, such as recruitment activities, workplace health & safety outcomes and payroll information.



We continue to strengthen our new team member on-boarding processes, which includes confirming that team members have the appropriate rights to work.

This year we continued with our implementation program of Ceridian Dayforce. This included the full introduction of the Dayforce Learning solution and the Performance module which has allowed Accent Group to better streamline and digitalise the learning and development program across the business.

Dayforce Learning is an integrated online training and development platform, that provides a user-friendly platform for our brands, team members and shared services to deliver functional and educational content to the group. A range of content is made available from interactive modules to video tutorials, PDF documents and PowerPoint presentations.

With the introduction of these modules, Ceridian Dayforce is now supporting, and positively influencing, all elements of the employee life cycle and provides an improved experience to our team members.

## Engaging our people

Providing a safe and fair workplace for our people is paramount to our success. Engaging our people to provide feedback therefore enables us to understand how and where we can do better to deliver on this promise. Our Team Engagement Survey continues to provide the opportunity for all team members to give feedback about their experiences working at Accent Group.

Based on the results and team member feedback from the Engagement Survey conducted in the previous year, Accent Group focused on the following areas in our FY23 Team Engagement action plan:

### 1. CAREER AND DEVELOPMENT

A learning framework was developed and implemented. This included the coordination of several training programs to support capability improvement, team member development and retention of talent. This also included the implementation of the enhanced Accent Group Performance Development Cycle.

### 2. REWARD AND RECOGNITION

A program has been formalised to recognise team members for their dedication to the Group. This includes recognition of performance aligned with the Accent Group Cultural Commitments and service recognition awards to acknowledge tenure of individual team members.

### 3. COMMUNICATION

The focus here is to create a sense of belonging and connection, and to ensure that Accent Group team members are informed and engaged. The "Accentuate" newsletter was launched and delivered to team members for the first time in FY23. This publication celebrates the Group's wins, great cultural moments and promotes our education and learning platforms.

This year, in our third Engagement Survey, we are pleased to report that our latest engagement result realised an improvement from last year. This is a testament to the Accent Group team members who have provided feedback and to the action plans undertaken to respond to this feedback.

## 4. Our approach to managing risks of modern slavery

### Training and Development

A commitment to the ongoing training and development of our team members is critical to our success and sustainability as an organisation. Our objective is to provide training and development opportunities to support and improve our ability to continually attract, grow, retain, and support our team members.

We have continued to make significant progress on the content development of our foundation training modules, designed to create awareness and education in the areas of workplace safety, compliance, and legislative requirements. These are digitally integrated into our online learning management system and cover:

- Bullying & Sexual Harassment framework
- Safety
- Customer Aggression

In the reporting period, Accent Group dealt with 4 claims raised through the Fair Work Commission. These incidents have all been reviewed and did not relate to any indicators of modern slavery.



## 5. Assessing the effectiveness of our actions

Although we have matured our due diligence procedures throughout the reporting period, we acknowledge we are still in the early stages. Assessing the effectiveness of our actions is a key step in ensuring the progress we are making is having the intended effect.

We have undertaken the following steps in determining the effectiveness of our actions:

- Implemented a software platform called OSC (Our Supply Chain) which enables us to record and manage audit data of our suppliers and factories across Accent Group owned brands. Through this system we run a “status report” that enables us to track the status of audit reports and associated corrective action plans.
- Monitored and communicated to suppliers that our central Ethical Sourcing email provides them with a line of communication to contact us regarding our approach to ethical sourcing and/or raise any grievances.
- Presented outcomes to Accent Group’s Audit and Risk Committee who have provided guidance and ensured a focus is maintained across the business on our due diligence activities.

Throughout the year we did not receive any notification of a grievance or complaint regarding a potential modern slavery incident through any of our escalation pathways (i.e. the Whistle-blower channel, ethical sourcing inbox, or audit reports reviewed).

We will continue to monitor our activities and implement processes to determine whether our approach to assessing and addressing the risks of modern slavery in our operations and supply chains is effective.



## 7. Future actions

Accent Group has adopted a continuous improvement approach regarding our modern slavery risk management. This approach is encouraged by the Act and aligns with our ESG Framework commitments to building and maintaining sustainable business practices. We recognise that addressing modern slavery risks is a challenging and complex process and are committed to strengthening our approach over time. We will continue to identify areas to improve and seek out opportunities to collaborate with other organisations in our industry moving forward.

Last year we made several commitments for FY23, and we are pleased to report that we have progressed many over the past twelve months. That said, there is still work to do.

**Table 3 – Progress against commitments in FY23**

FY22 Commitment	Our Progress in FY23	Our FY24-25 Commitment
<i>Formally setting expectations with our suppliers</i>	We have reviewed and updated our Ethical Sourcing Policy. We have translated this policy into Chinese as over 90% of Accent Owned Brands are based in China.	We will distribute the updated Accent Group Ethical Sourcing Policy and prioritise suppliers of Accent Owned Brands
<i>Undertaking a deep dive assessment of higher risk supply chain categories</i>	We formally adopted the OSC system to record supplier and factory information along with the outcome of audit reports for Accent Group owned brands. These reports have been reviewed by the Accent team and we have worked with suppliers on corrective action plans.	We will use the OSC system to further refine our Supplier Register across Tier 1 and Tier 2, where possible, to gather deeper insights into the supply chain and utilise this to enhance our risk assessment and corrective action plans.
<i>Implementing targeted due diligence activities in higher risk supply chain categories</i>	We will use the outcomes of supplier audits to create corrective action plans with our suppliers across Accent Group owned brands.	We will continue to work with suppliers on corrective action plans. Continued non-compliance to the corrective action plan will influence which suppliers we continue to partner with.
<i>Gaining a deeper understanding of the activities of brand partners</i>	Our Brand teams were trained on the principles of Modern Slavery and our responsibilities under the Act.  These teams are collecting Modern Slavery disclosures from their respective Brand partners to ensure we better understand the activities of our Brand partners.	We will continue to establish modern slavery as a discussion topic in our meetings with exclusive and non-exclusive brand partners.  We will continue to train our key team members to have these conversations with suppliers across Accent Group.
<i>Delivering training for our people</i>	We conducted Modern Slavery training during the reporting year with a focus on developing and working through Corrective Action Plans for suppliers of Accent Owned Brands team.  We also extended the training to the Brand managers of our Global Distribution Partners	We will develop a Modern Slavery and Ethical Sourcing training module and make it available to team members via the newly developed Accent Group Learning Management System.

# 7. Future actions

FY22 Commitment	Our Progress in FY23	Our FY24-25 Commitment
<i>Developing our grievance mechanisms and approach to remediation</i>	We have translated our Ethical Sourcing Policy into Chinese given that over 90% of suppliers of Accent Owned brands are based in China.	We will review our grievance mechanisms.
<i>Adjusting our due diligence process to formally consider modern slavery before entering into any significant supply contracts</i>	A Modern Slavery assessment was conducted when we signed new key supplier relationships such as: new distribution brands, third party outsourcing contracts and other key suppliers across the Group.	We will continue to ensure that the formal assessment of modern slavery is embedded into the due diligence process, so that modern slavery risks can be assessed before we enter into a relationship for new distribution brands or any significant supply contracts.



## 8. Appendix A – list of Accent Group subsidiaries

Name	Principal place of business/ Country of incorporation
The Athlete's Foot Australia Pty Ltd	Australia
TAF Constructions Pty Ltd <sup>(a)</sup>	Australia
RCG Brands Pty Ltd	Australia
RCG Retail Pty Ltd	Australia
TAF eStore Pty Ltd <sup>(a)</sup>	Australia
TAF Partnership Stores Pty Ltd <sup>(a)</sup>	Australia
TAF Rockhampton Pty Ltd <sup>(b)</sup>	Australia
TAF Eastland Pty Ltd <sup>(b)</sup>	Australia
TAF The Glen Pty Ltd <sup>(b)</sup>	Australia
TAF Hornsby Pty Ltd <sup>(b)</sup>	Australia
TAF Hobart Pty Ltd <sup>(b)</sup>	Australia
TAF Booragoon Pty Ltd <sup>(b)</sup>	Australia
Accent Group Ltd <sup>(c)</sup>	New Zealand <sup>(g)</sup>
Platypus Shoes Ltd <sup>(d)</sup>	New Zealand <sup>(g)</sup>
Accent Footwear Ltd <sup>(d)</sup>	New Zealand <sup>(g)</sup>
Hype DC Ltd <sup>(d)</sup>	New Zealand <sup>(g)</sup>
TAF New Zealand Ltd <sup>(d)</sup>	New Zealand <sup>(g)</sup>
Accent Brands Pty Ltd <sup>(c)</sup>	Australia
Platypus Shoes (Australia) Pty Ltd <sup>(c)</sup>	Australia
42K Pty Ltd <sup>(e)</sup>	Australia
Accent Store Development Pty Ltd <sup>(f)</sup>	Australia
RCG Accent Group Holdings Pty Ltd	Australia
Hype DC Pty Ltd	Australia
Subtype Pty Ltd	Australia
Pivot Store Pty Ltd	Australia
Accent Lifestyle Pty Ltd	Australia
Accent Active Pty Ltd	Australia
Subtype Limited (d)	New Zealand <sup>(g)</sup>
Accent Active (NZ) Limited	New Zealand <sup>(g)</sup>
Accent Lifestyle (NZ) Limited	New Zealand <sup>(g)</sup>

(a) Indirectly held through The Athlete's Foot Australia Pty Ltd

(b) Indirectly held through TAF Partnership Stores Pty Ltd

(c) Indirectly held through RCG Accent Group Holdings Pty Ltd

(d) Indirectly held through Accent Group Ltd (New Zealand)

(e) Indirectly held through Accent Brands Pty Ltd

(f) This company was renamed during the year ended 26 June 2022 (previously RCG Grounded Pty Ltd)

(g) The functional currency of these foreign subsidiaries is NZD



## 9. Appendix B – Mandatory Reporting Criteria

The below table identifies the location of material aligned to the mandatory reporting criteria in the Act within this Statement:

MRC#	Mandatory Reporting Criterion	Section	Page Number
MRC1	Identify the reporting entity	Introduction	Inside Front Cover
MRC2	<i>Describe the structure, operations and supply chain of the reporting entity.</i>	About Accent Group	2
MRC3	<i>Describe the risks of modern slavery across the operations and supply chain of the reporting entity.</i>	Risks of modern slavery in our operations and supply chains	7
MRC4	<i>Describe the actions taken by the reporting entity to assess and address these risks, including due diligence and remediation processes.</i>	Our approach to managing risks of modern slavery	11
MRC5	<i>Describe how the reporting entity assesses the effectiveness of its actions.</i>	Assessing the effectiveness of our actions	19
MRC6	<i>Describe the process of consultation with any entities that the reporting entity owns or controls.</i>	About Accent Group: Governance and Consultation	5
MRC7	<i>Provide any other information that the reporting entity considers relevant.</i>	Not Applicable	

# **Accent** **Group**

Accent Group Limited  
(ABN: 85 108 096 251)  
2/64 Balmain Street, Richmond VIC 3121  
+61 3 9427 9422  
[www.accentgr.com.au](http://www.accentgr.com.au)