



MOVING THE NEEDLE

Modern Slavery Statement FY2021



Introduction & Executive Note

Country Road Group is committed to respecting human rights throughout our operations, and in the activities within our supply chains. Despite COVID19 challenges, we continue to lead our Team and our Suppliers to embrace responsible practices and drive excellence through our Good Business Journey initiatives.

This statement is published by Country Road Group Pty Ltd on behalf of all wholly owned and controlled entities and its parent company Woolworths International (Australia) Pty Ltd (**Country Road Group**), which include the reporting entities covered by this joint statement, as listed in Appendix 1.

As these entities use the same policies and processes, operate in the same sector and share many of the same suppliers, this Modern Slavery Statement provides a single, consolidated description of their actions to assess and address modern slavery risks.

This is Country Road Group's second Modern Slavery Statement under the Australian Modern Slavery Act 2018 (Cth) (**MSA**) and sets out the actions Country Road Group has taken to understand and mitigate against modern slavery risks during the 2021 financial year from 1 July 2020 to 30 June 2021 (FY21).

Like most businesses, COVID-19 presented enormous challenges for Country Road Group in FY21. The global nature of the pandemic meant that both our operations and our international supply chains were significantly impacted. The COVID-19 pandemic likewise introduced increased challenges to Country Road Group's efforts to assess and address the risks of modern slavery. For example, COVID-related restrictions prevented many on-site and in-field assessments and largely made on-site, in-person, training unachievable.

But notwithstanding, and despite these challenges, Country Road Group took some significant steps in FY21 to further understand and address the risks of modern slavery.

Significant milestones achieved in FY21



Built and tested a traceability tool



Partnered with international experts to develop overtime hours guidance



Tracked and published migrant worker metrics



Implemented a factory level grievance mechanism pilot



“Country Road Group has made definite progress in FY21 in our commitment to respond to the risks of modern slavery in our operations and supply chain”

At Country Road Group we believe the most effective way to minimise the risk of modern slavery occurring is to know and understand our suppliers and their workers. In FY21 we have looked deeper into our supply chains onshore and offshore to identify further supply chain actors, to increase our assessments of these suppliers and listen to their workers. We worked with specialist international third-party providers to deliver virtual and in-person training and guidance to our suppliers and their factories, and looked at how to empower workers to voice their views.

Country Road Group has made definite progress in FY21 in our commitment to respond to the risks of modern slavery in our operations and supply chain, but we recognise there is further work to undertake and remain dedicated to seeking continuous improvement in our actions.

In preparing this statement, Country Road Group has consulted with the relevant leadership and office holders of the entities listed in Appendix 1, who have agreed on the actions taken against modern slavery as set out in this statement.

On behalf of the Board of Country Road Group Pty Ltd, Country Road Clothing Pty Ltd, Witchery Australia Holdings Pty Ltd, Witchery Holdings Pty Ltd, Witchery Fashions Pty Ltd, Mimco Pty Ltd and Woolworths International (Australia) Pty Ltd, this statement and its contents are formally acknowledged and approved by the Board of Country Road Group Pty Ltd on 15 December 2021 and signed accordingly by:



Ramana Murthy Raju Vuppalapati
Director of Country Road Group Pty Ltd
and each Reporting Entity

Structure & Reporting Entity statement

Country Road Group Pty Ltd (Country Road Group) is an Australian company (ACN 006 759 182) registered in Melbourne, Victoria. This statement has been published in accordance with the Modern Slavery Act 2018 (Cth) (MSA) and describes the actions taken from July 1st, 2020, to June 30th, 2021, by Country Road Group, its Australian parent entities, and all of its owned and controlled companies to assess and address modern slavery risks.

All these entities operate in a similar manner and are collectively reported on throughout this statement. This joint statement is made on behalf of the reporting entities Country Road Group Pty Ltd, Country Road Clothing Pty Ltd, Witchery Australia Holdings Pty Ltd, Witchery Holdings Pty Ltd, Witchery Fashions Pty Ltd, MIMCO Pty Ltd, Woolworths International (Australia) Pty Ltd.

For clarity, David Jones Pty Ltd (David Jones) and its associated entities, which are also, like Country Road Group, ultimately owned by Woolworths Holdings Limited (WHL), will report separately via their own modern slavery statement. There is a degree of similarity between the modern slavery statements of Country Road Group and David Jones due to the centralised actions and processes undertaken by both businesses, largely via a shared head office in Melbourne, Victoria.



STRUCTURE, OPERATIONS AND SUPPLY CHAINS



Country Road Group

The Country Road Group consists of some of Australia's most iconic and most loved fashion retail brands Country Road, MIMCO, POLITIX, Trenery and Witchery.

Our Structure

Country Road Group Pty Ltd is an Australian company (ACN 006 759 182) operating in the apparel, accessories and homewares retail sector and headquartered in Melbourne, Victoria.

Country Road Group's corporate structure and entities remained unchanged from FY20¹. Country Road Group's ultimate parent company is Woolworth Holdings Limited, a South African business listed on the JSE (which is not a reporting entity for the purposes of this statement). The highest reporting entity in our Australian corporate structure is Woolworths International (Australia) Pty Ltd.

Country Road Group comprises five customer-facing brands operated by the following wholly owned subsidiaries of Country Road Group:

- Country Road Clothing Pty Ltd (ACN 005 419 447) – trading as COUNTRY ROAD and TRENERY
- Witchery Fashions Pty Ltd (ACN 006 897 230) – trading as WITCHERY
- MIMCO Pty Ltd (ACN 067 573 291) – trading as MIMCO
- Cicero Clothing Pty Ltd (ACN 614 757 327) – trading as POLITIX

With the exception of Cicero Clothing Pty Ltd these entities are all reporting entities for the purposes of the MSA 2018. In addition, Country Road Group and the entities listed above own, control and operate various Australian subsidiary entities who are non-reporting entities under the Act. These subsidiary entities undertake a range of functions such as warehousing, logistics and property.

¹ <https://modernslaveryregister.gov.au/statements/file/d6c9eb65-1ada-4127-99e2-b96f10eb47e0/>



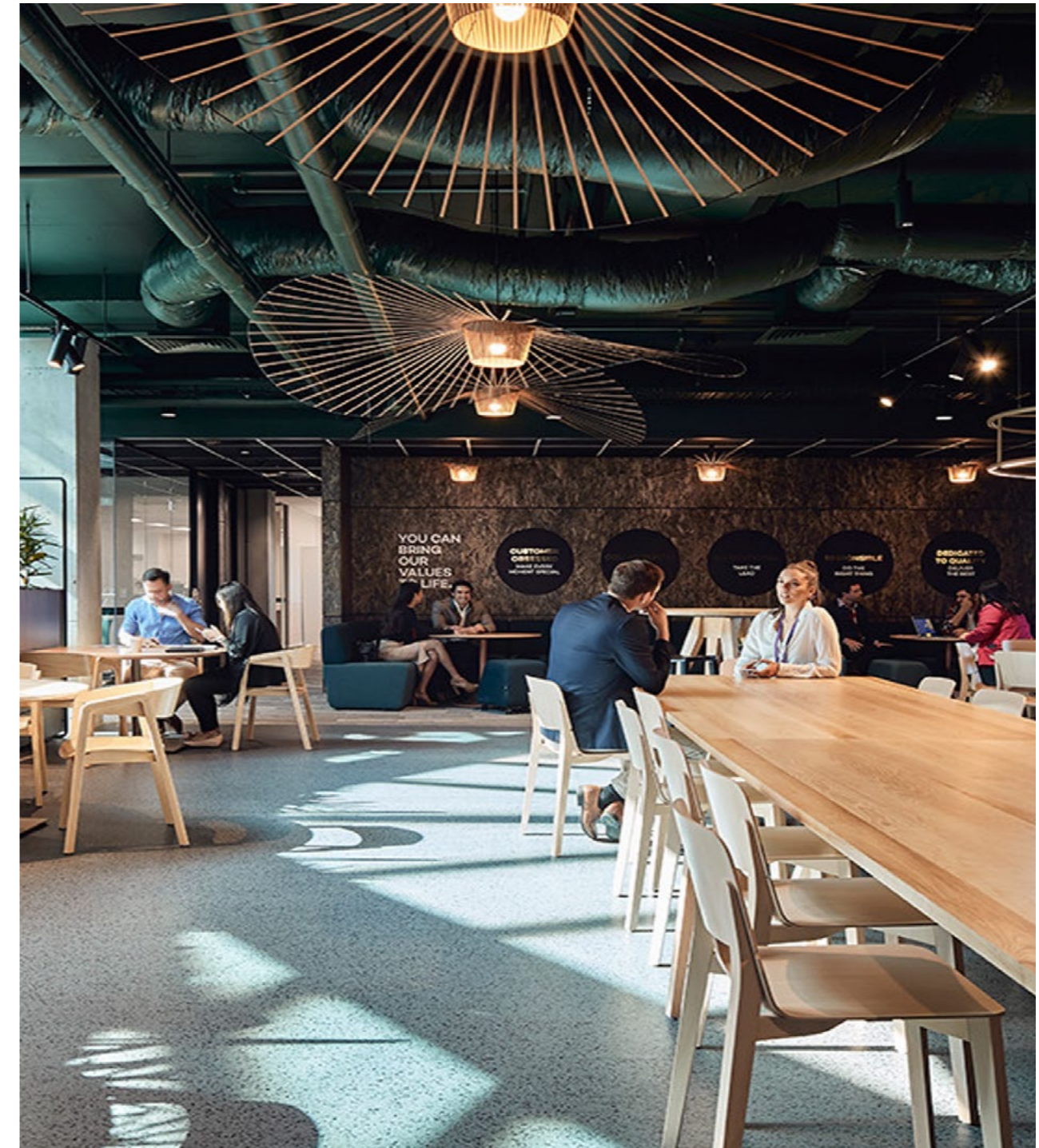
“The Country Road Group employs staff within stores, at our head office support centre in brand-specific and shared services roles and at our Omni Fulfillment Centre (OFC).”

The Country Road Group employs staff within stores, at our head office support centre in brand-specific and shared services roles and at our Omni Fulfillment Centre (OFC).

Country Road Clothing Pty Ltd, Witchery Fashions Pty Ltd, Mimco Pty Ltd, Cicero Clothing Pty Ltd are our retail operating companies. Each entity engages in designing, developing and purchasing products, goods and services, and are responsible for the retail activities at our branded stores, concession pads (in David Jones stores) or via our e-commerce channels. Each of these entities employ staff, lease and operate retail stores, design and develop products that we sell, and partner with suppliers on goods and services to support our operations. All these entities operate in a similar manner and are collectively reported on throughout this statement.

Retail Brand Employees as at 30 June 2021

Retail Employees	No of Employees	
	Australia	New Zealand
Country Road Clothing ²	3630	331
Politix	525	13
Witchery	1192	96
Mimco	741	4
Country Road Group Logistics (OFC)	111	0



² Includes COUNTRY ROAD and TRENERY brands



“In FY21, we operated over 650 retail and concession stores across Australia and New Zealand³ and collectively our brands directly employed over 6,600+ team members in Australia and New Zealand”

Our operations

Headquartered in Melbourne, our operational activities range from creating initial fashion and marketing design concepts through to warehousing and fulfilling customer orders either instore or from our omni fulfilment centre which we own and operate. Country Road Group does not directly manufacture goods, but rather engages with a range of suppliers for the manufacture of goods sold under our five brands, such as apparel, footwear, homewares and other accessories.

In FY21, we operated over 650 retail and concession stores across Australia and New Zealand³ and collectively our brands directly employed over 6,600+ team members in Australia and New Zealand across our retail network, in our Melbourne based omni-fulfilment centre and in the head office support centre. With growth of orders received online,

fulfillment has relied upon the combined service of the omni-fulfillment service and fulfilment from stores. Our team members’ roles include retail services, design, production, IT, customer service, merchandising, retail operations, marketing, e-commerce, sourcing, sustainability, legal, risk, finance and executive management. These team members are directly employed on either a full-time, part-time or casual arrangement under Enterprise Bargaining Agreements, relevant Awards or Individual Employment Contracts depending on their position and work location.

Country Road Group employees and operations



³ Country Road Group products are sold via concession stores in South Africa. The staff of these stores are engaged by a South African based entity on South African employment terms and the staff and stores are managed by WHL.

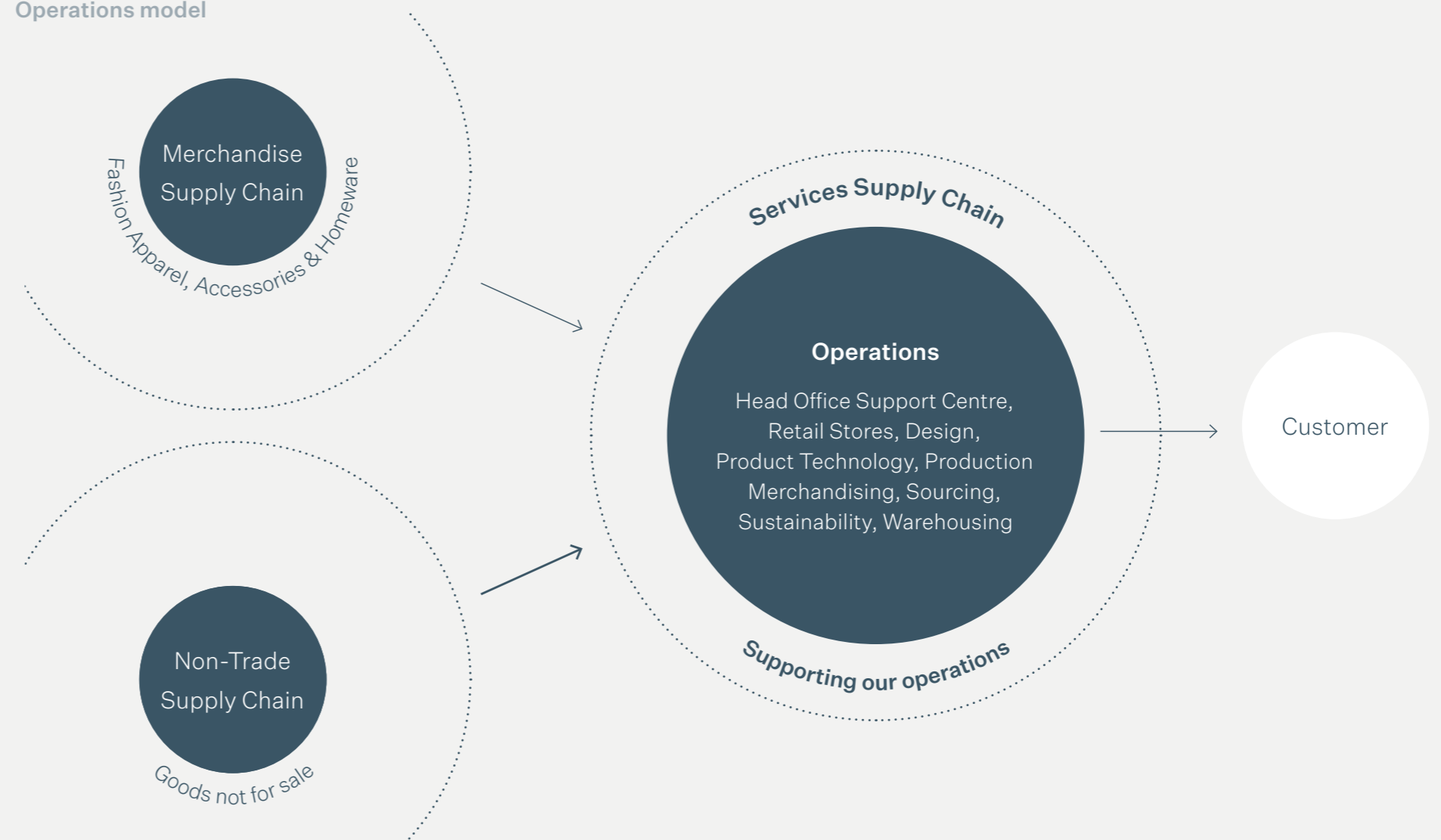


Our operations also include the use of indirect workers engaged via third-parties to provide services to support the ongoing activities of our operations. These indirect workers may include labour-hire in our omni-fulfillment centre or cleaning and security services across our store and support centre sites. More information about these services is included in the following section on our supply chains.

Since our FY20 Modern Slavery Statement, there has been no significant changes to our operations.

Country Road Group employs staff within stores, at our head office support centre in brand-specific and shared services roles and at our Omni Fulfillment Centre (OFC).

Country Road Group Operations model





“Non-trade goods and services that we procure for the support of the operations of our business activities were obtained from over 270 major suppliers⁴”

Our suppliers and supply chains

Our supply chains span the globe and can be widely varied and complex. Country Road Group partners with extensive product supply chains for the manufacture and supply of merchandise for retail. This includes apparel, accessories, footwear and homewares. We also engage in “non-trade” procurement of goods and services (such as cleaning services for offices and stores) to support the operations of our businesses. This section describes both these elements of our supply chain.

Our Non-Trade Procurement (NTP) goods and services

+270
Major NTP Suppliers represent more than 85% of NTP spend

46%
of total NTP spend represented by logistics

Non-trade goods and services that we procure for the support of the operations of our business activities were obtained from over 270 major suppliers⁴ across eight major categories of non-trade procurement throughout the reporting period. The majority of these suppliers have their businesses incorporated and located in Australia, however the non-trade goods and services that we procure may involve both domestic and international activities.

The key categories (by spend) of goods and services that we procure within our Non-Trade categories include:

- Logistics services, including merchandise freight and distribution
- Information Communication Technology (ICT) equipment including computers, digital applications, and telecommunications
- Marketing materials and services such as creative advertising services and photography services
- Instore fixtures and fittings, including racks and trolleys used for moving & managing merchandise, and
- Real Estate and Facilities Management Services including cleaning and security personnel

⁴ 270 major suppliers. In excess of 400 small-scale NTP suppliers.



Our merchandise supply chain

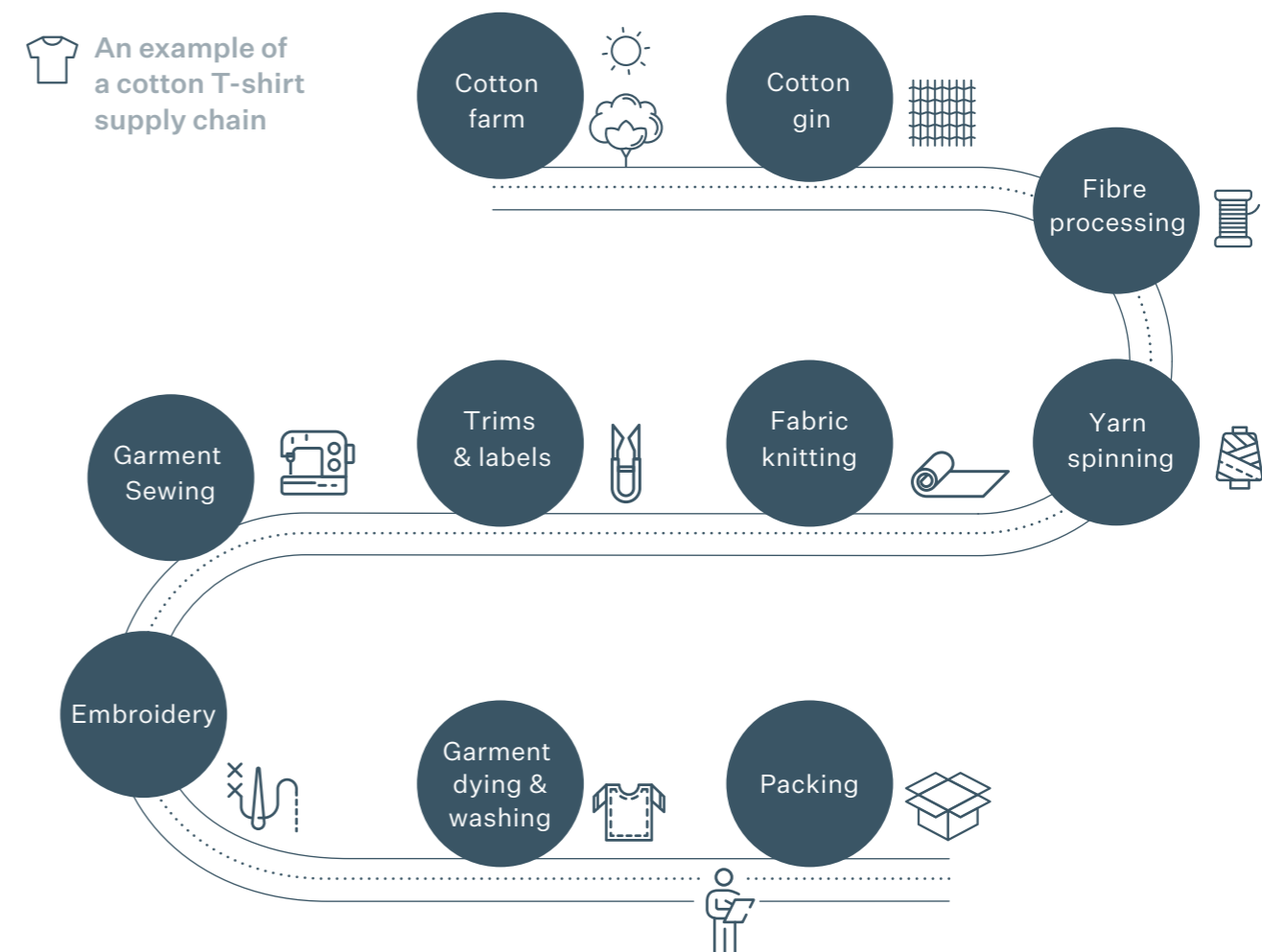
In FY21, our merchandise sourcing footprint covered 21 countries, where we partnered with 176 suppliers to manufacture our branded products in 269 finished goods factories. These suppliers may own the finished goods factory that makes our products, or they may sub-contract to factories approved by Country Road Group to complete the final production. The product range includes apparel, footwear, fashion accessories and homewares. Materials used in these products include many natural textile fibres (E.g. cotton, wool, linen), man-made textile fibres (E.g. polyester, nylon) and non-textile materials (E.g. leather, wood, glass).

Our contractual trading arrangements are primarily with our direct Tier 1 suppliers. We do also have contractual arrangements with some nominated fibre and fabric suppliers beyond our Tier 1 suppliers. However, we do not have direct relationships with every entity involved in the complex supply chains of our products.

Across the range of products that we design, each of the steps involved in manufacturing are often different and nuanced depending on the product type, design and style, or the materials used. For example, the following diagram shows the range of activities involved in a typical cotton T-shirt supply chain.

The connections between participants in the production supply chain are often complex and convoluted. Each stage of production may occur in singular or multiple countries and regions. Fibres may be grown in one country, shipped to another for converting into yarns before being woven into fabrics elsewhere. Some factories are vertically integrated and conduct multiple stages of production within the one facility. However, many supply chain participants specialise in certain aspects of production and act as component or service providers to other supply chain actors.

“Across the range of products that we design, each of the steps involved in manufacturing are often different and nuanced depending on the product type, design and style, or the materials used.”





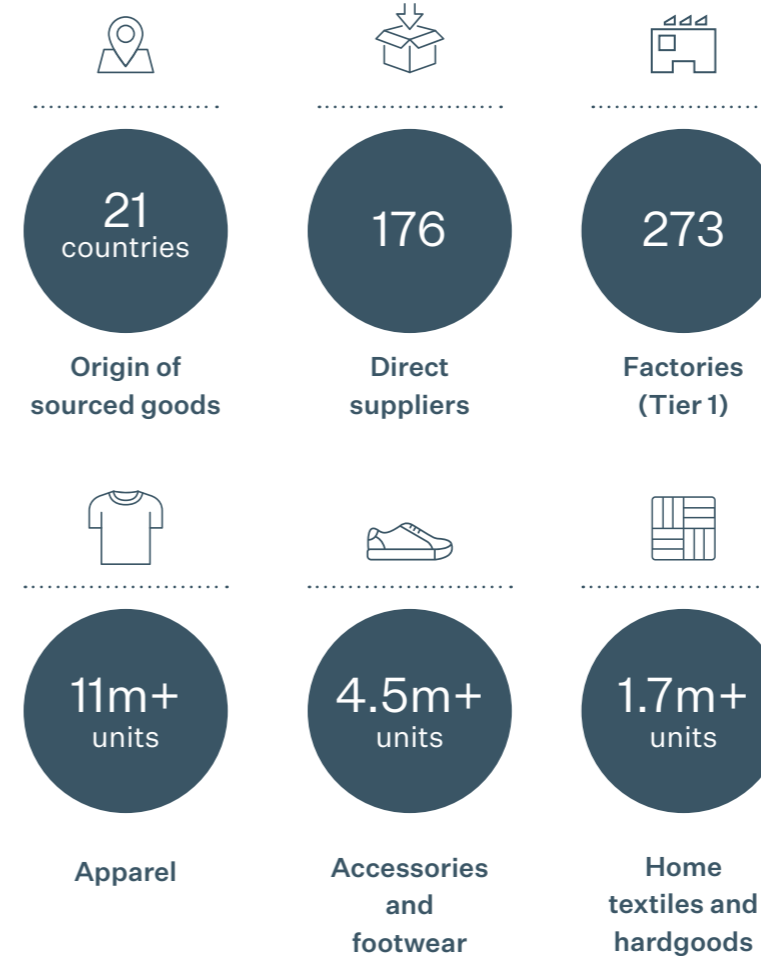
“Our commitment to improving the transparency of our supply chains continues to be a major focus for our business.”

The continuing challenges of COVID-19 throughout FY21 forced changes and flexibility in our supply chain. The mix of products we designed, developed, and procured were constantly adjusted to accommodate the changing needs of customers. Operating restrictions, store closures, localised and state-wide lockdowns imposed due to COVID led to a reduction in units sourced, modifications to styles & designs, and consolidation of sourcing regions, suppliers and factories.

Our commitment to improving the transparency of our supply chains continues to be a major focus for our business. A list of factories where we produce our products is publicly available on the group website [here](http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm)⁵. In addition to this list, the majority of our brands continue to build greater levels of supplier transparency⁶ on their individual websites which includes maps of production locations, information on the manufacturers, farmers, raw material sources and the processes involved in the production of goods⁷.

FY21 Merchandise - Supply statistics

Country	% of units ⁸	Factories (Tier 1)
China	87.4%	181
Bangladesh	3.9%	10
Thailand	2.0%	3
India	1.7%	31
Indonesia	1.3%	3
Vietnam	1.0%	10
Australia	0.7%	15
Other countries	2.0%	20

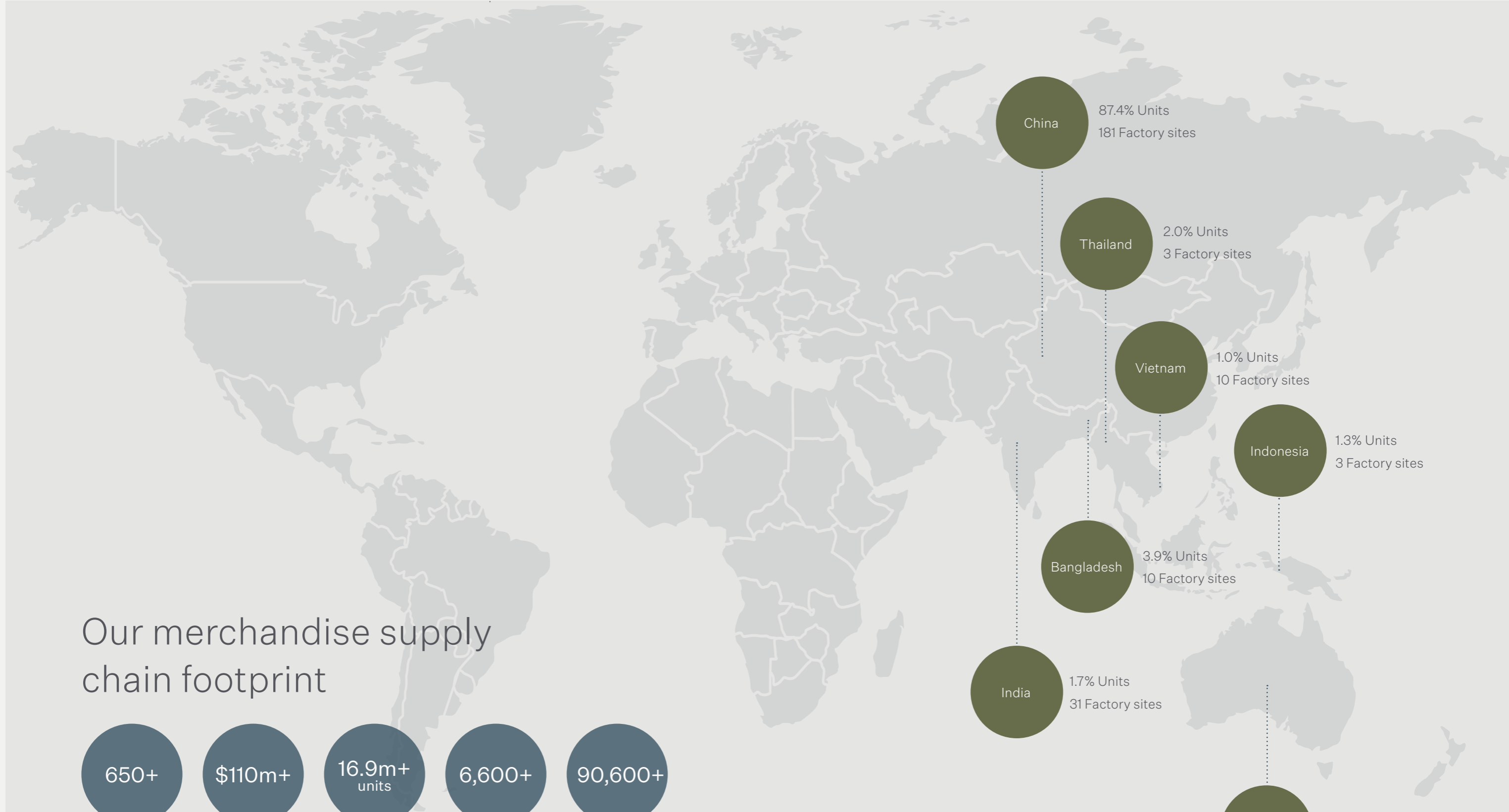


⁵ <http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm>

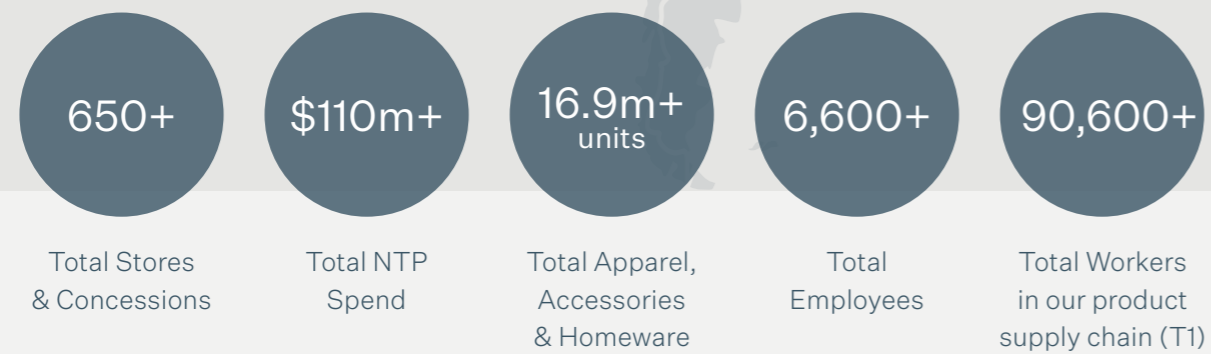
⁶ Building towards transparency by providing additional supply chain connectivity (where available)

⁷ <https://www.countryroad.com.au/our-world/supplier-map/>, <https://www.trener.com.au/behind-the-brand/our-mills/>, <https://www.witchery.com.au/know-your-clothes/supply-chain/>

⁸ “Unit” means an item of merchandise sourced for retail sale



Our merchandise supply chain footprint





MODERN SLAVERY RISKS



Modern slavery risks in our supply chains and operations

Country Road Group recognises that the risks of modern slavery exist in the operations and supply chains of all businesses, including our own. We take an active role in identifying, assessing and addressing these risks.

This section outlines key potential areas of modern slavery risk in the operations and supply chains of the Country Road Group. Whilst our entities and their brands operate in a similar method, each of these entities' specific operations may vary, including due to the locations of their stores and supply chains, or the origins and types of raw materials used in the production of goods. These factors may impact the modern slavery risk profiles of specific entities within the Group. However, there are broad commonalities in the operations and supply chains across the Group and we work to understand and address our risks on a whole-of-group basis.

Modern slavery describes 'situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom'.⁹ The MSA defines modern slavery as including eight forms of serious exploitation, which are explained in Appendix 2. Consistent with the [UN Guiding Principles on Business and Human Rights](#) (UNGPs) and the Australian Government's [official guidance](#) about the MSA, we understand modern slavery risks to mean the risk that we may 'cause', 'contribute to', or be 'directly linked to' modern slavery. These terms are explained in the following table.

Key term	Explanation	Hypothetical example relevant to the fashion sector
Cause	A business may cause an adverse human rights impact, such as modern slavery, where it causes the impact through its own activities or omissions.	For example, a logistics company could cause modern slavery by exploiting its workers used to crew shipping vessels.
Contribute to	A business may contribute to an adverse human rights impact, such as modern slavery, where its actions or omissions facilitate or incentivise the impact to the extent that it would have been unlikely to occur without them.	For example, a fabric wholesaler could contribute to modern slavery where it requires its suppliers to reduce costs to a level that could only be achieved by using exploited workers.
Directly Linked to	A business may be directly linked to an adverse human rights impact where it is connected to the impact through the actions of another entity with which it has a business relationship (such as a supplier).	For example, a fashion company could be directly linked to modern slavery where its supplier manufactures garments made using raw materials produced by a third supplier with modern slavery.

⁹ [Australian Government Guidance for Reporting Entities](#)



“We continue to explore additional methods to further enhance our understanding of our modern slavery risk profile”

We recognise that modern slavery does not occur in isolation and can often be to be connected to other breaches of human rights, including in relation to decent work. We are committed to understanding and addressing our modern slavery risks as part of our broader efforts to respect human rights, including by integrating our assessments, actions and responses to modern slavery within our broader ethical sourcing and human rights program.

Using the above framework to review our operations, our supply chains risks and due diligence actions, the assessment undertaken concluded that Country Road Group is unlikely to Cause or Contribute to instances of modern slavery in its supply chains or operations. The Country Road Group modern slavery risks (as described in our FY20 Modern Slavery Statement¹⁰ and within this FY21 statement) are more likely to be categorised as “*Directly Linked*”. This is due to risks sitting deeper within our supply chains where the actions of our suppliers and their sub-suppliers may be Causal or Contributive to instances of modern slavery.

We continue to explore additional methods to further enhance our understanding of our modern slavery risk profile and inform our modern slavery risk management approach.

These strategies include:

- Monitoring global news regarding human rights, forced labour and modern slavery issues
- Connecting with industry peers, NGO’s and multi-stakeholder initiatives to stay abreast of the ever-changing risk landscape
- Consulting and utilising our risk screening and monitoring technology partners (such as ELEVATE)
- Ongoing monitoring of our suppliers by maintaining diligent and robust factory audits and Self Assessment Questionnaires (**SAQs**), and
- Engaging with notable global experts to continually challenge our procedures and redirect our efforts to address risks

Further information about these actions is set out in subsequent sections of this statement.

¹⁰<https://modernslaveryregister.gov.au/statements/file/d6c9eb65-1ada-4127-99e2-b96f10eb47e0/>

**Modern slavery risks**

In FY20, we undertook a risk assessment with an expert third-party organisation to identify potential areas of modern slavery risk across our operations supply chain. Further information about this assessment is included in our FY20 statement. Applying information gathered from this risk assessment and reviewing the ongoing activities in our operations and supply chains, we consider the most likely types of modern slavery for the Country Road Group in the FY21 reporting period are:

- Forced labour
- Bonded labour
- Deceptive recruiting
- Child labour¹¹

Underlying factors and indicators that drive these risks include:

- Use of migrant labour or unskilled labour in supply chains (including the production of raw materials) where workers are more vulnerable to exploitation
- Unauthorised subcontracting which could lead to unknown actors involved in the provision of goods or services who may be engaged in modern slavery
- Potential involvement of children in extended supply chains, including in hazardous or harmful work, such as the production of raw materials
- Extreme working conditions such as excessive overtime hours or lack of rest days
- Underpayments of wages or social insurances, and
- Lack of transparency and willingness to collaborate

¹¹Modern Slavery Act 2018 (Cth) defines “the worst forms of child labour”, however the reference above to “child labour” refers to more prevalent general child labour risks



We monitor both macro risks and any specific risks that may be associated with the businesses engaged in our operations and supply chains. We source information on these risks from various resources including desktop research, media monitoring, industry expert advice, multi-stakeholder initiatives, non-government organisations, industry partners, peers and our suppliers. We are conscious of COVID-19 and the associated modern slavery risks heightened by the pandemic both internationally and domestically.

The global clothing and textile industry has been largely dependent on human labour. Globalisation of supply chains has increased the global exposure to modern slavery risks in emerging economies which have built their competitive advantage through the supply of low-cost labour and international trading arrangements.

The correlations between low skilled labour and labour-related issues occurring through the exploitation of an uneducated and vulnerable workforce has been widely documented.





We seek to directly assess and address these particular risk indicators through our contractual agreements, codes and policies, our Approved Factory Program (**AFP**), broader ethical sourcing actions with our suppliers, and via our employment arrangements with our direct workforce.



Potential modern slavery risk areas

We recognise that modern slavery risks can occur in entities' operations, as well as their supply chains. However, we have assessed the risks of modern slavery occurring in our in our direct operations (including our retail stores, head office support centre and the direct employment of our staff) as low. This reflects the strong controls we have in place, which include employment contracts with all our directly employed team members which are aligned with either an Enterprise Bargaining Agreement, relevant Award or Individual Employment Contract. We also comply with relevant workplace laws, including the Australian Fair Work Act. Our people team regularly review our employment agreements and our internal people policies to ensure that they meet, and where possible exceed, legal requirements.

As set out in the accompanying table, we recognise that broader elements of our operations, including engagement of services providers to support our activities, may pose potential modern slavery risks.

Risk areas in our operations	
Context	Potential hypothetical examples
 <p>Industry risk factors</p>	<p>We engage service providers to support our operations from industries recognised as having higher modern slavery risks, including cleaning, security and labour hire for our stores & omni fulfilment centre.</p> <ul style="list-style-type: none"> • Cleaning and security services providers or their subcontractors could exploit workers providing services on Country Road Group sites • Labour hire workers engaged through third parties to work in our omni-fulfilment centre could be exploited by the labour hire provider
Risk areas in our supply chain	
Context	Potential hypothetical examples
 <p>Geographic risk factors</p>	<p>We source and procure merchandise and goods that are not-for-retail from a range of countries, including countries which may have a higher vulnerability to modern slavery due to factors such as poor rule of law.</p> <ul style="list-style-type: none"> • Workers producing raw materials such as cotton and ceramics in our extended retail supply chain could be subject to exploitation • Workers involved in manufacturing activities in our extended retail supply chain (such as factory workers) could be exploited by factory managers
 <p>Industry risk factors</p>	<p>The garment and footwear sector is recognised as a high risk sector for modern slavery globally, including due to the widespread use of migrant labour and high levels of subcontracting. There are also risks associated with the transport and logistics sector, including in relation to the warehousing and shipping of merchandise and other products.</p> <ul style="list-style-type: none"> • Logistics workers involved in the warehousing and distribution of products (including seafarers) could be subject to exploitation • Workers involved in the manufacturing of not for retail products such as IT equipment could be subject to exploitation (including workers involved in the sourcing of raw materials)
 <p>Commodity risk factors</p>	<p>Key agricultural commodities have been widely documented to be of higher risk of potential modern slavery. This includes the harvesting and cultivation of cotton, and the collection of PET bottles used to make recycled polyester.</p> <p>By example: The Country Road Group is aware of the global focus on high risk regions for sourcing cotton: Particularly in relation to cotton from the Xinjiang Uyghur Autonomous Region in China. Efforts to identify and address these risks include Supplier awareness & action workshops, our approved factory program (AFP) and the beyond Tier-1 traceability project (described below).</p>

Additional human rights and environmental risks also sit outside of the above noted risks. We continue to monitor the risks in our businesses as well as at a corporate group level, although we note that directly identifying situations of negative human rights issues or potential instances of modern slavery were made harder during the reporting period, with COVID related restrictions preventing on-site and in-field assessments. Many of these additional risks are identified and noted within our Good Business Journey Sustainability Reports¹² published by our parent company Woolworths Holding Limited (WHL) headquartered in Cape Town, South Africa.

¹²<https://www.woolworthsholdings.co.za/sustainability/reports/>



ASSESSING AND ADDRESSING RISKS



Assessing and addressing risks of modern slavery

This reporting period, we took a practical approach to develop and trial new activities to extend our efforts to assess and address modern slavery and broader human rights.

We recognise that modern slavery can be challenging to identify and address and we are committed to implementing practical approaches to uncover and disclose modern slavery risks in our supply chains and operations.

We work to identify, assess, and address modern slavery and broader human rights risks in an agile and adaptive manner. This section of the statement: explains how we have integrated modern slavery into our governance structure; outlines our policy framework; and explains our due diligence and remediation processes.

Governance

Human Rights responsibilities (including in relation to modern slavery) are managed at the highest level across our companies and are integrated into our governance framework. The board of Country Road Group is directly responsible for the activities taken by all owned and controlled Australian entities to assess and address modern slavery risks, including our reporting obligations under the MSA. Our parent company, WHL, also has direct oversight on modern slavery through the WHL Social and Ethics Committee.

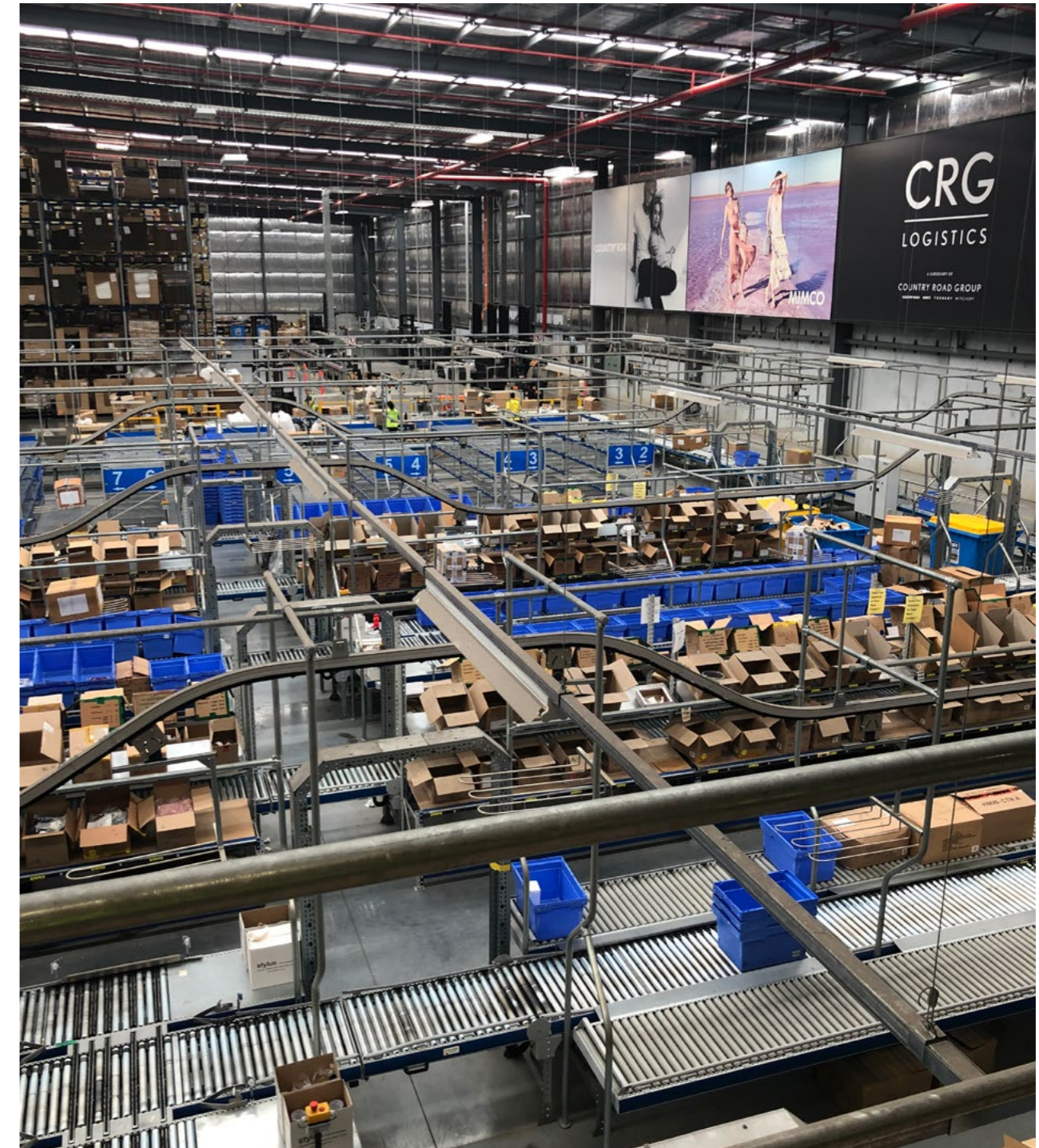




“we continually review all the existing risks and mitigation strategies at a more granular level to assess the effectiveness of current controls and identify opportunities for improvement.”

Towards the end of this reporting period, the Country Road Group Executive Team elevated “Modern Slavery” (as a subset of our “Good Business Journey”) to the Corporate Risk Register. This places our Good Business Journey on the highest-level agenda for our companies and continues to elevate the voice of human rights (including in relation to modern slavery) within our business. Through being on the Corporate Risk Register, we continually review all the existing risks and mitigation strategies at a more granular level to assess the effectiveness of current controls and identify opportunities for improvement. This will become a standing agenda item on our corporate risk committee boards.

On a day-to-day basis, we monitor and manage modern slavery risks related to our business activities through our Modern Slavery Cross-Functional Team (CFT). The CFT, comprising representatives from Human Resources, Legal, Risk and Ethical Sourcing Teams, meets on a monthly basis to share information on modern slavery actions across the business, to embed modern slavery and broader human rights knowledge deeper into our businesses, and to provide key inputs and consultation into the development of this statement. Updates are provided to senior executives including the CEO, Company Secretary, Executive Committee, General Counsel, Global Head of Sourcing and Group Chief Operating Officer.



Country Road Group's Omni Fulfillment Centre



“The suite of codes helps to effectively manage modern slavery and human rights risks in our supply chains and our operations.”

Policy controls

Country Road Group has a clear set of codes, policies and protocols with which our people and suppliers are required to adhere. These codes and policies operate equivalently and consistently across the full group, including owned and controlled entities. The suite of codes helps to effectively manage modern slavery and human rights risks in our supply chains and our operations. We understand that the implementation of these policies should focus not only on the risks to the business, but on preventing and addressing risks to people.

Policy, Protocol or Mechanism	Description
Employment Contracts	Formal legal agreements between Country Road Group and employees which clearly specifies each party’s responsibilities including in regard to adherence to laws, our codes and policies
Employee Code of Conduct	Details the standards of behaviour and ethical conduct expected of employees
Workplace Behaviour and EEO Policy	Set out obligations to behave appropriately in the workplace and provides guidelines on how to access support and how to resolve a complaint
Discrimination, Harassment and Bullying Policy	Provides guidelines and processes for resolution of concerns in relation to workplace behaviour
Whistleblower policy	Provides guidance on how improper or criminal conduct (such as instances of modern slavery) can be confidentially disclosed and will be investigated
Grievance and Dispute Resolution Policy	Designed to raise awareness about, and provide a fair and just working environment, by ensuring that team members have access to processes for the resolution of genuine personal grievances relating to the workplace
Supplier Agreements	Formal legal agreements between Country Road Group and suppliers which clearly specifies each party’s responsibilities including in regard to adherence to laws, our codes and policies
Supplier Code of Labour Practice	Sets out the expectations of our suppliers in relation to health and safety, labour rights.
Ethical Sourcing - Approved Factory Program	Framework for all suppliers and factories to adhere to when supplying goods for sale to our business



“Compliance with the Supplier Code of Labour Practice and Supplier Agreements is monitored preventatively through the “Approved Factory Program” (AFP)”

These core documents are accessible to staff members and suppliers within either contracts or agreements, on our company intranet, through the supplier portal and in some cases, on our corporate or brand websites.

In our supply chain, Country Road Group’s Supplier Code of Labour Practice¹³ sets clear conditions-of-workplace expectations for suppliers and factories as they undergo the activities of sourcing and production. These requirements extend beyond our direct suppliers to sub-tiered suppliers, where these standards are expected to be promoted and managed.

The adoption of this Code is integrated into the local and international supplier agreements that all direct suppliers must sign prior to commencing as a supplier of goods for Country Road Group.

The Supplier Code of Labour Practice, and the Supplier Agreement, which prescribes adherence to the Code, prohibit the use of slavery-like practices, including forced labour and the exploitation of child labour. It also outlines expectations to prevent discrimination, excessive working hours, unsafe working conditions, or anti-unionisation measures that may lay the foundations for modern slavery to occur. Compliance with the Supplier Code of Labour Practice and Supplier Agreements is monitored preventatively through the “Approved Factory Program” (AFP): Involving independent third-party social compliance auditing of factories producing our products. Non-compliances identified in these audits result in a corrective plan being implemented which are then monitored to ensure all issues are rectified.

Our contractual controls help Country Road Group prevent adverse human rights impacts

by setting clear minimum requirements and creating responsible boundaries within which our suppliers agree to operate. Key contractual obligations include:

- Prohibition on unauthorised subcontracting
- Requirement that all factory sites undertake our social auditing procedures
- Obligation on all suppliers and sub-suppliers to be comply with local law or ETI base code as per procedures carried out in the auditing process
- Zero tolerance clauses included to deter use of forced labour and modern slavery like practises

There may be times where our expectations are not being met and we are committed to working with our supply chain partners to achieve change over time. If a supplier is unwilling to address breaches of our standards, or has registered a critical or zero-tolerance issue, Country Road Group has the right to terminate the trading arrangement if required.

¹³<http://www.countryroadgroup.com.au/images/assetimages/sustainability/CRG-Code-of-Labour-Practice-July-2015.pdf>



“Our people team regularly review our employment agreements and our internal people policies to ensure that they meet, and where possible exceed, legal requirements.”

CASE STUDY 1

Local supplier: Cascading our requirements

We are committed to supporting Australian businesses where possible. We also recognise that the risks of modern slavery and broader labour rights issues may still be prevalent in an Australian context.

In FY21 we worked with a supplier of home fragranced items based in Melbourne, Australia. Our business and our teams found a deterioration of communications and service levels from this business over time. A subcontracted Australian factory used by the supplier was visited, where it was discovered that the factory had no working knowledge of Country Road Group’s due diligence program or social compliance requirements. The factory was hiring gig-economy staff via digital labour hire applications without due consideration of required labour arrangements, such as not keeping adequate records in regard to payment of wages or staff members hired. We did not identify any indication of any modern slavery practices.

The factory owner was cooperative and transparent with all questions during our investigation. He informed us that no other customers or brands had visited his factory or asked these requirements of his factory. It was clear however, that in this instance the requirements of our Code had not been cascaded down through the supply chain tiers by our direct supplier as required by our Supplier Code of Labour Practice. As a result of our review of this supplier’s subcontractor’s premises and practices, this supplier/factory was placed on our de-registration list. We also informed the supplier of our concerns, and recommended greater due diligence by the supplier in its selection and education of sub-contractors.

This highlights the workers’ rights risks of informal labour in Australia.

Assessing and addressing operational risks

In our direct operations, which includes our retail stores, head office support centre and the direct employment of our staff we have assessed the risks of modern slavery occurring as low. This assessment is due to the employment contracts that we have with all our directly employed team members which are covered by either an Enterprise Bargaining Agreement, relevant Award or Individual Employment Contract, depending on their position and work location.

These employment contractual controls, along with our policies detailed in this statement, work together to ensure that we are actively reducing the risks of causing modern slavery in our operations. As our operating businesses are bound by, and work within, national laws including the Fair Work Act, National Employment Standards Migration Act and Criminal Code Act, we have assessed the risks of modern slavery occurring in our operations as low.

Our people team regularly review our employment agreements and our internal people policies to ensure that they meet, and where possible exceed, legal requirements.

Labour services in our operations

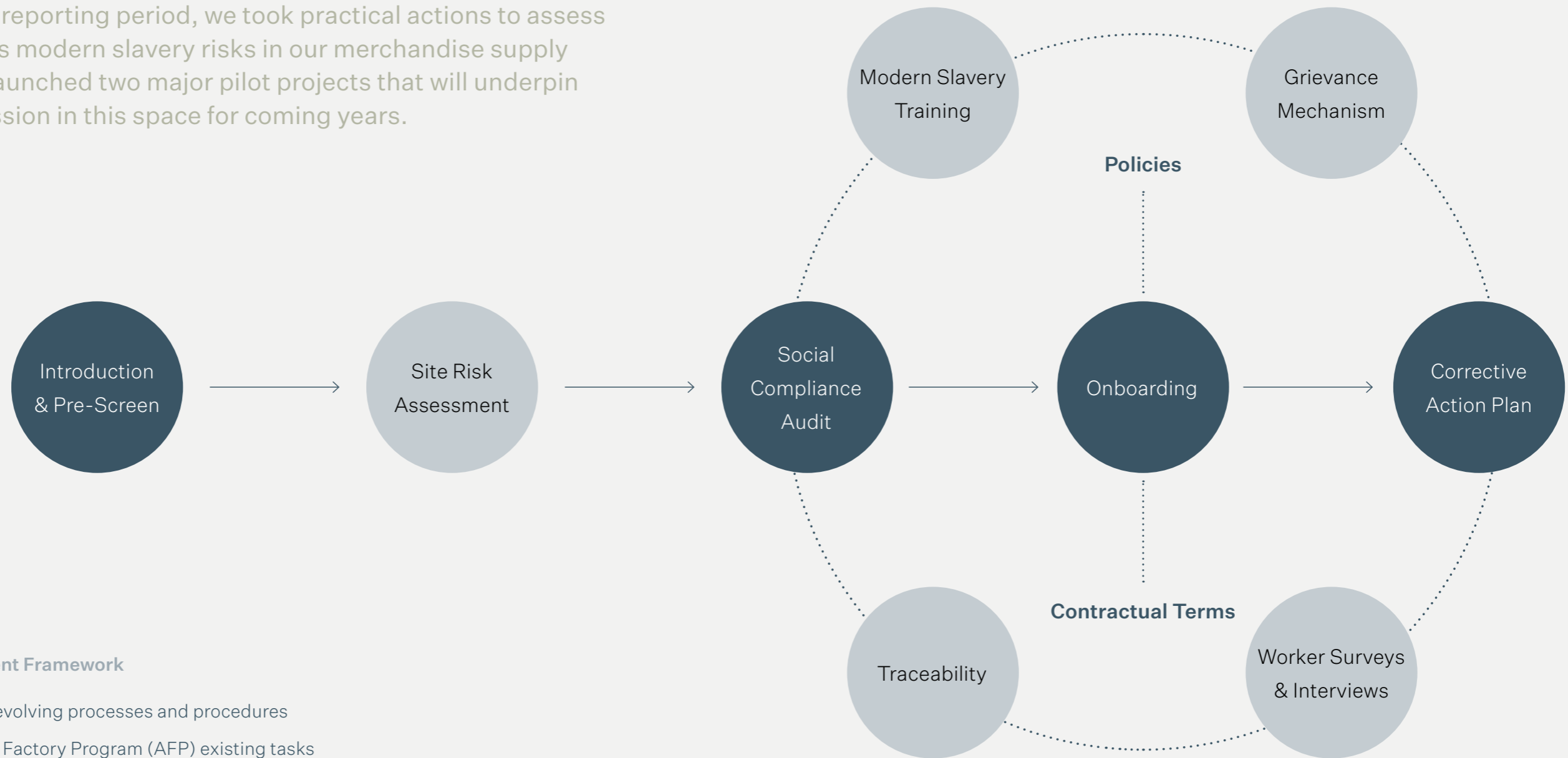
Last year, we highlighted the higher risk areas within our labour-hire services including cleaning contractors. In this reporting period, we engaged with the primary supplier of cleaning services across Country Road Group stores and support sites in Australia. As a result, clauses are included in contracts that focus on “compliance with workplace legislation” aimed at mitigating the risk of modern slavery or forced labour.

We will continue to engage with these suppliers to support them in their efforts to prevent adverse human rights impacts, and to further this work across other labour hire providers in our supply chain.



Assessing and addressing our merchandise supply chain risks

During this reporting period, we took practical actions to assess and address modern slavery risks in our merchandise supply chain and launched two major pilot projects that will underpin our progression in this space for coming years.



Risk Assessment Framework

- New and evolving processes and procedures
- Approved Factory Program (AFP) existing tasks



“social compliance audits remain an important tool for engaging our suppliers and factories.”

Our due diligence processes

We take a number of actions in our due diligence to identify and assess any actual or potential human rights impacts in our operations and supply chain. Our human rights approach, which includes modern slavery, is aligned to the concept of human rights due diligence in the UNGPs.

We understand that our supply chain operates in an environment with a higher risk of potential labour-related issues due to geographical and industry risk factors. In FY21, our AFP continued to be our primary management tool for identifying, preventing, and mitigating any violations of human rights, including forms of modern slavery.

Country Road Group’s AFP involves suppliers’ factories being assessed against nine key pillars of our Supplier Code of Labour Practice¹⁴, which is aligned to the ETI Base Code¹⁵. Assessments are carried out through a range of methods including self-assessment questionnaires and on-site audits conducted by independent certified third-parties that identify and assess actual and potential human rights risks.

Through these audits, factories are assessed to identify modern slavery workplace indicators that may lead to modern slavery. This provides our business and the suppliers’ factories with clear corrective action plans to verify, remedy and close non-compliance issues.

These factory assessments are administrated and monitored by our Head Office Ethical Sourcing Team, and findings from these assessments are recorded and reported on in both ad-hoc and regular reporting processes.

The most critical issues, where immediate interventions are required, are escalated to relevant stakeholders and our executive level for awareness, consultation and approval of actions to address issues. Resolution may include termination of supplier relationships where required, but our aim is always to work with suppliers to resolve issues where possible.

Despite generally acknowledged shortcomings associated with moment-in-time audits, social compliance audits remain an important tool for engaging our suppliers and factories. In FY21, 104 social compliance audits were completed (38% of factories), and we achieved a significant portion (53%) of factories being registered on the Supplier Ethical Data Exchange (**SEDEX**) platform: A system which provides increased visibility of factory risk profiles and enables active management of non-compliances and audit renewal schedules.

No instances of modern slavery were identified through AFP audits during this reporting period, although we did identify broader issues relating to excessive working hours and health and safety. The following section explains how we are working to address these issues.

¹⁴ <http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm>

¹⁵ https://www.ethicaltrade.org/sites/default/files/shared_resources/ETI%20Base%20Code%20%28English%29.pdf



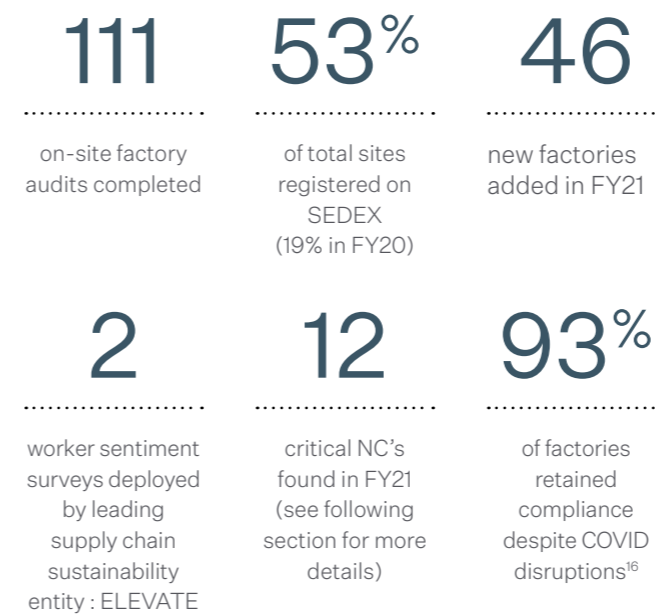
“Country Road Group sourced products from 21 countries in this reporting period: Many of which continued to suffer from the ongoing impacts of COVID-19.”

Tier 1 factories (those involved in the production of finished goods) represent an elevated risk of being linked to instances of modern slavery that then identify directly with our merchandise. For this reason, Tier 1 factories are captured in our AFP and undergo audits and assessments as part of our requirements.

As noted above, Country Road Group sourced products from 21 countries in this reporting period: Many of which continued to suffer from the ongoing impacts of COVID-19. It was noted in last year’s report that the factories we used in the production of our goods had difficulties meeting the AFP re-audit and compliance windows due to COVID restrictions.

These challenges continued in FY21 with a number of factories unable to renew their audit assessments within our 2-year window due to restrictions imposed on on-site, in-field audits. Self Assessment Questionnaires (SAQs) have been used as an interim measure to gather information and to reinforce expectations until such time as these factories can again be assessed as part of the AFP.

Summary of our Approved Factory Program for FY21



¹⁶ According to AFP control documents: Just 20 of 273 factories were unable to renew audits, mostly due to COVID disruptions



“We continue to explore processes and systems to strengthen our controls as part of our initial onboarding and continuous monitoring of our suppliers and their factories.”

Strengthening our AFP processes

Using the outcomes from the risk assessment completed by ELEVATE in 2020, in this reporting period we identified areas requiring new controls to improve monitoring and management of risks. These actions included:

- **Adding site-risk pre-screening** into our AFP process, utilising the RADAR tool within the SEDEX platform to highlight inherent risks prior to onboarding
- **Developing a critical issues tracking tool** where our Ethical Sourcing Team track critical issues within our AFP. The tool is then used within internal monthly non-compliance meetings to monitor and drive remedial action with suppliers. This is an additional measure to our previously documented process regarding non-compliances by adding a further layer of management to the remediation of issues in our supply chain

- **Creating a de-registration list** for factories who have been off-boarded due to unresolved critical issues or to being unresponsive to remedial actions. The list is used to cross-check applications for new factories and to prevent relisting those deemed unsuitable and inappropriate based on historical evidence
- **Developing and implementing a traceability tool** to identify sub-suppliers used for individual items. Further information can be read earlier in this statement *Case Study: Unlocking Traceability*
- **Deploying two worker sentiment surveys** in one new and one existing factory to attain a worker centred view on issues that may be occurring or likely to occur in the factories

We continue to explore processes and systems to strengthen our controls as part of our initial onboarding and continuous monitoring of our suppliers and their factories.

CASE STUDY 2

Overtime hours challenges

For an overseas facility supplying ceramic items to Country Road and Mimco, a factory audit identified excessive overtime hours. The extent of the excessive hours and the period over which it occurred represented a critical audit non-compliance. Efforts were made to actively engage the supplier to address the factory issues, including defining and understanding the root-causes and educating factory management teams about worker safety and the legal requirements around their non-compliances.

Through multiple conversations and prolonged correspondence between parties, the factory was unwilling to take action to address the identified issues. As such we decided to exit this factory and have since ceased purchasing products from them.

In this instance, we were unable to use our leverage as a customer to drive change. However, consistent with the UNGPs, we continue to seek to use leverage where possible to drive positive changes to supplier practices.



“we engaged with sustainability and supply chain services provider, ELEVATE, to develop specific fire safety training for suppliers and factories with facilities in India.”

Tackling the main issues

In FY21, the main critical issues found in AFP Tier 1 factory audits continued to be excessive working hours (including overtime and lack of rest days), and OH&S fire safety related issues. To prevent recurrence of non-conformities, Country Road Group engaged with industry experts to provide specific training and guidance to our Ethical Sourcing Team, suppliers and factories to remedy these issues, build capacity and empower factory management.

Excessive overtime guidance

We engaged with international labour conditions specialists, Impactt Limited, to support our business in developing a set of “Guiding Principles when dealing with Excessive Overtime”. This document sets out internal processes for our Ethical Sourcing Team to lead discussions with factories and our internal teams to assess root-causes,

brainstorm approaches to optimise operational performance and reduce the need for excessive overtime to occur.

This document was developed in conjunction with experts in the production of fashion goods in China, where most factories are located, and where the highest frequency of excessive overtime hours issues has been identified.

Key guidance areas included:

- Communication techniques with suppliers
- Identifying working hour planning gaps
- Implementation of remedial and corrective actions
- Improvement plans and progress tracking
- Training and communication of objectives

The Guiding Principles document was in late-draft stage deep into the FY21 period. We anticipate it being finalised, launched and used throughout FY22 and beyond to assist with excessive overtime investigation and remedy.

Fire safety training

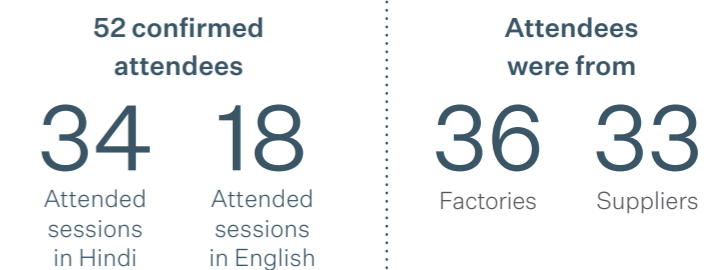
During 2019 and 2020, there was increased media coverage of factory fires in the fashion supply chains in India, Pakistan, Bangladesh, and China. Two factories used to produce Country Road Group products were fire affected, causing damage to materials and adversely impacting production. No people were injured in these incidents.

To proactively respond to these incidents we engaged with sustainability and supply chain services provider, ELEVATE, to develop specific fire safety training for suppliers and factories with facilities in India. To avoid potential COVID risks associated with on-site training, this training was delivered virtually by ELEVATE to suppliers and factories over two sessions: One being in English, and the other in Hindi to specifically target the increased awareness of issues and risks in India. The topics of this session included fire and safety laws, our

businesses requirements, identifying issues and actions to ensure safety of workers.

Whilst this training sits outside of generally identified modern slavery risks, we recognise that such preventative measures ensure that our partner-factories respect human rights and take the safety of workers seriously.

Summary of Fire Safety Training attendance





“We continue to have a priority focus on identifying the supply chain actors deeper in our supply chain”

CASE STUDY 3

Tracking worker wages

Further to our due diligence processes through our AFP, in FY21 we gathered additional information from our Tier 1 factories which provide us with further insights into the risks of modern slavery at these sites.

As part of our foundational assessments on Living Wages, we gathered worker wages data across a selection of factories in China, India and Bangladesh. These assessments captured over 60 different worker roles including sewing, cutting, packing and inspection. Data also captures working wages for a standard week, overtime hours worked, gender, migrant status and total wages.

Whilst this assessment was not specifically designed to assess the risks of modern slavery, it captured and identified important information: Such as about variations between migrant vs local workers, and male vs female workers. This provides us with information to steer future actions to ensure human rights are respected.

The work was completed late within the FY21 reporting period. We anticipate the current data being used and built upon, from FY22 and beyond, to inform our work on Living Wages and our response to modern slavery risks.

Mapping the supply chain to identify risks

The modern slavery risks noted above, and from our FY20 statement, are all derived from: What, Where, How and Who questions. Knowing the supply chain is the first step in identifying the risks, assessing the risks and putting actions in place to address and provide remedy if required.

Where we are more likely to be Directly Linked to modern slavery issues is within Tier-1 factories: Being those that produce or assemble the finished products sold in our stores. We have estimated over 90,000 workers are employed in these Tier-1 factories many of whom would be involved in the production of our merchandise. Each of these workers, and the hundreds of thousands more involved in the cultivation, processing, transformation, and manufacturing of our products in earlier stages of production,

are important to our business. We work with diligence and focus to ensure their safety and freedom from instances of modern slavery.

We regularly collect data from our Tier-1 suppliers: Mostly through the AFP audit procedures, but also through more targeted information gathering activities (E.g. questionnaire re origins of sourced materials). Critical information is collected to identify potentially vulnerable people in our supply chain: Some of the data includes:

- Total worker numbers at each factory site
- Gender ratios within each factory site, and
- Percentage of international migrant workers at each site

The names, addresses and key statistics on Tier 1 factories is made public through our “factory list” which is published [here](http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm)¹⁷.

We continue to have a priority focus on identifying the supply chain actors deeper in our supply chain, including by tracing our raw materials back through the value chain and obtaining critical information. We recognise that our responsibility to respect human rights extends throughout our supply chain and we are committed to strengthening our capacity to identify and address modern slavery and other potential human rights risks throughout our extended supply chain.

¹⁷ <http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm>



CASE STUDY 4

Unlocking Traceability

Whilst many may consider that the fashion supply chain is a short and linear line from 'dirt to shirt', the reality is very different. The fashion supply chain is truly a global industry involving an extremely complex system of organisations engaged from the growing and harvesting of raw materials, to their freight & movement around the world, going through hundreds of processes and thousands of hands, to be transformed into products that our customers love.

In our supply chain, we transact primarily with suppliers or traders against whom we directly raise merchandise purchase orders. These suppliers/traders then liaise directly with factories for goods to be produced according to our requirements and specifications. Traditionally, our supply-chain visibility beyond this direct supplier/trader has been quite opaque, with suppliers/traders being wary of exposing their own supply partners for fear of losing perceived intellectual property or surrendering a commercial competitive advantage. Unlocking supply-chain traceability through supplier engagement and collaboration is therefore critical for mapping out the entire supply chain, and for building a foundation for assessing and addressing upstream modern slavery risks.

In 2020, we appointed a Traceability Manager whose primary objective is to engage with our supply chain partners to develop processes and tools to unlock traceability of our products.

During the reporting period, we initiated a pilot project to trace apparel supply chain actors beyond Tier 1 (garment sewing factories). The development of this pilot, and the tools built as part of this program, were built in collaboration with a selection of key suppliers, who engaged with us to build the tool, test the processes, and optimise the efficiency and accuracy of the information captured.

Data is being collated each month for the "Top 20 Apparel CRG Suppliers" which represents over 90% coverage of CRG apparel orders. In just a short period, this tool has enabled our business to identify a significant number of supply chain actors involved in the production of the apparel styles produced across our group, identifying garment factories, fabric mills, dyehouses, printers, washing laundries, yarn mills and fibre producers.

This process of identification will allow us to understand our exposure to modern slavery risks deeper in the complex supply chains and address these risks as we develop actionable ways to address the vast network of sub-suppliers.





“we partner with forensic science organisation, Oritain, to conduct “origin fingerprint” testing to scientifically verify selected wool and cotton fibres to the country-of-origin of Australia.”

Further to our work to identify sites and entities involved deeper in our supply chain, we additionally take actions to partner with multi-stakeholder initiatives to use raw materials grown or certified under globally recognised schemes. Programs with which we align include those that encompass additional forms of human rights due diligence assessments, or robust traceability through chain-of-custody arrangements, or sometimes both. Programs such as Textile Exchange and the Better Cotton Initiative (BCI) by example. In FY21, 84% of cotton products across the Country Road Group were associated with one of these initiatives.

As an extended measure of assurance, we partner with forensic science organisation, Oritain, to conduct “origin fingerprint” testing to scientifically verify selected wool and cotton fibres to the country-of-origin of Australia. Oritain testing is used to confirm

that fibres used in our products are actually from our designated sourcing regions (and not, for example, from higher risk regions). These forensic tests help to reduce the risks of unauthorised subcontracting in the supply chain and of raw materials being substituted for those that have been grown or made using modern slavery or forced labour.

In FY21, over 3 million units were made using or containing Australian raw materials or were manufactured in Australia. The majority of products containing Australian cotton or Australian wool were verified by Oritain.

‘Moving the Needle’ on Worker Voice

To “move the needle” in assessing and addressing modern slavery risks, we must engage with and promote the voices of the most vulnerable workers who may be at risk of modern slavery.

In FY21, we deployed some new techniques to listen to the workers in the factories producing our merchandise. We trialled some pilot projects ‘beyond compliance’ to empower workers to raise concerns and to educate our business about current and emerging issues.

Worker Sentiment Surveys

In this reporting period, we developed some enhanced methods for identifying and assessing modern slavery and other human rights and risks. This included the deployment of alternative worker voice assessments. We leveraged the expertise of internationally recognised, independent human rights and

auditing consultants: ELEVATE.

ELEVATE conducted worker sentiment surveys in Pakistan and in the United Arab Emirates (UAE) to add alternate perspectives on any potential risks or issues within factories.

To ensure no collusion, undue influence or coaching, workers were randomly selected to participate anonymously in the short surveys. Surveys were conducted using a digital device to answer 10-20 questions about employment conditions at the factory site. The survey revealed that employees voiced concerns more openly and differently using the anonymous digital approach than responses obtained through more traditional social audit interview techniques.



CASE STUDY 5

**Worker App & Factory level
grievance channel****Development**

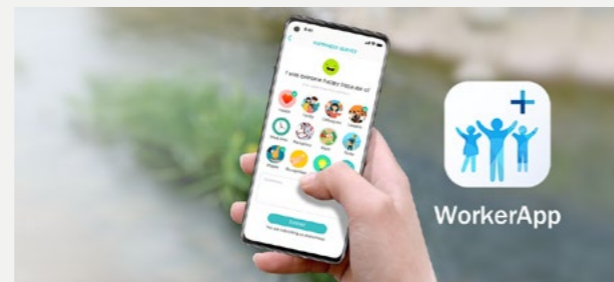
We continue to implement our responsibility as a business to respect human rights, in line with the expectations set out in the UNGPs.

We understand that providing access to effective grievance mechanisms is a key element of businesses' responsibility to respect human rights. In FY21, in partnership with David Jones, we deployed our first factory-level operational grievance mechanism into a key supplier factory in China. This supplier is our largest supplier for Country Road Group.

We consulted with industry peers both domestically and globally, and engaged with consultants, service providers, NGOs and human rights experts to ensure the mechanism met the effectiveness criteria set out in the UNGPs for grievance mechanisms and to collaborate on learnings from others in the development of this mechanism.

Importantly, our supplier-partner is very engaged, open to collaboration and shares our values to support workers. We recognise that this is not the case for all suppliers and factories. We collaborated with this supplier to understand what type of mechanism to deploy, taking into consideration:

- Demographics of workers – local, domestic migrant, international migrant, gender ratios
- Literacy levels of workers to understand if they could read posters, or understand training material
- How many workers had mobile devices to allow ready access to phone apps or digital technologies.



From this assessment it was understood that all workers had access to smartphone technology, and as such, we selected a digital Worker App from sustainability and supply chain consultants, ELEVATE.

Training

Ensuring that workers and factory management at the selected supplier were adequately trained in the grievance mechanism was considered the most important initial activity. Workers were trained in the function and operation of the Worker App and how a grievance should be lodged. This was fundamentally important to ensure that worker expectations could be met in respect to what issues represent a grievance and how remedy would take place.

Workers were trained in groups to not impact production and were trained via face-to-face education sessions. Sessions demonstrated downloading the app, training to identify types of grievance issues and how to raise an issue anonymously.

Two-way communication grievance channel

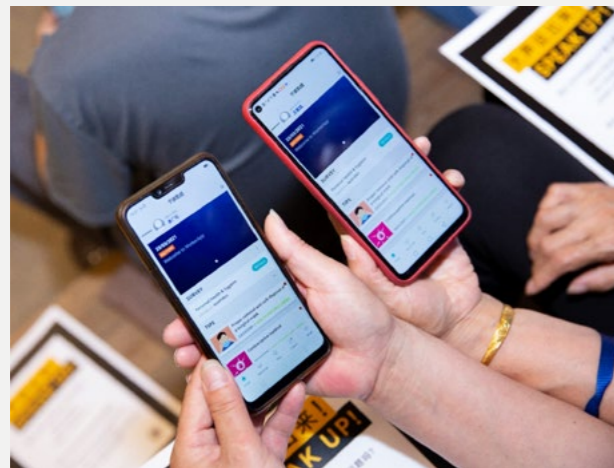


CASE STUDY 5 (continued)

Factory management were also trained in a separate online session. Management Teams have a very different role from employees, involving receiving grievances, remediating grievances, ensuring closure of issues and providing clear timelines to the aggrieved.

Key features of the app include:

- e-learning modules for both workers and management to access on-demand, covering topics such as health and safety, and forced labour issues
- Workers being able to raise issues anonymously (should they choose)
- Issues that are raised can be tracked by the worker and management
- Workers complete a satisfaction survey when an issue is closed by management



In-language posters placed within factories

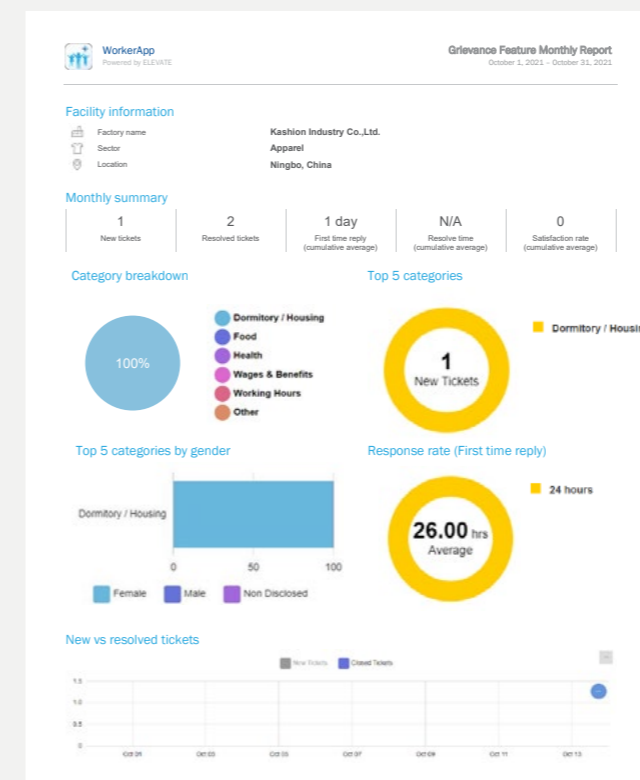
Initial findings

Feedback from the initial pilot is that the factory workers prefer to use voice messages over digital mediums such as WeChat, rather than text-based messages requiring (often) semi-literate users having to type their concerns.

In addition to the above training, we also developed posters in local language which were placed in both public factory locations for visibility and in toilets for privacy. Business cards were also passed to workers to take with them. These posters and cards included email and phone details of our Country Road Group business to provide alternate methods for workers to raise issues.

As part of the digital Worker App function our business receives a monthly dashboard report on grievance activity. The dashboard captures the number of issues raised, how they are categorised, and measurement of the time elapsed to take action. We use this dashboard to engage with the supplier to improve their actions to respond to issues and to gather feedback for future understanding and rollout.

As part of the deployment of this mechanism, Country Road Group developed an internal Grievance Policy which defines issues that are deemed a grievance. A Remediation Procedure for dealing with grievances was also recently developed as a remediation process guide. It is expected to be finalised and put into practice during the FY22 period and beyond.



Monthly dashboard report on grievance activity



“as part of our actions to ‘move the needle’ on our actions throughout the reporting period, we developed a Remediation Procedure across the Country Road Group”

Remediation processes

In line with the UNGPs, we are committed to providing for or cooperating in remediation where we identify we have caused or contributed to human rights harm, such as modern slavery. We also understand we may play a role in remediation where we are directly linked to human rights harm.

We maintain internal and external grievance channels for staff and workers in our supply chain and any of our operations to raise concerns, which could include modern slavery related issues. Concerns relating to modern slavery or broader human rights risks such as the ‘physical conditions of work’ can be raised by Country Road Group staff directly with our Human Resources Team as outlined in our Grievance and Dispute Resolution Policy. This policy outlines clearly what issues constitute a grievance and additionally explains the process for a grievance to be assessed,

verified and remediated. Concerns can also be raised anonymously by staff or by employees of suppliers through an externally, third party run whistleblower hotline which is accessible by phone and ethics email. Grievances that are raised through this mechanism will be investigated confidentially.

All of these policies and processes are communicated to our staff at employee inductions, through our intranet and social workplace platforms and through communications at ‘Governance Week’.

As mentioned above, as part of our actions to ‘move the needle’ on our actions throughout the reporting period, we developed a Remediation Procedure. This is a process and procedure guide for effective management of severe human rights issues in our supply chain including any suspected instances of modern slavery.

This procedure includes:

- How an issue or grievance is identified, captured, assessed, and escalated
- How any issues may be investigated, including relevant and internal members forming a Cross Functional Team
- How any remediation actions will be developed and agreed, which may include legal considerations, and
- How the procedure is designed to protect the complainant’s anonymity in order to prevent possible retaliation from employers or individual workers, and
- Any follow up training and monitoring required to ensure closure of the issue and to ensure no future harm to others

The knowledge acquired through developing this remediation process has provided our Ethical Sourcing Team and broader Modern Slavery Cross Functional Team with added skills and understanding of issues, and increased awareness of the challenging processes that may be involved in identifying and managing precarious situations and providing remedy to victims.



Training, capacity building and collaboration

We were challenged throughout the year to fulfil the ambitions set out in our FY20 Statement for modern slavery training in our operations and supply chains. COVID impacts being the single greatest factor. However, we continued to engage the business and our suppliers to increase awareness of modern slavery and broader human rights issues.

As part of our actions to address modern slavery, we look to build the capacity of our employees and suppliers via training, collaboration with Industry Groups and supporting long-term relationships with our suppliers. Actions in the reporting period included:

- Continuing our membership of the UN Global Compact Network Australia (GCNA), as well as participation as a sub-group member of the Modern Slavery Community of Practice (MSCoP)

- Supporting the development of the UN GCNA publication *Effective Modern Slavery Grievance Mechanisms*¹⁸ through participation in a case study on the development of our factory level grievance mechanism as documented within this statement
- Supporting the Australian Home Affairs 2020 Industry Summit with a panellist speaker on the Modern Slavery workshop
- Attendance by our entire Ethical Sourcing Team at an in-person workshop delivered by the GCNA: Educating and supporting businesses on Implementing Effective Grievance Mechanisms

- Speaking invitation at the SEDEX Asia Pacific Summit on the topic of “Effective Buyer-Supplier Collaboration”¹⁹
- For the Modern Slavery Cross Functional Team, conducting an internal scenario workshop: “Building capacity with our team members to identify and assess instances of modern slavery and apply remediation actions in response”
- Dedicated virtual awareness training on modern slavery for Country Road Group Head Office team members during our annual corporate ‘Governance Week’

¹⁸ <https://unglobalcompact.org.au/wp-content/uploads/2021/03/4261-UNGC-Grievance-Mechanisms-CASE-STUDY-10-FA.pdf>

¹⁹ <https://www.sedex.com/sedex-virtual-asia-pacific-conference-2020/>



“we build the capacity of our employees and suppliers via training, collaboration with Industry Groups and supporting long-term relationships with our suppliers.”

- Country Road Group running an internal workshop with various stakeholders across our brands to understand our purchasing practices and to identify those practices which may negatively impact human rights and our work to manage modern slavery risks
- A Country Road Group virtual “Supplier Conference” in November 2020 to engage our entire supplier base on ethical sourcing and modern slavery topics
- Supplier training sessions regarding cotton traceability and high-risk cotton sourcing regions, delivered virtually and including follow up sessions with individual suppliers
- Team members attending seminars and webinars on modern slavery and broader human rights issues
- Continued consultation with peers, NGO’s, MSI’s and industry experts to understand further actions to assess and address modern slavery risks
- Pillar Two, a business and human rights advisory firm, supported aspects of our modern slavery reporting

Stakeholders and partners






Monitoring and measuring our effectiveness

We strive for continuous improvement in our approach to assessing and addressing modern slavery risks, which is informed by our work to assess the effectiveness of our actions across the Country Road Group.

We continually monitor our key programs and activities using a combination of both quantitative and qualitative measures. We understand these indicators need to be reviewed and adapted as our actions mature and as our understanding of modern slavery continues to develop and evolve.

The following table details the measures and indicators we utilise to assess our effectiveness across all of our reporting entities and operating subsidiaries.

Area	Objectives	Effectiveness indicators
Policies & Contractual Controls	<ul style="list-style-type: none"> • Ensure policies set clear expectations around preventing and addressing all forms of modern slavery across our operations and supply chains • Ensure policies are meaningfully implemented • Policies to provide modern slavery prevention and protection for workers against 	<ul style="list-style-type: none"> ✓ Policies reviewed on regular basis (internal and external) ✓ Percentage of suppliers and staff covered by agreements/ contracts and our codes ✓ Percentage of factories audited against compliance with relevant policies ✓ Staff have ready access to policies related to modern slavery ✓ Suppliers have ready access to policies related to modern slavery
Risk assessments	<ul style="list-style-type: none"> • Understanding and monitoring our exposure to modern slavery risks 	<ul style="list-style-type: none"> ✓ Number of supply chain actors traced ✓ Number of risk assessments conducted ✓ Number of supplier sites in high and extreme risk ratings
Awareness raising and capacity building	<ul style="list-style-type: none"> • Modern slavery awareness training for internal staff and suppliers to ensure appropriate staff have knowledge of risks, prevention and remediation • Improve external awareness and transparency relating to modern slavery risks 	<ul style="list-style-type: none"> ✓ Number of staff trained on modern slavery and broader human rights risks ✓ Number of suppliers trained on modern slavery and broader human rights risks ✓ External public assessments of our public reporting through NGO's or multi stakeholder initiatives (MSI's)
Audits and Issue Monitoring	<ul style="list-style-type: none"> • Supply chain monitoring and assurance (AFP) • Ensure quality and effectiveness of audit types • Audit corrective actions undertaken, improved, or closed 	<ul style="list-style-type: none"> ✓ Percentage of factories approved in our auditing program ✓ Number of critical issues identified ✓ Number of modern slavery issues identified ✓ Number of Non-Trade Procurement (NTP) suppliers who publish modern slavery statements
Remediation processes	<ul style="list-style-type: none"> • Access to effective grievance mechanisms for workers in our operations and in our supply chains • Grievances effectively remediated • Required actions taken against actual modern slavery violations 	<ul style="list-style-type: none"> ✓ Number of audit issues remediated in line with (Approved Factory Program (AFP) criteria ✓ Remediation of any actual modern slavery instances



Process of consultation

This statement has been prepared in consultation with each of the reporting entities listed in Appendix 1 and all owned and controlled entities of Country Road Group. This statement has been approved by the principal governing body of Country Road Group Pty Ltd.

Reporting entities in addition to owned and controlled entities share common directors, and all entities share a centralised management and executive team. Senior management,

executives and the directors of the reporting entities, and owned and controlled entities, have been consulted and informed of the actions taken throughout this reporting period, and development of `this statement has occurred through face-to-face meetings with directors, via email correspondence, through consultation on actions throughout the year, and via board meetings.





Looking forward

Country Road Group is committed to the people within our operations and supply chains and as a responsible business we aim for continuous improvement of our actions in our response to modern slavery risks.

As we look to improve our actions in tackling modern slavery we have broadly set out the below goals:

- Continued support for factories to renew audits in line with regular audit cycle
- Ongoing review and improvement of policies, in particular our Supplier Code of Conduct
- Assess Non-Trade Procurement (NTP) to identify any gaps in our contractual arrangements
- Review the findings from our digital factory-level grievance mechanism pilot and develop a roadmap for scalability
- Conduct modern slavery and human rights workshops with our merchandise and non-trade suppliers

- Continue to extend our traceability of factory sites deeper down our supply chain and across a wider set of materials
- Increase training of internal staff, including senior leadership teams, including through modern slavery and responsible purchasing practises
- Further develop the methods and systems for measuring the effectiveness of programs

Statement Criteria Index

Australian Modern Slavery Act 2018 (Cth) mandatory reporting criteria	Location of response to mandatory criteria within this statement
(16.1.a) Identify each reporting entity covered by the joint statement	<ul style="list-style-type: none"> • Introduction & Executive Note • Appendix 1
(16.1.b) Describe the structure, operations and supply chains of each reporting entity covered by the joint statement	<ul style="list-style-type: none"> • Structure, operations and supply chains
(16.1.c) Describe the risks of modern slavery practices in the operations and supply chains of each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls	<ul style="list-style-type: none"> • Modern Slavery Risks in our supply chains and operations
(16.1.d) Describe the actions taken by each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls to assess and address these risks, including due diligence and remediation processes	<ul style="list-style-type: none"> • Introduction & Executive Note • Assessing and Addressing risks of modern slavery • 'Moving the Needle' on worker voice • Training, capacity building and collaboration
(16.1.e) Describe how each reporting entity covered by the joint statement assesses the effectiveness of actions being taken to assess and address modern slavery risks	<ul style="list-style-type: none"> • Monitoring and Measuring our Effectiveness
(16.1.f) Describe the process of consultation with each reporting entity covered by the joint statement and with any entities that each of those reporting entities owns or controls	<ul style="list-style-type: none"> • Introduction & Executive Note • Assessing and Addressing risks of modern slavery • Process of Consultation
(16.1.g) Any other relevant information	<ul style="list-style-type: none"> • Looking Forward • Training, capacity building and collaboration



Appendices

Appendix 1.

All entities who are reporting entities and included in this joint statement:

Woolworths International (Australia) Pty Ltd	(Holding Company)
Country Road Group Pty Ltd	(Holding Company)
Country Road Clothing Pty Ltd	(Operates as COUNTRY ROAD)
Witchery Australia Holdings Pty Ltd	(Holding Company)
Witchery Holdings Pty Ltd	(Holding Company)
Witchery Fashions Pty Ltd	(Operates as WITCHERY)
Mimco Pty Ltd	(Operates as MIMCO)

Appendix 2.

Definitions of types of Modern Slavery²⁰

Type of Exploitation	Definition
Trafficking in Persons	Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.
Slavery	Describes situations where the offender exercises powers of ownership over the victim, including the power to make a person an object of purchase and use their labour in an unrestricted way.
Servitude	Describes situations where the victim's personal freedom is significantly restricted and they are not free to stop working or leave their place of work.
Forced Marriage	Describes situations where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony.
Forced Labour	Describes situations where the victim is either not free to stop working or not free to leave their place of work.
Debt Bondage	Describes situations where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.
Deceptive Recruiting for Labour of Services	Describes situations where the victim is deceived about whether they will be exploited through a type of modern slavery.
The worst forms of child labour	Describes situations where children are: <ul style="list-style-type: none"> • Exploited through slavery or similar practices, including for sexual exploitation, or • Engaged in hazardous work which may harm their health, safety or morals, or • Used to produce or traffic drugs

²⁰ Definitions and descriptions based on the Australian Commonwealth's Guidance for Reporting entities <https://modernslaveryregister.gov.au/resources/>



COUNTRY ROAD GROUP

COUNTRYROAD MIMCO POLITIX TRENERY WITCHERY