

STRAND

GOING PLACES SINCE 1927

FY22 Modern Slavery Act (MSA) Statement



Modern Slavery

Our vision is “to be by your side always”, which intrinsically links with the purpose of the Modern Slavery Act to protect the human rights of all and is aligned closely with our values of ownership, earn trust of others and always improving.

As the leading retailer of bags and luggage throughout Australia and New Zealand we recognise the role we play in respecting the human rights of all people who have interactions with our company, including our customers, employees, suppliers, business partners and broader stakeholders.

Like many organisations, our attentions in 2021 were focussed on protecting the safety of our people during the COVID-19 pandemic. The pandemic also caused significant disruption to our business with a shift to remote working and online retailing. We also had the opportunity to acquire another business (ATR Brands Ltd), redefining our organisation as both a retailer and a wholesaler.

Following the release of our initial modern slavery statement, we have committed to reviewing our overall modern slavery approach in recognition of our updated organisational structure and operating model.

We understand that the business decisions we make, in all the countries we operate, can and do have an impact on our people, business, suppliers, stakeholders and our communities. We also acknowledge that modern slavery risks may occur in many forms including human trafficking, slavery, servitude, forced labour, debt bondage, child labour and deceptive recruitment.

We will continue this important work through our modern slavery action plans.

This is only the beginning of our work towards removing the risks of modern slavery from our business.





Our business

About us

Strandbags Holdings (ACN 128 842 482), hereafter referred to as Strand, is a privately owned retailer of suitcases and bags with retail stores in Australia and New Zealand and acquired ATR Brands in FY22, which is a wholesaler and direct to consumer (D2C) retailer of suitcases and bags.

We have over 260 stores across Australia and New Zealand, and we sell our products through our physical stores and digital channels, in addition to our wholesale operations through our ATR Brands business.

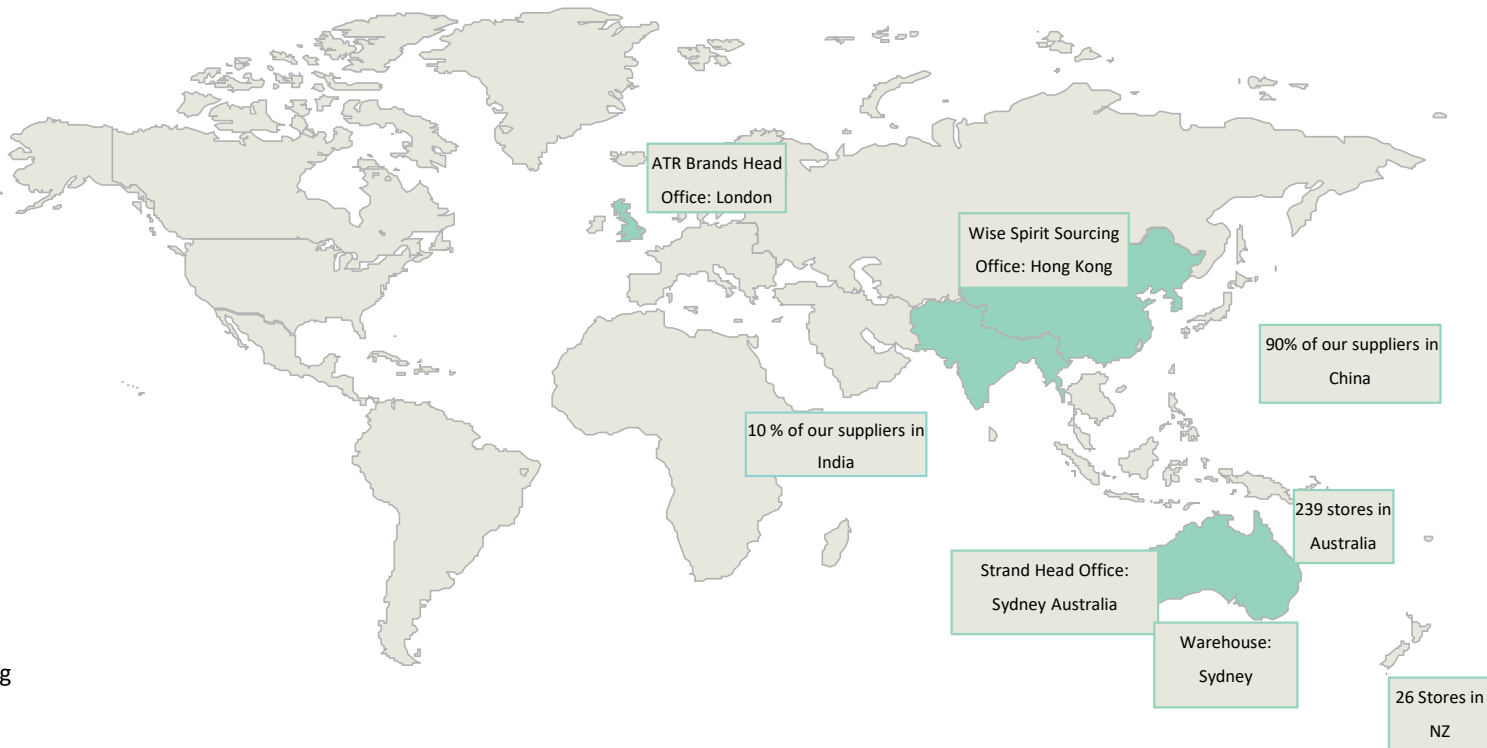
Strand operates out of our head office in Sydney, managing one Australian warehouse and engaging with third party warehouse and logistics providers in the UK.

Strand has consulted across all our entities, including our sourcing office in Hong Kong in the development of this statement.

Our operations and supply chains

Although we do not own or operate factories ourselves, our manufacturing is outsourced to selected partners who meet our ethical and quality standards and have long standing relationships in place, with the average length of our relationship is 6 years. Our 34 Tier 1 suppliers manufacture at 42 different sites, with this relatively small Tier 1 supplier footprint provides us the scope to have auditing in place over 100% of these suppliers.

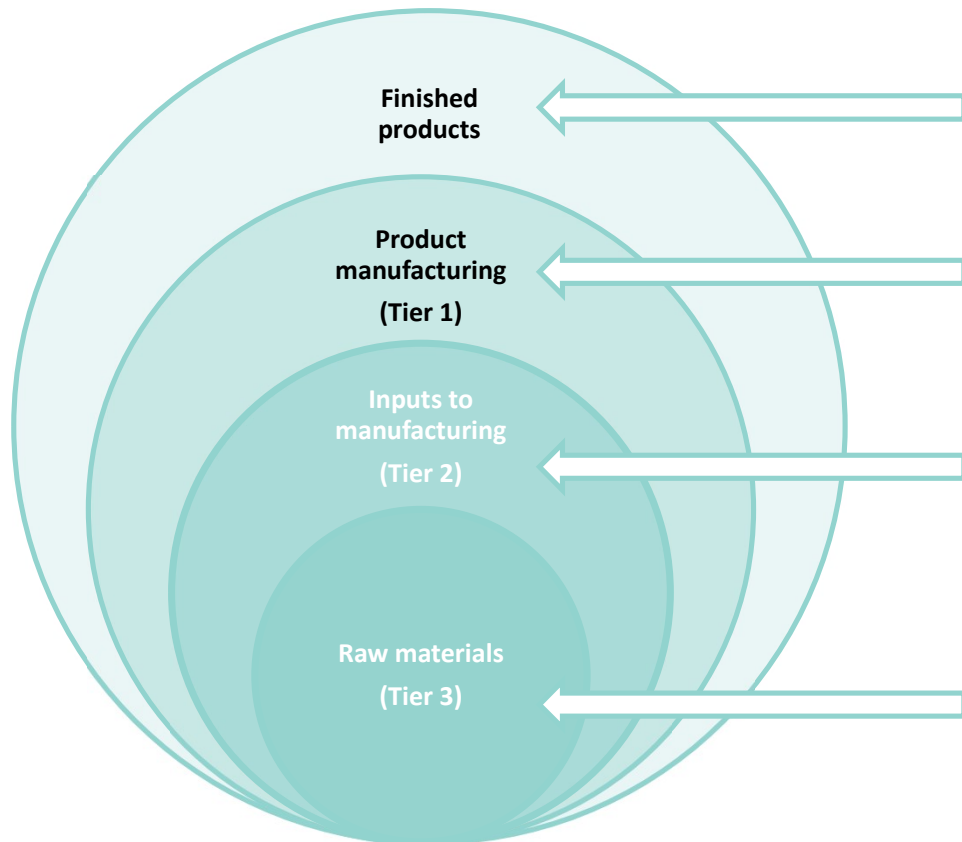
At present our primary relationships are with the suppliers who are at the final stage of our manufacturing (Tier 1). As a result, our focus on addressing modern slavery has been primarily in Tier 1 of our supply chain. We recognize we need to continue our efforts to assess modern slavery risk further down our supply chain and we are working on our Tiers 2 (Inputs) and 3 (Raw materials). We are committed to this process, but it will take some time





Our Supply Chain

At Strand, our supply chain covers all the steps involved in the manufacturing and production of the items we sell, including all the raw materials that go into an item, such as cotton linings, zippers, wheels, leathers and other fabrics. We have fully mapped our direct manufacturing suppliers, and acknowledge we have further work to do to understand and assess the modern slavery risks in the expanded supply chain of manufacturing inputs (Tier 2) and raw materials (Tier 3).



Definition	Traceability	Potential modern slavery risks	Risk Exposure
The product available for our customers to purchase	Fully mapped	Forced labour	Low
A supplier which manufactures products sold by Strand	Fully mapped	Child labour, debt bondage, forced and migrant labour servitude and deceptive recruitment	Medium
A supplier who manufactures the components of our finished goods, including zippers, fastenings, wheels, etc	Not mapped (initial investigations underway)	Child labour, debt bondage, forced and migrant labour servitude and deceptive recruitment	High
The raw materials used to manufacture our products, including cottons, leathers, etc		The critical risk for Strand is a current lack of transparency of our extended supply chain, which we are working towards addressing	



Actions to assess and address our modern slavery risks

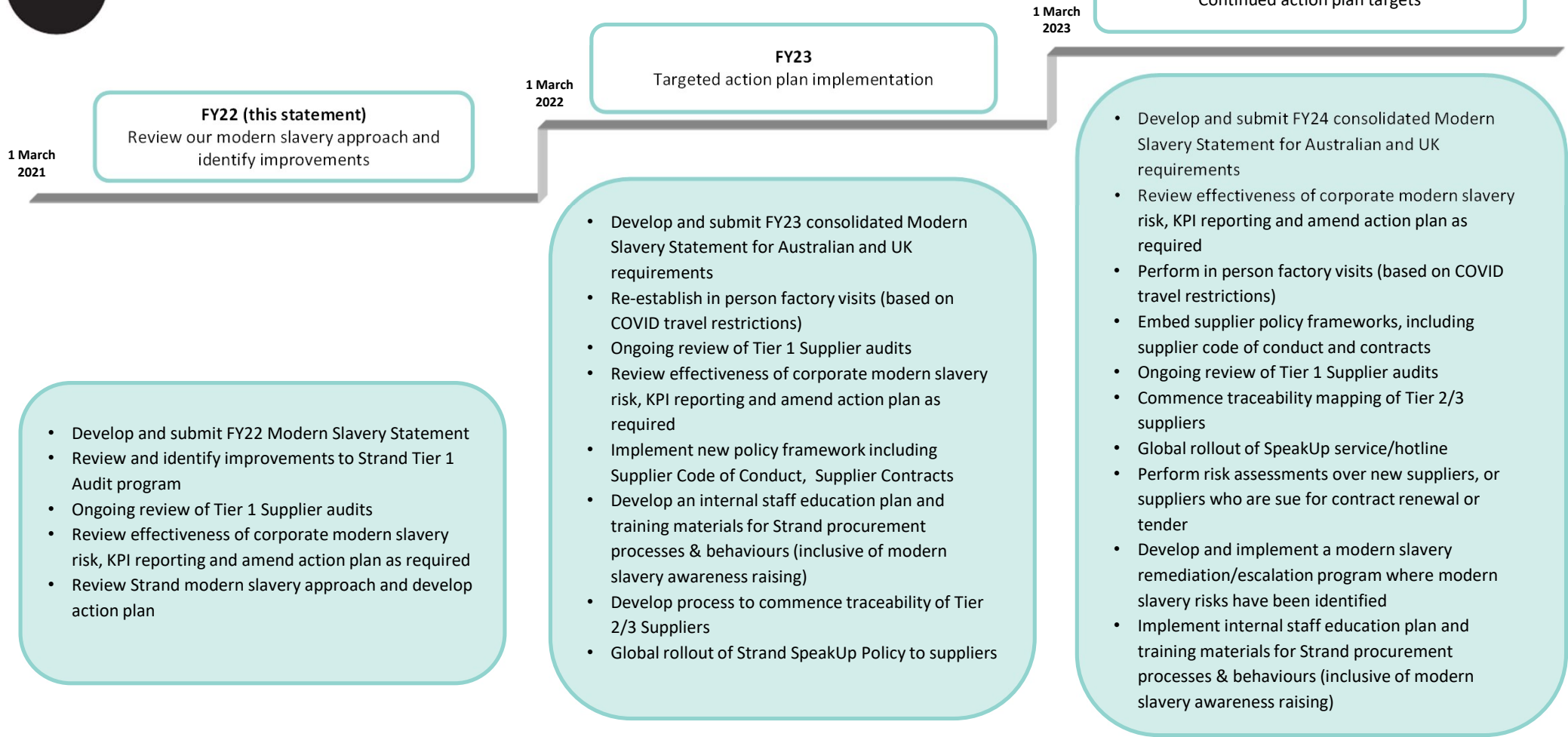
The impact of COVID-19 caused significant disruption to our business in 2021, with our ways of working changed or put on hold to adapt to safety needs and government requirements. Despite this, Strand undertook a number of actions throughout 2021, with some commitments made in our 2021 statement under review in recognition of our new organisational structure and operating model.

During this reporting period, given the challenges of the pandemic, our focus was to gain a better understanding of our modern slavery risks and how such risks may be present in our operations and supply chain. At this stage we are not able to fully assess the adequacy of measures taken. However, we are working on developing frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our supply chains and operations.

Assess risks and due diligence	<ul style="list-style-type: none">Established an executive level corporate risk around modern slavery<ul style="list-style-type: none">Assessed mapping of all tier 1 manufacturing suppliersCommunicated with Strand Board and Executive Management about the Modern Slavery Act and reporting requirementsConducted an in-depth review of 100% of our Tier 1 suppliers, with each reviewed for their geographical, industry and labour hire risk using external audit firms and methodologies (BSCI/SEDEX).Implemented the M360 tool for supplier assessment of modern slavery risks
Address and mitigate risks	<ul style="list-style-type: none">Commenced a review of supplier contracts to contain modern slavery clauses<ul style="list-style-type: none">Commenced a review of our Supplier Code of ConductHired Head of Internal Audit and Risk to oversee modern slavery program
Remediation	<ul style="list-style-type: none">Established an executive level corporate risk around modern slavery<ul style="list-style-type: none">Assessed mapping of all tier 1 manufacturing suppliersCommunicated with Strand Board and Executive Management about the Modern Slavery Act and reporting requirements<ul style="list-style-type: none">Implemented the M360 tool for supplier assessment of modern slavery risks
Measure of effectiveness	<ul style="list-style-type: none">Developed and submitted Strand 2021 Modern Slavery StatementReported progress and KPIs against Tier 1 supplier audits to the Audit Committee of the Board



Our modern slavery action plan





Next steps and governance

Strand key goals over the next year (as summarised on the right) are to continue to implement modern slavery practices across our supply chain, while working to ensure that our suppliers comply with the standards, legislation and statutory requirements of the countries in which they operate.

We will focus on identifying improvements in our processes, how we train our teams in awareness of the importance of modern slavery and implement measures to understand the effectiveness of our programs

Strand upholds and promotes human rights and opposes slavery of any description. We are committed to ensuring our corporate governance practices are reporting processes are effectively assessing the potential impacts to our operations and supply chains.

This includes ongoing oversight by the Board of Directors of Strand into the modern risks in our organisation, with a commitment to strengthening our approach and understanding of modern slavery issues with continuous improvement each year.

Signed by

Greg Hayim - Director

Approved by the Board of Directors of Strandbags Holdings Pty Ltd on 21/09/2022

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Understand and analyse risks

We will continue to assess and review potential modern slavery risks in our supply chain, reviewing our policies, procedures and controls (including supplier contracts, contract clauses and codes of practice)

2

Enhance and monitor controls and oversight programme

We will continue to monitor our programs to ensure they are effective and identify opportunities for improvement

3

Expand traceability

We will work with our suppliers to commence traceability across our Tier 2 supply chain



Appendix: Australian Modern Slavery Act mandatory criteria

Criteria	Statement headline	Page
1. Identify the reporting entity	Our business	2
2. Describe the reporting entity's structure, operations and supply chain	Our business Our supply chain	2 3
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Our supply chain	3
4. Describe the actions taken by the reporting entity and any entities it owns or control to assess and address these risks, including due diligence and remediation processes	Actions to assess and address our modern slavery risks	4
5. Describe how the reporting entity assesses the effectiveness of these actions	Actions to assess and address our modern slavery risks	4
6. Describe the process of consultation on the development of the Statement with any entities the reporting entity owns or controls	Our business	2
7. Any other relevant information that the reporting entity, or the entity giving the statement, considers relevant	The impact of COVID-19 and business change on our modern slavery approach is detailed under "Modern slavery" And "Actions to assess and address our modern slavery risks"	1 4