



sussan *Sportsgirl* suzannegrae

MODERN SLAVERY STATEMENT

— RETAIL HOLDINGS PTY LTD | 2024

Retail Holdings Pty Limited (RHPL) (ABN 71 093 246 032) is the legal entity of The Sussan Group, a privately owned company established in Australia over 80 years ago and incorporates the businesses of Sussan Corporation (Aust) Pty Ltd (ABN 79 772 682 378), Sportsgirl Pty Ltd (ABN 77 090 049 415) and Suzanne Grae Corporation Pty Ltd (ABN 11 580 943 436).

This Modern Slavery Statement has been prepared as a joint statement by Retail Holdings Pty Limited after consolidation with its subsidiary companies Sussan Corporation (Aust) Pty Ltd, Sportsgirl Pty Ltd and Suzanne Grae Corporation Pty Ltd.

GETTING TO KNOW US

The Sussan Group story began in Melbourne in 1939, offering high-quality lingerie. From these humble beginnings, we have grown into a global leader in fashion, known for our stylish, high-quality clothing and unwavering commitment to community care.



Our journey has never veered from a dedication to ethical business practices and sustainability.

With over 450 stores, located across 7 Australian states and an incredible workforce of over 3000 dedicated people - 99% of whom are women, our team are employed in various roles including administration, distribution, e-comm, and store teams within our retail outlets.

The Sussan Group head office is based in Melbourne with a satellite office in Sydney and is supported by a distribution model that has warehouse locations located in Melbourne and Sydney to support our replenishment and e-comm operations.

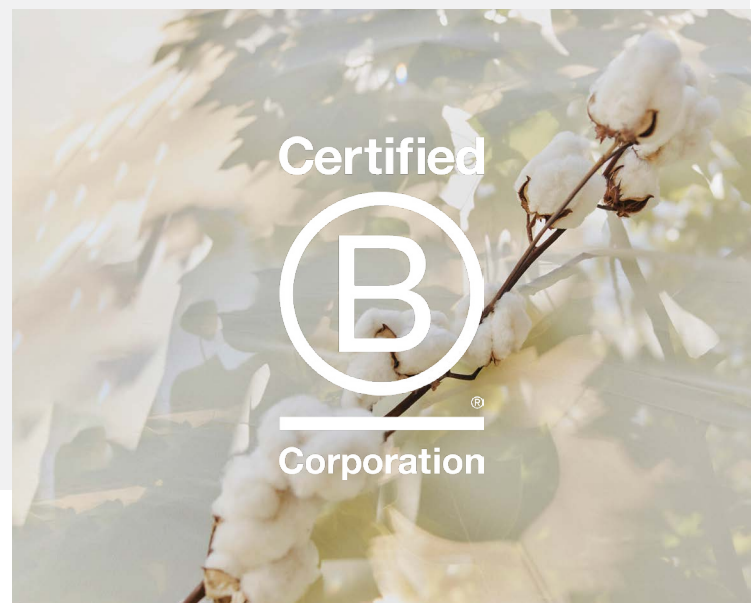
Our supply chain uses a sourcing model where 78% of our products are manufactured in China, through a combination of direct sourcing and both local and offshore trading agents. Over the last year, we have continued to work with suppliers based in other sourcing markets such as Australia, Bangladesh, Hong Kong, Pakistan, and Vietnam.

Our extensive range of products are transported to our distribution centres located in Melbourne and Sydney and on to our retail outlets or online customers via various types of freight movement including sea vessels and road or rail transport options. While we may at times use air freight, we aim to keep this to a minimum and our overall air freight movement represents a very small percentage of our total freight movements.

OUR JOURNEY TO B CORP CERTIFICATION

Over the last year, we have undertaken the external B Corp™ assessment process to demonstrate our businesses' approach to working towards being a force for good. This aligns to our Group Purpose:

To make a positive impact in everything we do... in the lives of Australian women, our team, our suppliers, our community, and the sustainability of our planet.



We are extremely proud that the Sussan Group achieved B Corp Certification in June 2024. Sussan Group incorporates the brands Sussan, Sportsgirl and Suzanne Grae.

Balancing profit and purpose in our business is not something new to The Sussan Group. We believe aligning with the B Corp program and undertaking the B Corp assessment will help us identify how we consider the impact of our decisions on all stakeholders across our business operations in everything we do.

We are continually working to better understand who our stakeholders are and how they interact with our business operations on a daily basis such as employees, customers, suppliers, community, and the environment. We see this important alignment as a key to assist in our decision-making processes.

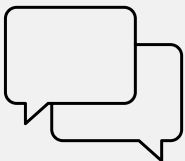
B CORP PRINCIPLES & REQUIREMENTS

The B Corp certification allows us to focus on 3 key principles and requirements:



SOCIAL AND ENVIRONMENTAL PERFORMANCE

We must demonstrate standards of social and environmental performance including considering the impact of our operations on employees, customers, suppliers, community, and the environment.



PUBLIC TRANSPARENCY

We are required to publish an annual Benefit Report that details our social and environmental performance. This report is made available to the public via our B Corp profile, allowing stakeholders to assess our company's impact and hold us accountable for our commitments.



LEGAL ACCOUNTABILITY

We must consider the impact of our decisions on all stakeholders, not just shareholders. This legal framework ensures that as a B Corp certified company, we prioritise purpose alongside profit and make decisions that benefit society and the environment.

The B Corp certification process is a rigorous in-depth process that uses a B Lab assessment tool to measure our company's performance across 5 key pillars (governance, workers, community, customers, and the environment).

Upon submission of our assessment, we were required to provide satisfactory evidence to independently validate our performance in each area.

While we are extremely proud to have achieved B Corp certification, we recognise this is only the start as we work towards continuous improvement in each area and recertifying in 3 years' time.

IDENTIFYING POTENTIAL RISKS

The Sussan Group defines modern slavery as any situation where one person has taken away another person's freedom through threats, violence, coercion, abuse of power or deception so they can be exploited. We also understand that modern slavery can be found in a range of practices including human trafficking, slavery, forced labour, child labour and other slavery-like practices.

We further define forced and compulsory labour within our supply chain as "any work or service that is expected from any person under the menace of a penalty for which that person has not offered themselves voluntarily."

Retail Holdings Pty Limited (The Sussan Group) strictly prohibits any type of modern slavery which includes any forced and/or compulsory labour across our entire business operations.

We recognise we need to maintain a clear understanding of the diverse types of relationships and risks that exist across our sourcing model at each level of production and how these relate to modern slavery risk.

Over the last year, we have continued to focus on tracing further stages of our end-to-end supply chain as we remain committed towards achieving our goal of 100% traceability across all stages of production.

Manufacturing occurs in many stages of production across our product range. To assist in this process, we have broken our tiers of manufacture into groupings based on specific activities, establishing tier-based traceability targets within each level of manufacturing.

Using these targets, we measure our level of traceability across each tier and activity within our manufacturing processes globally.

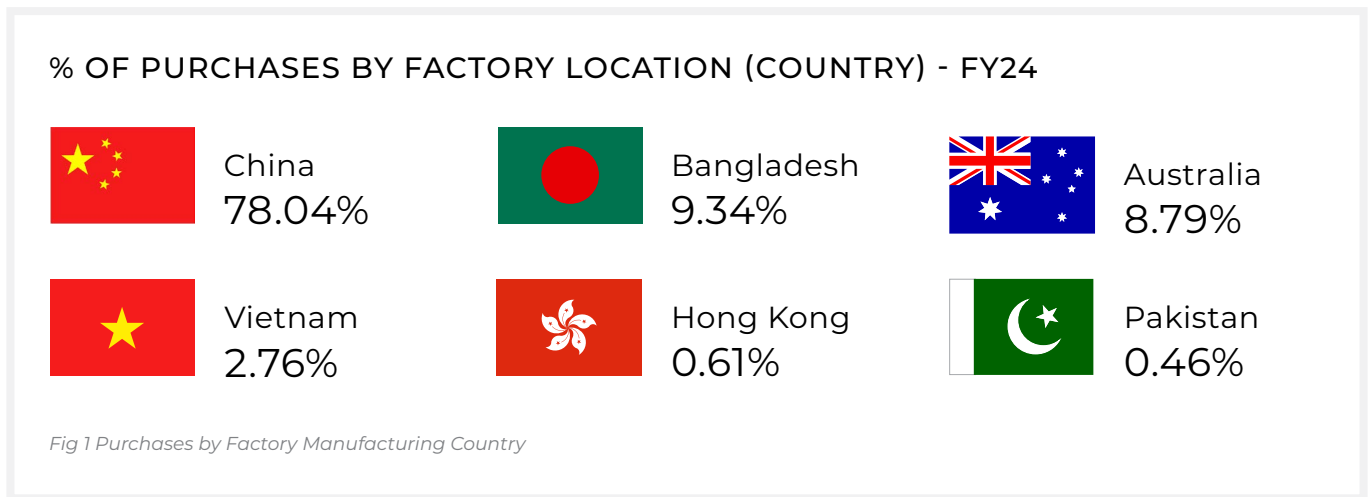
In addition to gaining a deeper understanding of manufacturing activities across our supply chain, we also add to our supplier base when required. This is generally a result of sourcing new products or finishes to compliment our existing range of products.

Over the last year, we have seen our supplier base grow by 6%, increasing from 88 to 93 suppliers. This increase compliments our conscious decision to move to a more direct sourcing model. As we work through our supplier base, we recognise our ability to influence change is greater when we have a direct relationship with our suppliers rather than using an agent model.

We have a strict internal onboarding process where suppliers must give evidence and reports to provide The Sussan Group with a level of assurance that the supplier and their supply chain meet our compliance expectations. We will not onboard or work with a supplier or factory that does not meet our requirements for social and regulatory compliance.

While our suppliers grew by 6% for the year, our end-to-end supply chain traceability grew by 26% during the same period, validating the growth in our depth of understanding of our end-to-end supply chain. The growth was most prevalent in the lower stages (tiers) of manufacture, particularly across our tier 3 supply chain (fabric mills, spinners, weavers etc). This increase in tier 3 also supports our move to source more 'responsible fibres' such as Better Cotton, Australian Cotton, and Traceable Linen.

We also monitor sourcing by country and have sourced products from the following regions during FY24:



During the year, our team travelled to selected sourcing locations, enabling us to visit suppliers and factories personally. These visits allowed us to see firsthand the conditions in factories and speak personally with factory management and workers. These visits are a key mechanism in assisting us to better understand workplace conditions and where we may need to work with suppliers and their partners to further reduce modern slavery risk across the supply chain.

We also held a number of face-to-face meetings with our suppliers who travelled to Australia to meet with us. At each meeting, suppliers spent time with our Ethical Sourcing function to discuss each factory's audit/inspection results and corrective actions taken, and our expectations moving forward.

During 2024, we rolled out a new online internal training platform which enables us to provide our team with up to date, relevant online training which can be managed on a periodic schedule as required. We are currently reviewing our online training content which includes areas such as social compliance, governance and modern slavery as part of our team member induction program.

We recognize training is important and acknowledge a lack of training may contribute to an increased risk of modern slavery. We also recognise our decision making is a key aspect of reducing modern slavery risk where workers may be forced to work an excessive and unsafe number of hours as a result of decisions we have made.

While we are mindful of these concerns, our continued focus over 2025 and beyond is to ensure our team adhere to our internal Responsible Sourcing policy which provides our team with guidance on how to operate ethically. To ensure our Responsible Sourcing policy is current and meets today's expectations, we also completed a review of the policy and released an updated 2024 version of our Responsible Sourcing policy internally.

The Sussan Group utilise a model where suppliers source the raw materials needed to manufacture our products on our behalf. While the suppliers act at our request, The Sussan Group does not have a direct link to the raw materials suppliers, and we know this increases our risk of being directly linked to potential cases of modern slavery through the actions of the supplier or sub-contractors involved.

As a result, we rely on our suppliers to engage and enforce our sourcing expectations including our Ethical Code of Conduct in their own supply chains and across all areas of production for products made for The Sussan Group. To support the governance of our supply chain, we will continue to implement strong practices and expectations which assist to mitigate the risk of modern slavery within our business operations.

Our expectation is that all suppliers and sub-contractors across our entire global supply chain will always adhere to these governance principles.

As a business, we utilise a number of identifying factors to help us focus our attention on where the risk of modern slavery is most prevalent for our business/operations. This includes using tools that identify known cases of child labour, forced labour or modern slavery in specific geographical locations or countries and other modern slavery risk factors (migrant workers, worker fees etc).

We recognise these tools alone are not sufficient to safeguard us against modern slavery risk across our business operations nor confirms modern slavery does not exist in our supply chain. For these reasons, we utilise the above tools and other risk measurements to aid in identifying modern slavery risk in countries we source our products from.

OUR STEPS

We are immensely proud that our suppliers are more than just suppliers, we believe they are our partners, some of which we have worked with for over 20 years. Ensuring we have the right tools and guidance in place to support our suppliers and their factory workers is at the core of our sourcing goals. Our supply chain partners, and our internal team members have been key in enabling us to provide clear and concise governance expectations to all factories and sub-contractors used.

We have continued to work with external resources to guide us further on our journey to improve. Through education and a deeper understanding of social compliance requirements, we completed our annual review of our Ethical Code of Conduct. Our updated 2024 Supplier Agreement roll out has been completed and has now been released to all suppliers.



RENAISSANCE BARIND LIMITED – Bangladesh

The updated Supplier Agreement strengthens our existing supply chain governance documents which include:

- › Ethical Code of Conduct
- › Supplier Agreement & contractual obligations
- › Factory Social Compliance Audit Mutual Recognition Program
- › Supplier Manual (SOP's)

We have continued a number of multi stake holder initiatives (MSI's) during 2024 to assist in building a stronger sourcing program, protecting workers in the supply chain while working towards reducing social and environmental impacts our products may have. These programs include our continued alignment with Australian Cotton, Better Cotton and continuing to source Traceable Linen across our supply chain and the International RSC Program for Building Safety in Bangladesh and Pakistan.

The Better Cotton (BC) program has a mission to help cotton communities survive and thrive, while protecting and restoring the environment. We see this partnership as a key step towards securing more sustainable cotton as part of our overall Group 'Responsible Fibres' Strategy.

BC works to assist farmers who grow cotton by educating and training farmers in more sustainable farming practices, delivering environmental, social, and economic benefits to farmers and their families. As a signatory to the BC program, The Sussan Group has committed to purchase a growing annual percentage of cotton grown by farmers who are part of the BC program.

As part of our MSI's for fibres, we have set targets based on our specific fibre types such as sourcing 50% of our total cotton used across the group will be sourced as Better Cotton by 2025. We are pleased to report we are on target to exceed our 50% Better Cotton goal by 2025.

We have also completed our annual modern slavery risk assessment to measure our own performance and to identify opportunities where we can further prioritise focus areas to assist in reducing the risk of modern slavery across our supply chain and wider business operations.

Part of this assessment includes reviewing our Group sourcing policies including our Group modern slavery policy. Our sourcing documents detail our expectations across different areas of compliance such as modern slavery, forced labour, child labour, freedom of association and grievance mechanisms. More importantly, included within each policy is a remediation plan should a non-compliance finding be identified. This remediation plan must be followed by all parties involved, ensuring the welfare of the worker always remains our primary focus.

Our supply chain selection remains an ongoing, dynamic process that considers a number of factors when identifying or continuing to work with our supply partners. Internally, we use software that assists us to manage our entire supply chain (across both suppliers and factories) including to map our supply chain visually.

Supply chain consolidation is an area we constantly assess as we look to reduce our modern slavery risk. We measure our rate of supply chain consolidation internally and continue to identify opportunities to further consolidate our supply base across both suppliers and factories.

As a result of our actions, we have continued to see an improvement in both the overall number of findings identified in factory audits and the timing taken to rectify findings by factory management. Using our 'mutual recognition' factory social compliance rating system, our goal is that orders are placed with suppliers who use factories with higher compliance scores.

In addition, factories who receive higher scores are rewarded with longer audit frequency timelines, meaning the re-audit window is extended. This allows us to focus more on those factories that require our attention and support to address corrective actions in a timely manner.

Protecting our Head Office, Distribution and Retail team members from any element of modern slavery which may arise through their employment is also part of the way we do business.

As a Group, we have implemented a range of policies and procedures which govern the Group's behaviour to protect our team members from any type of modern slavery while holding ourselves to the same expectations we have of those in our supply chain.

All Group team members are encouraged to raise any concern they have through our whistleblower program to ensure grievances, problems or complaints are resolved confidentially and in a timely manner. If a team member raises an issue, every report made by a team member is investigated and if required, an external investigator may be appointed.



We extend our expectations to protect workers who provide diverse services to our business through our contractor partners. We always seek to align our business with internationally recognised service providers and operators who have modern slavery governance programs in place where possible.

Where we work with smaller based domestic contractors, we have an expectation that they also implement measures that protect their workers who may work in different areas of our business. Our ongoing focus is to review and implement stronger governance requirements within all contractor and service providers to the Group as we continue to focus on these actions in the coming years.

At The Sussan Group, we value all team members in our business and remain committed to ensure our team members are always protected and supported.

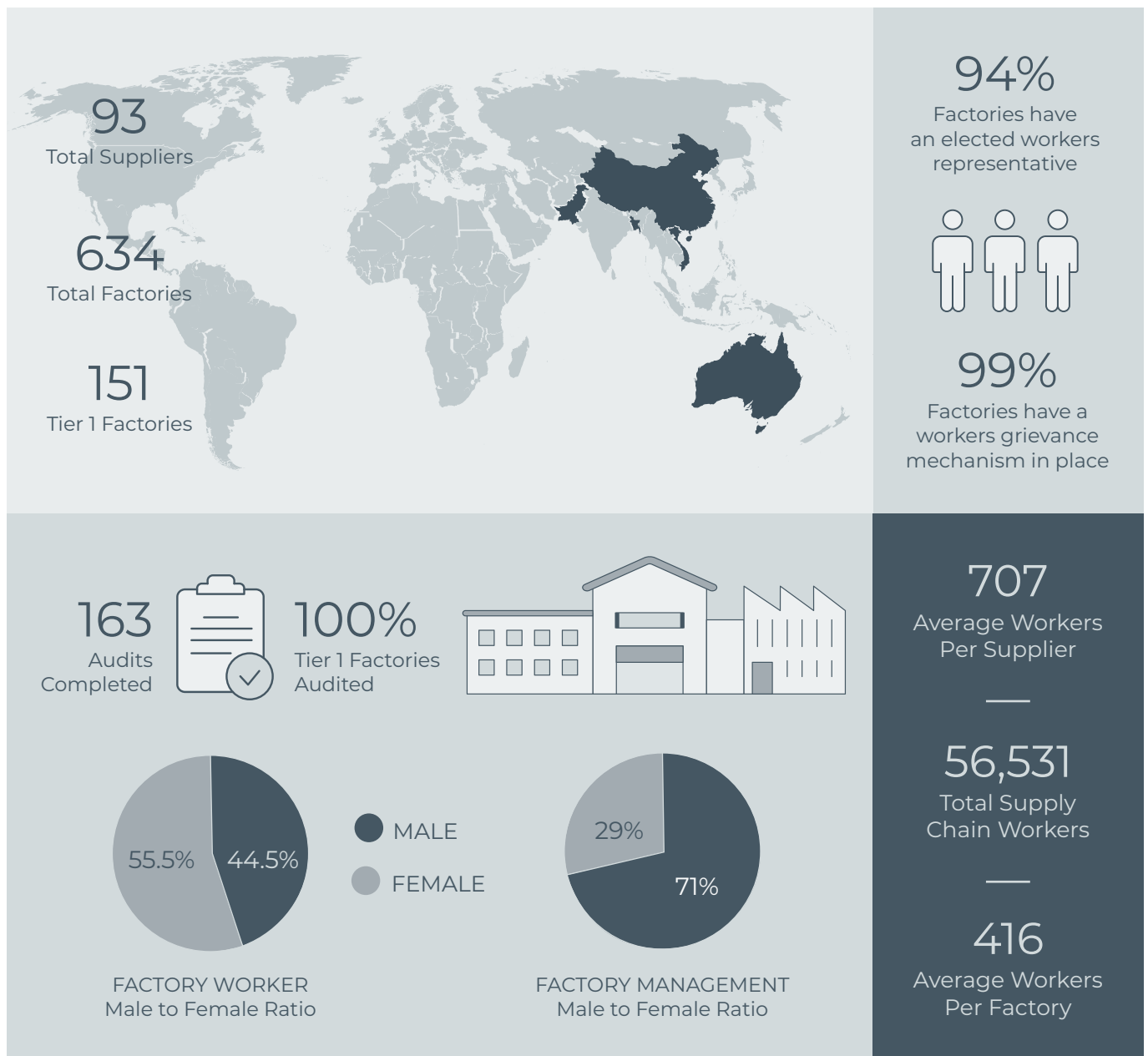
Our commitment extends to both external and internal stakeholders as we continue to grow our knowledge and further reduce any modern slavery risk by making more informed sourcing decisions.

This approach aligns to our Group Responsible Sourcing policy which assists to educate and guide our team on expected purchasing behaviours.

ENSURING WE'RE ON TRACK

Social compliance auditing is our most valuable tool in ensuring we protect workers against any type of modern slavery, while providing us the opportunity to identify further opportunities in our social compliance auditing program.

Over the last year, 163 independent social compliance audits have been completed across our network of manufacturing units and facilities globally. Further results can be seen in our 'Supply Chain in Numbers' below:



We have used these supply chain assessments to help us identify any concerns and where required, we have worked with our supply chain partners to implement remediation programs. Our actions include following up to ensure these corrective actions have been actioned and corrected within the required timeframes.

Every factory audit conducted includes both individual and group worker interviews. Worker identities are protected, and workers are encouraged to answer questions freely. Every audit report is assessed and reviewed internally to identify any findings or concerns.

We also require factories to ensure workers have a mechanism to voice their concerns confidentially. We support freedom of association in all aspects and have an expectation that all factories will work towards implementing a workers representative committee in addition to any other worker grievance mechanism (such as a confidential hotline, suggestion box, committee, open door policy etc).



INTERSTOFF APPARELS LTD – Bangladesh

We are pleased to see 94% of our factories have worker elected workers representatives in place (increased from 79% in 2022). Our expectation is that 100% of our factories will have a worker elected representative in place and we are committed to continue to work with our supply chain partners to achieve this goal. It is also pleasing to see factories with a workers grievance mechanism in place has increased from 76% in 2022 to 99% in 2024.

A key indicator in measuring how our controls are working to reduce the risk of modern slavery is the actual number of modern slavery cases identified across our business during the year. We did not identify any cases of modern slavery this year however we also recognise we need

to keep focusing on identification tools to ensure we keep up to date with the ever-changing modern slavery risk globally.

Our expectation of our supply chain is that any identified potential case of modern slavery is reported to the Group Ethical Sourcing Manager, and our remediation plan put into place immediately. Our remediation process then requires an independent investigation to be conducted to ensure the worker is always protected.

Protecting all workers across our business operations is important to us. We have developed strong governance requirements on suppliers to ensure we achieve this expectation across all levels of production in our supply chain.

OUR APPROACH

As part of our approach, we constantly engage with the senior leadership team across the Group and the greater business teams to ensure we have a unified approach to everything we do. Each brand follows the same guidelines, policies and expectations across our entire business operations and supply chain.



Our team constantly works to grow and strengthen our internal sourcing program by aligning each brand to our suite of Group social compliance documents (such as our Ethical Code of Conduct, Sourcing policies, Responsible Sourcing policy, Supplier Agreement, and our mutual recognition factory audit program).

To further assist our business operations and supply chain, we have also continued to utilize external resources to educate and assist our whole team to implement actions we need to take towards building a world class supply chain. Ensuring we operate this way is our Group approach.

WORKING TOGETHER

The Sussan Group recognises the risk of modern slavery remains high and we must continue to play our part in protecting workers as we grow with our valued suppliers for both our ongoing mutual success.

Further information on our Group Ethical Sourcing program can be found [here](#).

APPROVAL

This Modern Slavery Statement has been approved after consultation with Sussan Corporation (Aust) Pty Ltd, Sportsgirl Pty Ltd and Suzanne Grae Corporation Pty Ltd.

The Statement has been approved by Naomi Milgrom AC, Sole Director, Executive Chair and Chief Executive Officer on 1/12/2024.

A handwritten signature in black ink that reads "Naomi Milgrom".

| the
sussan
group



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