

COCO REPUBLIC®

Modern Slavery Statement 2021



Disclosure *Note*

This statement has been made on behalf of Saveba Pty Ltd ABN 64 002 728 985. This Statement covers all entities and brands owned or controlled by Saveba Pty Ltd, including Coco Republic, Max Sparrow, Republic Furniture & Saveba Hospitality Pty Ltd trading as L'Americano.



COCO REPUBLIC



About Us

Saveba Pty Ltd "Saveba" has been operating in Australia since 1979. Saveba was registered in 1984 and traded under the name of Coco Republic, Max Sparrow and Republic Furniture during the reporting period.

The Company's mission is to create breathtaking interior and our belief is that a home is your sanctuary and is an essential part of achieving a sense of well being. The company's vision is to continue to lead the marketplace by providing sublime interiors with purpose. In 2014, Saveba Hospitality Pty Ltd, which is wholly owned by Saveba Pty Ltd was established and has traded under the name of L'Americano. L'Americano offers food and beverages with the aim of enriching the in-store experience for visiting clients and customers.

COCO REPUBLIC

About Us

Saveba is driven by our Belief, Mission and Values. These are shared with our teams across Australia and New Zealand and are reinforced through our People & Culture tool and processes.

The values of the company are embedded in our name coco from Coco Republic, which are:

- Community
- Opportunity
- Care
- Ownership

Statement from the CEO and Chair

"Our company values remain core to what Coco Republic represents. We continue to believe addressing the modern slavery risks in our business is an important part of demonstrating these values. Whilst our progress has been slowed in 2020/21 due to the effects of COVID19 we are proud that we have continued to make progress towards implementing our 3 year roadmap."

- CEO Nicholas Foster & Chairman Paul Spon-Smith

COMMUNITY	OPPORTUNITY
Building an inclusive sense of belonging with colleagues and customers by: <ul style="list-style-type: none">· Working together with respect· Supporting each other· Creating a positive environment	Flourish and grow within the community through: <ul style="list-style-type: none">· Opportunities for learning & growth· Inspiration through fresh ideas· Innovation through new initiatives
CARE	OWNERSHIP
We care for our team, our community and our environment by: <ul style="list-style-type: none">· Reducing waste & improving process· Following health & safety and compliance laws· Valuing our local communities as part of our team· Creating a positive environment	Be the best we can be by: <ul style="list-style-type: none">· Showing integrity & ethics· Demonstrating high standards· Taking responsibility

Our *Initiatives*

Our 2021 Initiatives

In 2021, we have been focusing on reviewing our company policies and supplier contract and how to incorporate modern slavery awareness into our operation and supply chain; with assistance of our modern slavery consultant, we have also developed a modern slavery supplier survey which can assist us with understanding more about the risk presented in the supplier's business; finally, we have also reviewed the action plan that was developed in 2020/2021 and updated the implementation timeframe as a result of impact from COVID-19 and projects happening in the business.

Our Plans For 2022

- Roll out modern slavery training program to our employees and suppliers
- Conduct supplier due diligence by rolling out compliance survey to our top 10 suppliers based on our spending (tier 1)
- Develop modern slavery policy to have it in line with employee code of conduct and other company policies

Our Plans Beyond 2022

- Continue supplier due diligence by requesting other tier 1 suppliers to complete compliance survey, and conduct due diligence on priority tier 2 suppliers
- Roll out deep dive survey to Tier 1 suppliers who have completed compliance surveys in 2022



Reporting Criteria 1 & 2

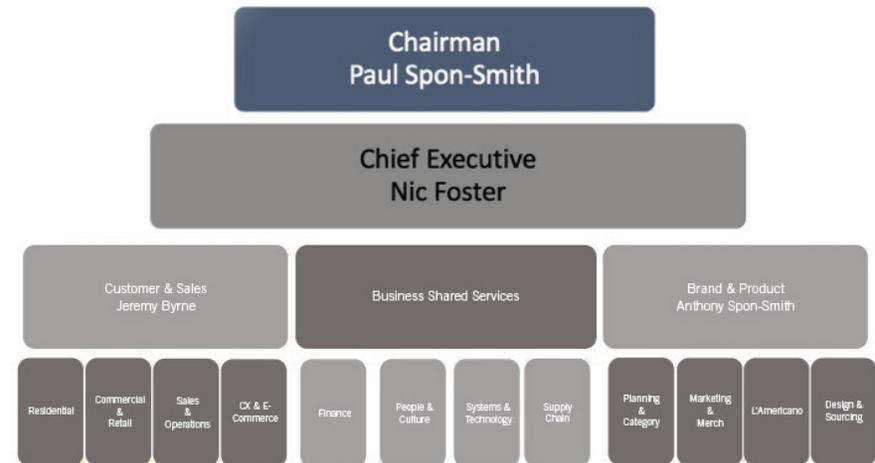
Our Brands and Structure

Our Organisational Structure

As a mid-size organisation with just over 400 employees, our organisational structure is largely a flat structure.

Our business is categorised into 6 Divisions:

- Residential (including our Showrooms & Residential Interior Design)
- Commercial (including Commercial Interior Design & Rental (Short term & Long term rentals)
- Wholesale
- Design School
- Shared Services (including Finance, HR, & IT)
- Middle Office (Warehouses, Marketing, Buying, Planning & Sales Operations)



Reporting Criteria 1 & 2

Our Brands and Structure

Our Governance Framework

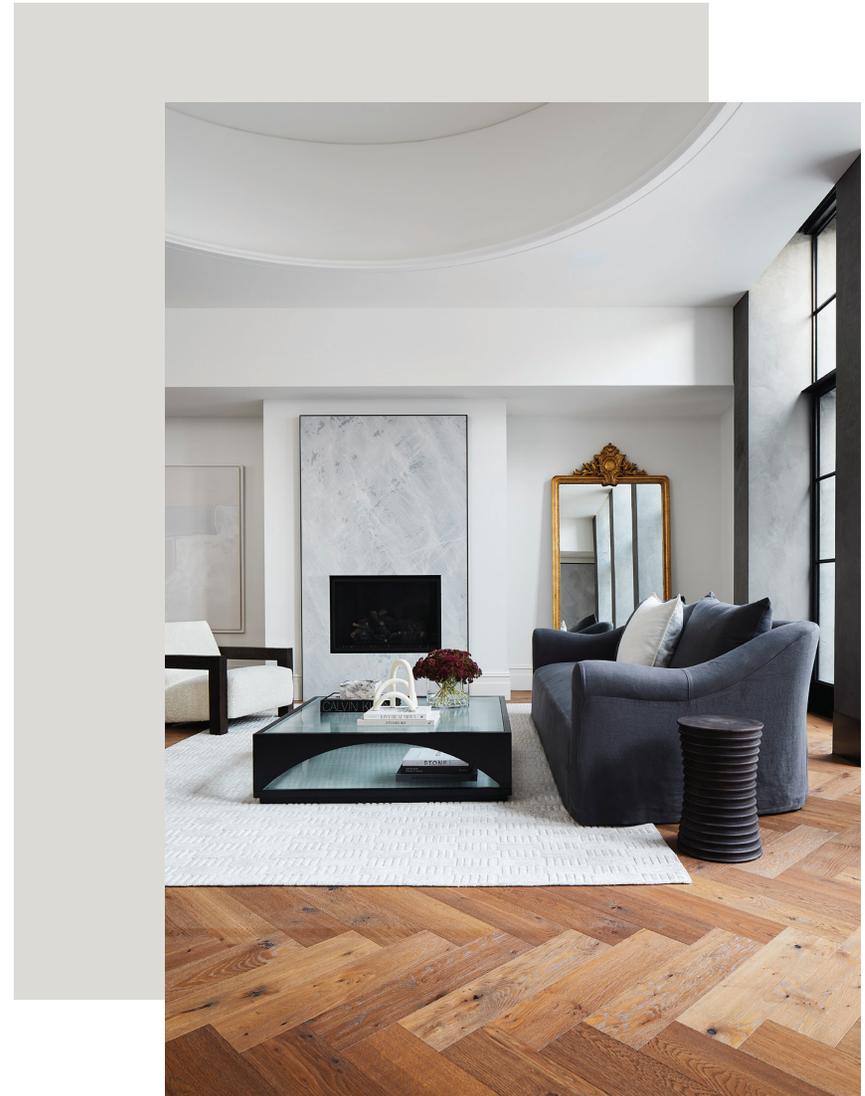
In 2021, Saveba's governance team has been working on the following areas:

- Adoption of anti-bribery and corruption policy
- Publication of first modern slavery statement
- Incorporate modern slavery provisions into whistle blower policy
- Reviewing modern slavery education program that will provide sufficient knowledge for our employees and suppliers

Further to the above, Saveba's Modern Slavery Action Group is conducting regular wage review for staff and operators; at the moment, we have received confirmation from 50 Tier 1 suppliers that their staffs are paid at or above minimum wage requirements in their relevant jurisdiction.

As Saveba is supported by operation partners and product supply chains of different industries, we acknowledge that there are modern slavery risks in our operation and supply chains. The governance team and the modern slavery action group will be continuing in assessing, monitoring, and reducing the risk of modern slavery in our operations and supply chain and all the actions will be oversight by our CEO and Board of Directors.

COCO REPUBLIC



Reporting Criteria 1 & 2

Our Brands and Structure

Our Operations

As of 2021, the business has 12 showrooms throughout Australia and New Zealand and our head office is located in Alexandria, NSW. The products we provide include indoor furniture, homewares, lighting, rugs, art and outdoor furniture. During the reporting period, Saveba has been working on further expansion in Australia, with the preparation of launching 3 new showrooms in Balgowlah (NSW), Canberra Centre (ACT) and Karrinyup Shopping Centre (WA) and taking over an adjacent store in Chadstone Shopping Centre (VIC). All of the new showrooms above will be ready for operation during the 2022 reporting period.

Besides providing retail services in Australia and New Zealand, the company has also entered into agreement and wholesale products into the United States market. The Company provided the following full service divisions, being: Coco Republic Interior Design, Coco Republic Property Styling and Coco Republic Design School.

In 2014, Saveba Hospitality Pty Ltd, which is wholly owned by Saveba Pty Ltd has been established and begun trading as L'Americano since 2015. L'Americano provides hospitality services and are located in Alexandria (NSW), Fortitude Valley (QLD) and Westfield Newmarket (NZ).



Reporting Criteria 1 & 2

Our Brands and Structure

Our Supply Chain

Saveba relies on support of our operation and supply chains partners to assist us with our business. In the reporting period, the company has around 500 operations and supply chain partners. In relation to our supply chain, we source our product manufactures from the following countries: Australia, China, India, Indonesia, New Zealand, Singapore, United States of America, Vietnam. Our operation and supply chain partners provide services to our business in the following categories: manufacturer of goods, logistic services providers, information and communications technology (ICT) partners, legal service providers, marketing services providers and provision of real estate/ property management services.

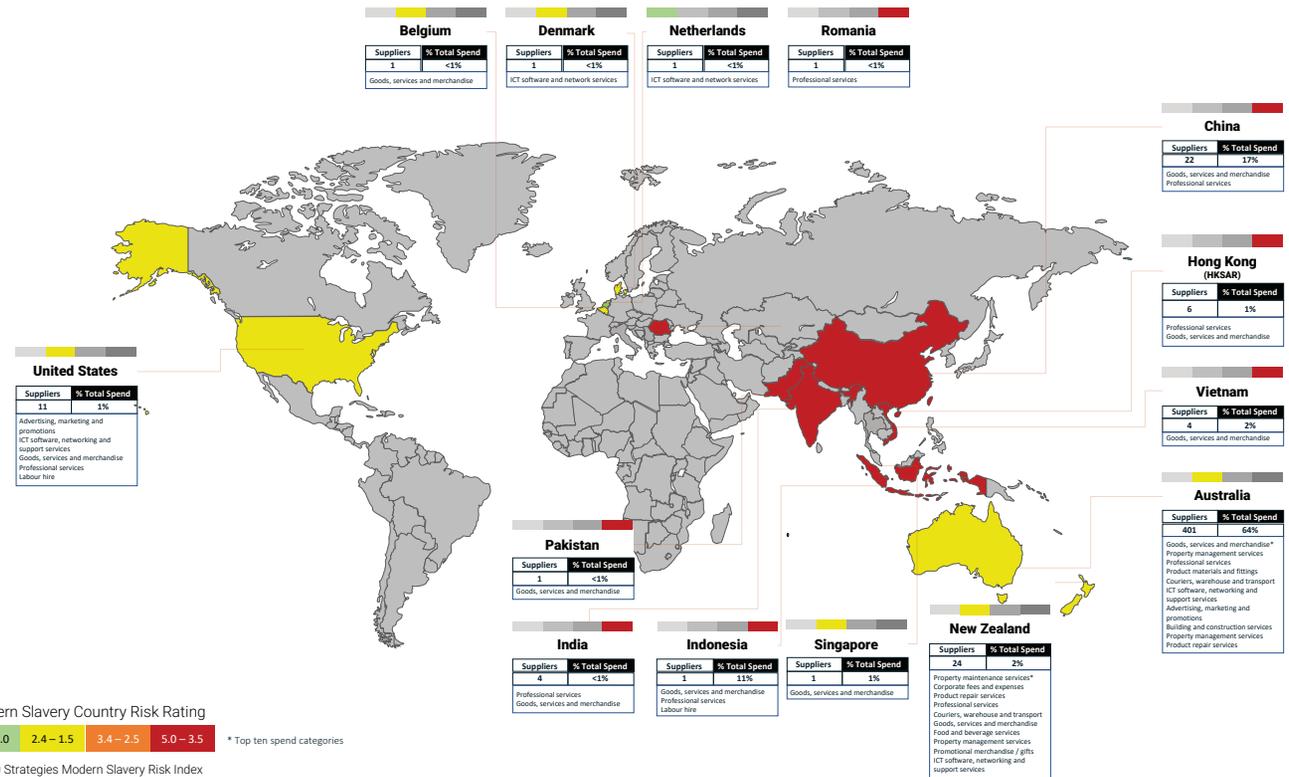
We require all of our operations and supply chain partners to comply with the relevant legislations in their countries and if they are in breach of any legal obligation, we may terminate their agreement. The diagram on P. 11 shows the geographic location of our Tier 1 suppliers.



Reporting Criteria 1 & 2

Our Brands and Structure

Tier 1 Supplier Locations



Reporting Criteria 1 & 2

Our Brands and Structure

Our People

Onboarding processes for our new employees are managed through an automated system which ensures provision and acknowledgment of Fair Work Information Sheet, submission of Australian work rights evidence, collection of taxation and superannuation details, and provision and acceptance of employment contracts. Any VISA sponsorships are managed through external registered migration agents. Our policies communicated to our teams which are updated from time to time, include Code of Conduct, Whistleblower, Social Media, Work Health & Safety, Anti Discrimination, Drug and Alcohol, and Harassment & Bullying.

Our employees are both Award covered and non Award covered. Employment conditions for all employees are as per National Employment Standards and this is referenced in all employment agreements. We monitor and implement Award pay rate increases throughout the year and conduct bi-annual internal audits on Award rate, penalty and allowances compliance. External audits are conducted on tax and superannuation compliance.



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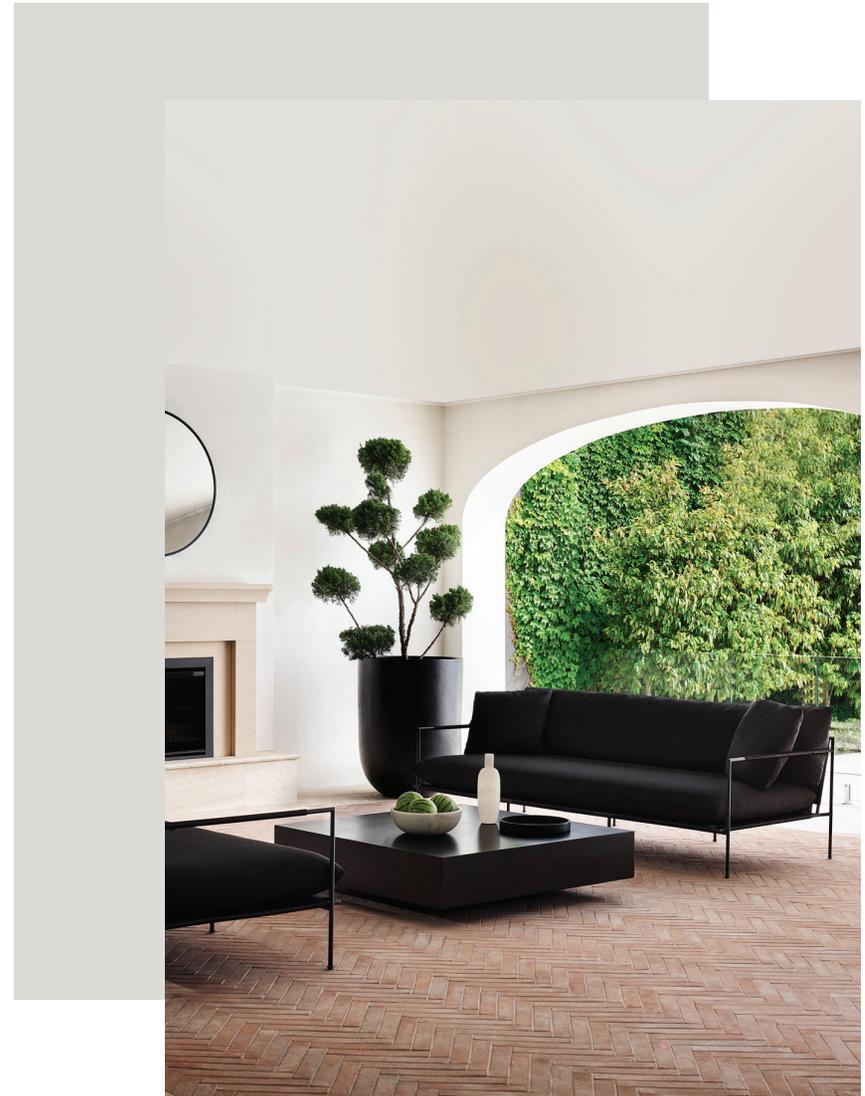
Reporting Criteria 1 & 2

Our Brands and Structure

Our Covid-19 Response

As the Coronavirus (COVID-19) pandemic has brought significant challenges globally, our operations and supply chain has also been affected. During the reporting period, the company has been focusing our priority on the safety, physical and mental wellbeing of our people, key stakeholders, suppliers and their people. The company has continued to monitor the COVID-19 situation and introduce precautionary measures to ensure safety of employees, stakeholders and communities well-being while ensuring business continuity.

As a result of the COVID-19 pandemic, we have delayed our action in engaging our suppliers with the due diligence assessment as we would like to ensure our supplier is provided with plenty of support in ensuring the safety of their employees. We are looking forward to roll out our future actions in accordance with our action plan.



Reporting Criteria 3

Modern Slavery Sisks in Operations & Supply Chain

Overview

Our focus in 2021 is to further understand risk of modern slavery in our operation and supply chain and integrate modern slavery risk management process into our company policies and procedures.

Operational Risks

During the last statement, a modern slavery gap analysis has been undertook by the Company with assistance from external experts and the key areas that require improvement are identified below:

- Management systems
- Human resource and recruitment
- Procurement and supply chain
- Risk management
- Customers and stakeholders

While we consider the risk within our direct business operation to be low, as our business have a centralized workforce, we recognize there are potential risks of modern slavery in our external operational suppliers, such as: leasing, cleaning, sub-contract and other third-party relationships.

The company is committed to raise awareness of modern slavery risks across both our operations and supply chain. We are actively looking in training programs and developing policies and procedures which can increase staff awareness and allow them to report if there is any suspect of modern slavery practice in any of our operation of supply chain.

Supply Chain Risks

In 2020/2021, we have continued with our focus in 2019/2020, which is to obtain deeper understanding of our Tier 1 Suppliers against modern slavery risk indicators, being: country risk, risk according to our spending and risk according to our procurement categories. We recognize there is risk exist in our supply chain which will require ongoing monitoring and improvement and we are looking forward to conduct further due diligence on our top 10 suppliers in the upcoming report period.

Reporting Criteria 3

Modern Slavery Risks in Operations & Supply Chain

With assistance of external experts the company has analyzed closed to \$134 million of procurement data for potential modern slavery risk against 4 internationally recognized risk indicators:

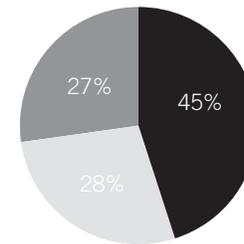
- **Industry Sector** – Specific industry sectors deemed as high risk in international and national guidance documentation
- **Commodity/Product** – Specific products and commodities deemed as high risk by the US Department of Labor’s 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials
- **Geographic Location** – Based on estimated prevalence of modern slavery and the government responses as outlined in the 2018 GSI and our consultant’s proprietary risk profiles based on 13 county indexes of corruption, freedom of speech, worker rights etc. While we predominantly use suppliers based in Australia, we recognise that the goods and services they use in our products (our Tier 2 suppliers) may come from high risk countries
- **Workforce Profile** – In undertaking our supplier analysis we considered the type of labour involved in the production of our goods and services, particularly where low skilled, vulnerable or migrant labour is used, or where the work is deemed as ‘3D’ work (dirty, dull or dangerous)

Supply Chain Risks

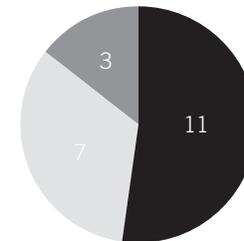
As one of Australia and New Zealand’s leading furniture and design brands, Coco Republic has a mature and complex global supply chain that has evolved over the 40 years we have been in business. In this reporting period, we have assessed 497 suppliers, 167 of them provided stock items (which are items we sell to customers) and 325 of them provided non stock goods and services (i.e. office suppliers, facility management, ICT hardware and software, advertising and etc...) The remaining payments were for taxes and government fees. The majority of our stock suppliers are based in overseas and our non-stock suppliers are mostly based in Australia. After the assessment, we acknowledge that there is potential modern slavery risk in our supply chain; however, the risk is concentrated in a relatively small number of suppliers and spend categories. We are looking forward to conduct supplier due diligence assessment next year to gain better understanding of the risk and managing them with our suppliers in future reporting period.

Key findings from our analysis are as follows:

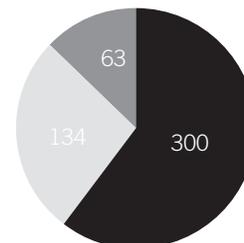
- Approximately 45% of Coco republic’s spend on stock and non-stock items is potentially high risk for modern slavery
- 60% of suppliers are potentially high risk for modern slavery
- 11 of 21 spend categories analysed were potentially high risk of modern slavery



RISK BY SPEND



RISK BY CATEGORY NUMBER



RISK BY SUPPLIER NUMBER

Reporting Criteria 3

Modern Slavery Risks in Operations & Supply Chain

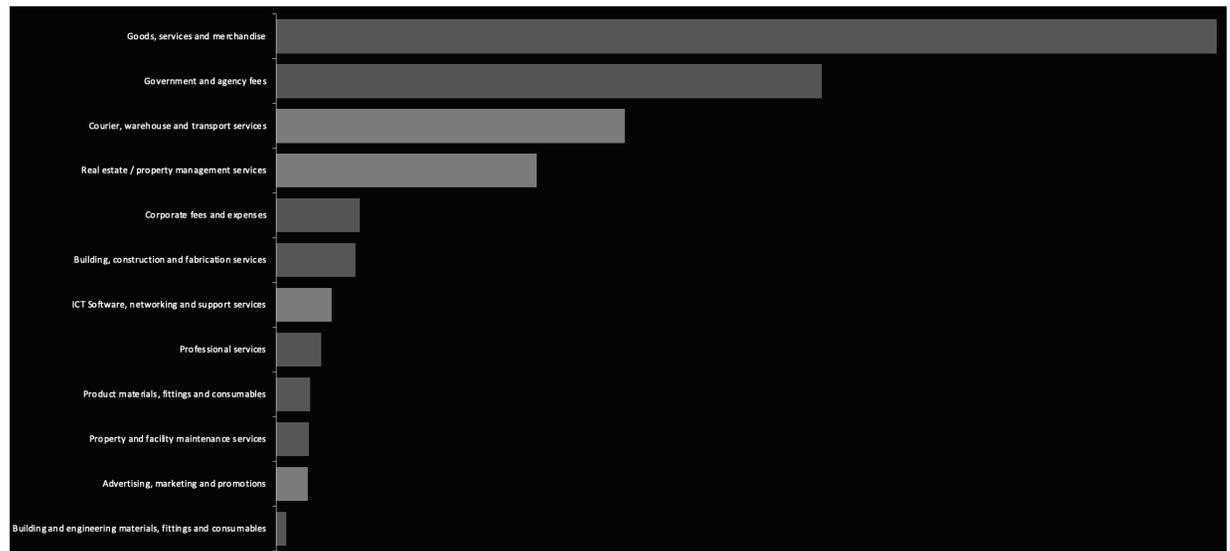
Category Risk

We have identified the top five categories of goods and services that pose the highest potential risk for modern slavery at Coco Republic as follows:

- Goods, services and merchandise
- Building, construction and fabrication services
- Product materials, fittings and consumables
- Property and facility maintenance services
- Building and engineering materials, fittings and consumables

Around 80% of our stock items are manufactured in countries considered higher risk for modern slavery such as China, India and Indonesia.

Our two highest non-stock spend categories are building, construction and fabrication services (upgrades to facilities at our stores and display centres) and property and facility maintenance services (cleaning, security, rent for premises).



Reporting Criteria 3

Modern Slavery Risks in Operations & Supply Chain

Country Risk

During the reporting period, the company has operation and supply chain partners from 15 countries and location, being: Australia, Belgium, China, Denmark, Hong Kong, India, Indonesia, Macau, Netherland, New Zealand, Pakistan, Romania, Singapore, United States and Vietnam.

We noted that over half of our high risk spend on stock items is with suppliers located in China, Hong Kong and Indonesia.

In this reporting period, we have only assessed the risk of our suppliers based on their geographic locations (based on whether the countries are known to have higher risk of worker exploitation, underpayment of wages and excessive working hours), industry sectors (sectors which are known to present higher risk for modern slavery in both Australia and internationally) and our spending. As it is a high-level analysis, it is more of a generic outcome and does not reflect actual risk of our supplier. We are pleased to advise that we have not received any reports of modern slavery practice in our operations and supply chain.

The company would like to be able to engage with all our operation and supply chain partners to develop a better understanding of the actions that have taken to mitigate the risk of modern slavery in their business down the track. At the moment, the company has determined in the next reporting period, the company will:

- Engage our top 10 operations and supply chain partners where majority of them are located in Australia, China and Indonesia to better understand their work force, modern slavery risks presented in their business and the actions they took to address the risk.

Reporting Criteria 4

Actions Taken to Assess and Address Risk

The process of identifying and assessing and addressing modern slavery risk is complex and the Company is committed to gain further understanding and reduce the risk of modern slavery in our operations and supply chain. Despite challenges that have been imposed by COVID-19, the company has managed to implement the following actions in assessing and addressing our risks:

Policies and Supplier Contract Review

During the period of 2020/2021, we have been reviewing company's policies and supplier contract. We have updated our company's whistleblower policy to encourage employee and suppliers to notify us if they are aware of any risk of modern slavery practice in our operations and supply chain. Furthermore, our standard supplier contract is updated to show suppliers that we are committed to working in collaboration with supplier to reduce the risk of modern slavery. In our updated contract, we also advise suppliers that we will have a right to conduct random audit to ensure supplier is not engaged in any modern slavery behavior.

Raising Awareness of Employee

We have reviewed the modern slavery training program that is available on our People & Culture Learning Platform and assess whether it is sufficient in educating our employees to raise their awareness of modern slavery and we are hoping to have the module roll out to all employees in the next reporting period. In relation to our buying, procurement and product team, we are reviewing programs that can provide the team with more detail understanding as it will assist the team in identifying red flags when choosing suppliers.

Assessing Risks

With the assistance of our consultant, we have developed a survey for our suppliers which will allow us to gain an understanding of our supplier's purchasing practice, supply chain mapping and if the supplier has any modern slavery risk management commitment. We have built the survey into our compliance platform and we are preparing to roll out the survey to our top 10 suppliers based on our spending which will assist us in assessing the risks.

Reporting Criteria 4

Actions Taken to Assess and Address Risk

Modern Slavery Roadmap

We have reviewed the action plan and roadmap that was developed in 2020 and 2021 and have updated the implementation timeframe as a result of impact from COVID-19 and projects happening in the business.

The diagram on the right provides a summary of the key initiatives that we are looking to roll out:

	Review / Plan	Implementation	Extend / Review
	<ul style="list-style-type: none"> Review and update company policies and supplier contract to incorporate modern slavery provision Review modern slavery education program for employees and planning out the roll out schedule Develop modern slavery questionnaire for suppliers and incorporate it into our compliance platform to enable assessment done in the future 	<ul style="list-style-type: none"> Create internal awareness of modern slavery by rolling out training program to our employees and suppliers to be line with our "Care" value Conduct supplier due diligence by requesting suppliers to rolling out compliance survey to our top 10 suppliers based on our spending (tier 1) Develop modern slavery policy to have it in line with employee code of conduct and other company policies 	<ul style="list-style-type: none"> Continue supplier due diligence by requesting other tier 1 suppliers to complete compliance survey, and also begin to conduct due diligence on priority tier 2 suppliers Roll out deep dive survey to Tier 1 suppliers who have complete compliance surveys in 2022 Incorporate modern slavery risk management into supplier onboarding process Develop guidance material for enforcing and assessing process for procurement team
	2021	2022	2023

Reporting Criteria 5

Effectiveness Assessment

Reporting and Accountability

The Company acknowledges that there is risk of modern slavery in the retail industry and it will be a long term ongoing monitoring and improvement process that require collaboration between the organization and our operations and supply chain. Currently, the Company has a regular review process which is oversight by the Board and Executive to track the steps that we have taken in managing modern slavery risk.

Annual Review - Board

The Board and the Executives review actions and responses that have been taken and signed off our annual Modern Slavery Statement to assess and ensure the company is compliant with the requirement under the Modern Slavery Act and make progress aligning with our action plan.

Quarterly Review

- Senior Management Team (SMT) and Board

The Board and Senior Management Team of the organization will receive quarterly update from the Modern Slavery Action Group in relation to progress, issues and achievements in relation to actions taken in managing modern slavery risk.

Monthly Review

- Working Group and SMT

The Modern Slavery Action Group identify if there is any known risk of modern slavery reported by our employees or supplier, if there is, it will be reported to the Board and Senior Management Team. Saveba is eager to report that during the past 2 reporting period, we have not received any reports of modern slavery practice in our operations and supply chain.

Reporting Criteria 6

Process of Consultation with Others

Saveba Hospitality Pty Ltd is the only entity that is controlled by Saveba Pty Ltd and both entities share the same executive management. During the reporting period, there is consultation within both entities towards development of this statement. Both entities have worked in collaboration to identify and access the risk of modern slavery in our supply chain and reporting the risks to our Board to enable the development of management strategy in responsive to the risk presented in our operation and supply chain.

This statement was approved by the Board of Saveba Pty Ltd and its controlled entities for the period ending 30 June 2021.

Signed



Nicholas Foster
Chief Executive Officer

Saveba Pty Ltd
Saveba Hospitality Pty Ltd
23 December 2021

