



MODERN SLAVERY STATEMENT //

FISCAL YEAR 1ST JULY - 30TH JUNE 2021
THE TRUSTEE FOR THE GP CO TRUST
ABN 74 091 407 647

General Pants Co.

ACKNOWLEDGEMENT OF COUNTRY //

In the spirit of reconciliation, General Pants acknowledges the Traditional Custodians of this country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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A NOTE FROM THE CEO //

At General Pants Group, it is our mission to become Australia and New Zealand's most sought-after employer, business partner, and youth fashion destination. We are committed to constantly evolving and finding ways to create a world with no boundaries and have a shared vision to work towards a retail industry that causes no harm, rather, empowering those who work in the industry, to thrive.

As we work towards this vision, our philosophy is to always be taking steps forward, regardless of how large or small. Our commitment is anchored in our governance and ethical sourcing work. Publishing our first Modern Slavery Statement is an acknowledgment of the steps that we are taking, but also, the learnings, strategies, and work, we are yet to do to further cement our commitment and transform our value chain.

Modern slavery is a pertinent issue of our times, and with recent challenges that we have faced globally such as Covid-19 and climate change, it is expected to grow. As a company, we work collectively to solve complex challenges, drive a positive and thriving culture, and serve our customers and community, and in tackling modern slavery, we will take the same approach. Through the learnings that developing and publishing this statement has provided, our approach to ethical sourcing is at the forefront of our minds, and we will work to develop mutually sustainable long-term partnerships with our value chains, increase transparency and traceability efforts, engage with the local and global industry to learn, and develop further strategic objectives and report on our efforts annually.

As a key cultural player in the retail industry, we acknowledge our responsibility to drive transformation both from the inside out, and the outside in.



Sacha Laing
CEO

The Board of Directors has reviewed and approved this Modern Slavery Statement. 8th June 2022.



INTRODUCTION //

The information provided within this Statement, is in accordance with the Modern Slavery Act 2018, (Cth) for the financial reporting period 1st July 2020 – 30th June 2021. As a proud Australian operating entity, we acknowledge the commitment this Act demonstrates to eradicating modern slavery locally, and globally. Responsible and ethical sourcing is a focus of General Pants Group, and we acknowledge the fact that modern slavery still exists within the retail supply chain, as well as the role that industry has in collectively combatting un-ethical business practices.

Threats, deception, and coercion in the aim of exploiting individuals are a basic violation of human rights and are unacceptable within our business operations. The Australian Modern Slavery Act defines modern slavery as encompassing eight types of serious exploitation, and our Statement outlines the steps that we are taking at General Pants Group, to work toward the abolition of modern slavery, as well as key areas of continuous improvement.



COMPANY OVERVIEW STRUCTURE, OPERATIONS, SUPPLY CHAIN //

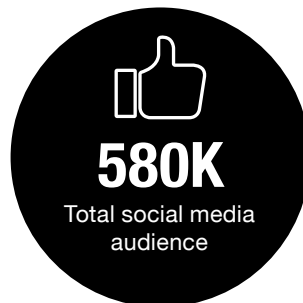
The General Pants Group is one of Australia's largest and most respected youth fashion retailers, with 61 stores across Australia and New Zealand. Starting from humble beginnings back in 1972 as a speciality denim store on Sydney's George Street, we are LED BY NONE, never defined, never boxed in. Delving into style, music and art, our team of culturally connected buyers and creatives pioneer the latest trends and conversations. We like to mix things up; encouraging our community to bring together different genres, styles, and ideas.

Our omni-channel offering sees 12.5 million customers visit our stores yearly, and we have 10 million website sessions per year.

We are the proud owners of a stable of 11 of our own brands, and retail 70 local and International well-known and culturally evolved third-party brands. In 2020 General Pants Group placed 9,182 orders across our vertical and branded operations.

Sydney continues to be the home of our vibrant head-office in which the majority of our directly employed team of 219 permanent and 456 casual employees in Australia are located. We also employ 13 permanent team members and 24 casual team members based in New Zealand and operate a fulfilment centre in Melbourne.

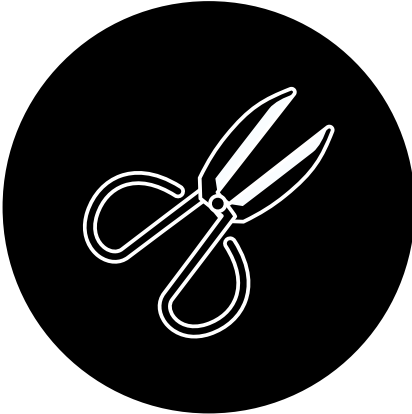
Our Ethical Sourcing work sits between the roles of our CEO, CFO and Group Head of Production. In 2019, our Group Head of Production together with our Customer Experience & Strategy Lead, pioneered the development of our CSR strategy, which outlines our commitments within the key areas of Ethical Sourcing, Responsible Materials, Energy and Waste Reduction, Community Engagement and Activism and Communications. Human rights and modern slavery sit within our Ethical Sourcing program, managed by our Group Head of Production, and has input from our CFO.



COMPANY OVERVIEW STUCTURE, OPERATIONS, SUPPLY CHAIN //

THE SUPPLY CHAIN FOR OUR VERTICAL BRANDS IS BROKEN DOWN INTO FOUR TIERS:

TIER 1



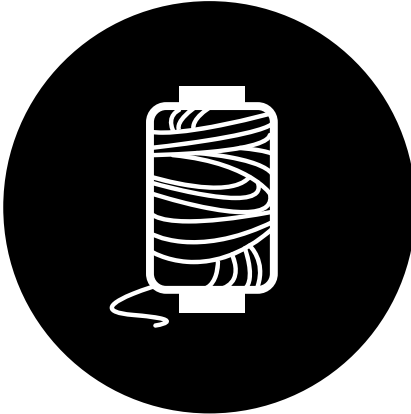
**CMT factory (cut, make, trim)
+ Agents**

TIER 2



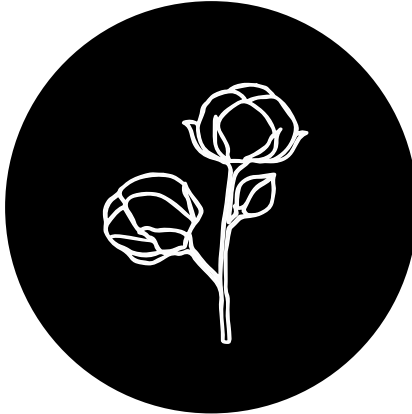
Weaving, Knitting, Dyeing

TIER 3



Yarn production, Spinning

TIER 4



**Feedstock, Raw materials
and Man-made fibres**

COMPANY OVERVIEW STRUCTURE, OPERATIONS, SUPPLY CHAIN //

OUR SUPPLY CHAIN IS BROKEN DOWN INTO THREE MAIN AREAS:

1. VERTICAL BRANDS (OUR OWN GENERAL PANTS GROUP BRANDS)
2. THIRD-PARTY BRANDS (THIRD-PARTY RETAILER BRANDS)
3. NON-COMMERCIAL SUPPLIERS

S T A N D V R D

Love

NOTES

Dont ask Amanda

NEON HART

insight

▲ *blacknoise/whiterain*

SUBTITLED

A R V U S T

General Pants Co.

B A S I C S

alice in the eve.

SPENCER PROJECT

COMPANY OVERVIEW STRUCTURE, OPERATIONS, SUPPLY CHAIN //

Abrand Jeans

ksubi

THE
NORTH
FACE

Champion



NEUW

NOBODY DENIM

ROLLA'S



Wrangler



THE RAGGED PRIEST

X-LARGE

TOMMY
JEANS

NAUTICA

M/SF/T

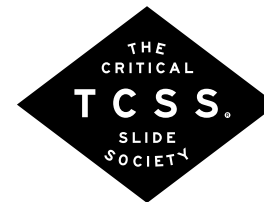


ONETEASPOON

NOSTALGIA CO.
Mitchell & Ness
PHILADELPHIA, PA.

THE PEOPLE VS

THRASHER
MAGAZINE



HUF

COMPANY OVERVIEW STRUCTURE, OPERATIONS, SUPPLY CHAIN //

BIRKENSTOCK®

Blundstone®

S●L SANA

ALIAS MAE

CONVERSE ★➤

**Dr. AirWair
Martens**
with Bouncing soles

SEBAGO®

crocs™

indosole.
SINCE 2009

LACOSTE 

havaianas®

VANS

Teva®

**TOMMY
JEANS**

*Sample of our third-party brands.

COMPANY OVERVIEW STRUCTURE, OPERATIONS, SUPPLY CHAIN //

General Pants vertical brands products are designed in Australia and produced by independently owned factories that specialise in the manufacturing of apparel and accessories. In 2020, we mapped 100% of our Tier 1 supply chain for our vertical brands. Our Group Head of Production worked directly with 20 companies of which seven (35.5%) were based in Australia, 11 (55%) based in China and two (10%) based in Pakistan. This resulted in a total of 33 independent factories producing our collection in 2020, of which 20 (80%) were based in China, and two (20%) in Pakistan. This breakdown also reflects the overall spend across country. Over 4688 people were employed through our independent factories, with the majority of them being male. 14 migrant workers were reported to be employed across three different facilities.

SUPPLY CHAIN // THIRD-PARTY BRANDS

Our portfolio of third-party brands consisted over 70 local and global partners. The relationship with each of our third-party brands is managed by our buying team who liaise with relevant parties within their organisations.

SUPPLY CHAIN // NON-COMMERCIAL GOODS AND OPERATIONS

At General Pants Group, we categorise our non-commercial goods suppliers as those that provide, packaging, logistics, marketing and cleaning. We worked with a total 110 non-commercial goods partners during the reporting period.



MODERN SLAVERY RISKS ACROSS OUR SUPPLY CHAIN //

We acknowledge that under the UN Guiding Principles, we have a responsibility to identify modern slavery within our business operations, and the opportunity to demonstrate that relevant strategies have been and will be implemented to identify, mitigate, and transform our supply chain.

The apparel and clothing accessories sector is associated with a high risk of modern slavery. From facility to farm, the textile industry has a responsibility to understand site specific, commodity and country risks as a result of producing offshore.

As part of our continuous improvement journey, we have identified four main functions within our organisation that champion this work:

1. Operations: CFO & Operations
2. Vertical brands: Group Head of Production
3. Third-party brand: Chief Merchandising Officer
4. Non-commercial goods: CFO

Our approach to identifying the risk of modern slavery in our supply chain has been multifaceted and included working with third-party organisations such as the Supplier Ethical Data Exchange (SEDEX) to provide data specific to the apparel and textile industry. We also referred to a range of resources, not limited to but including The Global Slavery Index, The Corruption Perception Index and co-operated with local NGO's such as Baptist World Aid.

We have identified our key risk areas by gathering data points such as our main business relationships – owned and non-owned and spend against commodity and country risks.



MODERN SLAVERY RISKS ACROSS OUR SUPPLY CHAIN //

BUSINESS RELATIONSHIP	COUNTRY	RISKS	RISK AREA	RISK RATING	LEVEL OF INFLUENCE
Operations	Australia New Zealand	Forced labour, discrimination, regular employment, migrant/ unskilled labour	Employees - permanent and casual, logistics	Medium	Medium – High
Vertical brands	China	Forced labour, freedom of association, wages, bonded-labour, child-labour, working hours	Cut-make-trim factories	High	Medium
	Australia	Forced labour, contract work	Cut-make-trim factories	Medium	Medium
	Pakistan	Forced labour, freedom of association, child-labour, wages, working hours, discrimination	Cut-make-trim factories	High	Medium
Third-party brands	Global	Forced labour, freedom of association, wages, bonded-labour, child-labour, working hours	Clothing and apparel, accessories, footwear	High	Medium
Non-commercial goods	Australia	Forced labour, migrant workers, freedom of association	Non-commodity service providers – cleaning, models	Medium	High

MODERN SLAVERY RISKS ACROSS OUR SUPPLY CHAIN //

RISK IN OUR LOCAL OPERATIONS

Our main sites of operation are Sydney Australia and New Zealand, and we deem the risk profile to be low given country, and our sphere of influence. Australia and New Zealand both have robust legislation for human rights and rank highly on the 'Corruption Perceptions Index, 2019' for transparency. Our operations are managed by seven Executive & Management teams, overseen by our CEO. Our General Manager of People & Culture, alongside our Talent Acquisition Manager are responsible for implementing our recruitment and onboarding process, which have been developed in accordance with local legislation and is coupled with our company Code of Conduct, health and safety information, and our company values. We have also established an internal Grievance Policy that empowers team members to take action if they believe they are under any form of misconduct from any member of the General Pants team.

RISK IN OUR VERTICAL BRANDS

Our own vertical (owned) brands at General Pants provide the biggest opportunity to mitigate risk with our business model, however can also be the most complex the further we move down the value chain. Common risks associated within the textile industry than can lead to increased modern slavery. Include short-term contracts, pressure from purchasing practices such as short product delivery timelines, sub-contracting, migrant workers, and cost of productions.

By implementing risk assessments and developing ethical sourcing strategies to identify, address and empower our supply chain alongside internal training, we aim to continuously transform the relationships with our value chain. The Majority of our products are sourced in China (80%) and the remainder in Pakistan (20%). To further understand our risk, we have taken a deeper look into each country, addressing site specific risks as well as identifying commodity-based risks.

CHINA

A report published by the Global Slavery Index in 2018, estimates that there over 3.8 million people living in conditions of modern slavery in China. Specialising in the production of high volume, cheap goods, forced and child labour is major area of concern, and cotton produced in China has been highlighted as a risk area by the US Department of Labour goods. One of the main areas of concern most recently is the forced labour of the Uyghur population in the Xinjiang region, responsible for 85% of cotton production in China, and 20% of world supply.

PAKISTAN

The Global Slavery Index, 2018 ranks Pakistan as number 8/167 with approximately 3,186,00 living in modern slavery. Forced labour, marriage, and coercion are amongst many ways exploitation of individuals is practiced amongst a wide range of industries, including cotton.

RISK IN OUR THIRD-PARTY BRANDS

As a retailer of 70 third-party brands, we acknowledge that our level of influence is lower, however, not to be overlooked. When onboarding third-party brands, all brand parties must sign upon onboarding, which reflects our commitment to ethical sourcing across the entire value chain of General Pants. Our risk assessment needs to be improved in this area as we have limited visibility into the supply chains of our brands partners.

RISK IN OUR NON-COMMERCIAL GOODS

Our non-commercial goods supply chain is comprised of 35 partners that are based in Australia and New Zealand. The engagement and management of our non-commercial goods partners is approved by our CFO and our contracts are all developed in line with relevant legislation.

ACTIONS TAKEN BY GENERAL PANTS TO ADDRESS MODERN SLAVERY //

OUR ETHICAL TRADE PROGRAM AT GENERAL PANTS INCLUDES INTERNAL TRAINING, THE DEVELOPMENT OF GUIDELINES AND POLICIES, ALONGSIDE MONITORING AND COMPLIANCE.

DUE DILIGENCE – CODE OF CONDUCT & AUDITS

Upon onboarding, our value chain partners receive a ‘Supplier Manual’ which outlines our commitments to ensuring ethical sourcing practices are demonstrated across our business operations. Our Code of Conduct has been developed in line with the labour rights associated with the Ethical Trade Initiative and the International Labour Organisation and addresses key areas including Anti-bribery and Corruption, Modern Slavery, Transparency, Migrant, Contract and Temporary Workers, Gender Equality, Forced, Bonded and Child Labour, Ban on Cotton from Uzbekistan, or Turkmenistan; to name a few of relevance.

In 2019 we joined SEDEX and integrated a policy into our Code, making it mandatory for all vertical brand suppliers and sites producing finished goods for any brand within General Pants Group to ensure that they are themselves members, and complete a formal yearly SMETA (Sedex Members Ethical Trade Audit) audit as part of our onboarding process. This audit methodology is founded on the conventions of the International Labour Organisation and integrate the Ethical Trade Initiative Base Code. We also accept audits and certification from industry bodies including but not limited to SA8000, WRAP and BSCI.

TRANSPARENCY

In 2020 we developed our transparency program, working to map our supply chain with the goal of ensuring 100% transparency of our Tier 1 vertical brands. We met this target and are working on setting goals and targets for the remainder of our value chain. This exercise has equipped us with the information needed to ensure that we have a range of due diligence practices in place, as well as setting up the relationships to go beyond Tier 1 and setting further goals and processes to address the lack of transparency within the remainder of the value chain. This visibility currently leaves us vulnerable to the risk of modern slavery and decreases our sphere of influence. We have partial visibility of some commodity resources such as cotton (Tier 4) through programs that we have partnered on such as The Better Cotton Initiative and acknowledge the work we must do to work towards full transparency.

RISK ASSESSMENT AND REMEDIATION

We currently collect a range of data from the factory assessments that are provided through our auditing process. Upon collection of the audit, we assess the findings and detail areas of risk, and work directly with our Tier 1 partners to remediate Corrective Action Plans (CAP). Taking a collaborative approach to addressing the CAP, we work towards the expectation that these will be closed within a three-month timeframe, of which then another audit is then instigated. We acknowledge that there are a range of nuances based on factors such as country and culture, and audits are only the beginning.

ACTIONS TAKEN BY GENERAL PANTS TO ADDRESS MODERN SLAVERY //

COVID-19 RESPONSE

On the 30 January 2020, a Public Health Emergency of International Concern was declared by the World Health Organisation, due to Covid-19. A form of influenza that originated in China, which qualified as a global pandemic in March 2020. This exposed businesses globally to a range of operational risk and left the most vulnerable workers globally, even more so. Many factories were forced to close, and when re-opened, they were only able to trade at partial capacity due to restrictions, and supply chain impact.

At General Pants our approach to Covid-19 focused on managing and maintaining our supplier relationships and ensuring that our partners were not left with any liabilities.

The main challenge was ensuring that we preserved long term relationships with our suppliers and that contracts were honoured, of which close negotiations to lead to some discounts, and delayed payments due to closure of stores and head office, however 100% of our vertical contracts were honoured.

Any orders that were placed and production had not commenced, we worked to rephrase orders with the consideration of buying demands, seasonality and production capacity. Due to imposed lockdowns, regular site visits by our General Pants team and auditors, which gives us critical insight and transparency into the working conditions, exposed us further to the risk of modern slavery.



EVALUATING THE EFFECTIVENESS OF OUR ACTIONS //

Evaluating the effectiveness of our actions at General Pants is a commitment that we recognise as important and our auditing and compliance program provides us with the data to identify fundamental risks, however we recognise that going beyond audit is a step that we must take, not only to mitigate risk but to positively transform our supply chain. During the reporting period:

- 80% of Tier 1 vertical brand supply chain partners performed an audit
- 7% vertical brand supply chain partners have open non-compliances

CONSULTATION WITH REPORTING ENTITIES

Our group head of productions manages the communication with our value chain, SEDEX and stakeholders organisations including Baptist World Aid.

NEXT STEPS FOR GENERAL PANTS – A CONTINUOUS IMPROVEMENT APPROACH //

DURING THE REPORTING PERIOD:

1. DEVELOP A CSR AND ETHICAL SOURCING COMMITTEE

In order to demonstrate our commitment to transforming our business operations, we will elect a CSR and ethical sourcing committee that will meet quarterly to assess and steer the direction of our ethical sourcing work, with a focus on Modern Slavery.

2. INTERNAL CAPACITY BUILDING

Provide Modern Slavery training through third-party experts to the Executive Management Team and relevant internal business units.

3. DEVELOP AN ETHICAL SOURCING STRATEGY AND PROGRAM FOR BRAND PARTNERS

We will design and implement an Ethical Sourcing program that highlights the minimum requirements from our brand partners and empowers our buying team.

4. BEYOND AUDIT

Going beyond audit during this time period will entail re-evaluating our risk assessment, forming closer relationships with supply chain partners to remediate CAP's and develop a Grievance Mechanism.

5. TRANSPARENCY

Continue our supply chain transparency program with a focus on Tier 2 and 3 and setting clear goals. We will also publish our existing supply chain map.

6. SECTOR COLLABORATION

Identify and partner with relevant NGOs, and industry bodies. We acknowledge the role that our industry plays in the role of modern slavery, and at General Pants we will be taking an integrated approach in the aim of working to not only mitigate risk, but positively transform our operations.

Sacha Laing
CEO



