

2026 Modern Slavery and Human Rights statement



STEEL
BLUE

 **IMPACT**

A leadership commitment to Ethical Sourcing

At Steel Blue, we believe that responsible business begins with respect for people. We are committed to maintaining a supply chain that reflects our values, protects human rights, and supports fair, safe, and ethical working conditions wherever we operate and source.

As a global safety footwear business, we recognise that modern slavery and human rights risks can exist within complex international supply chains. Addressing these risks requires strong leadership, clear expectations, and consistent accountability. It is therefore a priority for Steel Blue to embed ethical standards across our business and partner with organisations that share our commitment to responsible conduct.

Our approach is grounded in governance, transparency, and long-term supplier relationships built on trust and shared responsibility. We want our customers, partners, and stakeholders to have confidence that Steel Blue is actively working to identify risks and strengthen supply chain transparency. We expect our partners to meet our ethical labour standards and are committed to working collaboratively to drive improvement where needed.

We recognise that this work requires ongoing vigilance, investment, and accountability. Steel Blue remains committed to strengthening our systems, engaging with stakeholders, and continuing to raise standards across our operations and global supply chain. As Chief Executive Officer, I am accountable for ensuring that Steel Blue maintains a strong ethical foundation and continues to strengthen its approach to human rights and responsible sourcing over time.

Peter Bell
Chief Executive Officer





A sustainability commitment to Human Rights and a Transparent Supply Chain

Ethical sourcing and respect for human rights are fundamental to Steel Blue's sustainability approach. Our aim is to ensure that every product our customers trust is supported by supply chain practices that are transparent, responsible, and continuously improving.

We take a structured, risk-based approach to identifying where modern slavery risks may exist across our operations and supply chain. This includes working closely with our suppliers and manufacturing partners, and embedding systems that strengthen visibility, accountability, and effective action. From supplier onboarding and clearly defined policy expectations through audit programmes, corrective action management, and supply chain mapping, our focus is on practical, measurable interventions that reduce risk and elevate standards.

We recognise that ethical sourcing is an ongoing responsibility rather than a single milestone. Expectations continue to evolve globally, and meaningful progress depends on strong partnerships, transparency, and a commitment to continuous improvement. In response, Steel Blue is strengthening its due diligence processes, improving supply chain traceability, and embedding respect for people throughout all sourcing and business practices.

As we continue to develop our sustainability programme, including alignment with EU Green Deal requirements such as the Ecodesign for Sustainable Products Regulation (ESPR), Life Cycle Assessments (LCA), and Digital Product Passports (DPP), we expect further improvements in supply chain visibility and transparency.

While we acknowledge there is more work to do, we are confident that the governance, systems and partnerships we are building will continue to strengthen our ethical sourcing practices and deliver measurable year-on-year improvement.

Moira Smythe
Head of Sustainability

Reporting Entity

Reporting Entity

Steel Blue is committed to supporting the global eradication of modern slavery, including forced labour and human trafficking. Our approach is informed by International Labour Organization conventions and the Ethical Trade Initiative Base Code, and is designed to support compliance with applicable Australian, United Kingdom and other relevant legislative requirements.

We recognise that the footwear sector can present elevated labour and human rights risks, particularly in complex international supply chains. Steel Blue has established a risk mitigation programme to identify, assess and respond to these risks. Modern slavery risk is reviewed through our governance framework, with oversight from the Head of Sustainability and the Risk and Compliance function. This is supported by embedded personnel in key manufacturing facilities, regular technical and executive factory visits, and ongoing operational oversight between formal audit cycles.

Reporting periods

This statement addresses multiple reporting periods to support relevant multi-jurisdictional obligations:

Australia: 1 July 2025 to 30 June 2026

United Kingdom: 6 April 2025 to 5 April 2026

Canada: Annual reporting under the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Additional jurisdiction-specific reporting requirements may be considered where Steel Blue's market presence or legal obligations expand.

Reporting Entity, structure, operations and supply chains

This statement applies to Footwear Industries Pty Ltd ABN 15 068 608 917, trading as Steel Blue (the reporting entity), and its four subsidiaries:

1. Footwear Industries North America, Inc.
2. Steel Blue Europe (EMEA) B.V.
3. Footwear Industries UK Ltd
4. Footwear Industries Ireland Ltd

Footwear Industries Pty Ltd is incorporated in Australia and employed 93 people globally as at July 2026. Its head office is located in Perth, Western Australia.

Steel Blue is an Australian-owned private company operating in the safety footwear sector. Its wholesale business model distributes products through a network of approved specialist PPE distribution partners. Steel Blue's core capabilities include product research, development and design, quality control and testing, wholesale distribution, sales and marketing.

Steel Blue also uses third-party logistics warehouses in the United Kingdom, Ireland, the Netherlands and the United States. These arrangements are supported by contractual expectations and supplier requirements designed to align third-party service providers with Steel Blue's ethical sourcing standards.



Overview of Ethical Sourcing

Overview of Ethical Sourcing and modern slavery mitigation commitments

Customer assurance	Key controls	Oversight and improvement
Steel Blue provides customers and stakeholders with assurance through a risk-based ethical sourcing and supplier compliance programme that identifies, prevents and addresses modern slavery risk across its operations and supply chain. Our approach combines supplier standards, factory-level oversight, independent audits, supply chain mapping, training and continuous improvement.	Steel Blue applies a risk-based ethical sourcing and supplier compliance programme designed to identify, prevent and address modern slavery risk across its operations and supply chain. Independent SMETA 4P audits, internal monitoring and corrective action tracking support implementation. Supplier codes, zero-tolerance controls, Tier 2 mapping and Sedex-supported visibility strengthen the Steel Blue supplier compliance programme.	Board and executive oversight, supported by on-the-ground monitoring, supplier engagement and regular review of audit outcomes, training and issue resolution.

Our commitment

Steel Blue is committed to building and maintaining a supply chain that is ethical, transparent and responsible. As an Australian-owned safety footwear company with manufacturing partnerships in Indonesia, as well as other countries, we recognise that parts of the global footwear supply chain can carry heightened labour and human rights risks. Our response combines clear supplier expectations, on-the-ground oversight, independent audits, supply chain mapping and ongoing review to reduce modern slavery risk and support responsible sourcing.

How we approach Ethical Sourcing

This statement outlines how Steel Blue manages modern slavery risk across its operations and supply chain, including where key risks arise, the controls in place to address them, and how effectiveness is reviewed over time.

Because Steel Blue operates internationally, this statement is designed to support reporting and due diligence expectations across relevant jurisdictions while maintaining one consistent global approach.

Our programme is built around recognised due diligence principles: understanding where risk sits, setting clear standards, checking performance, responding where issues arise and continuously improving our approach.

Jurisdiction	Threshold / Period	What Steel Blue reports on
Australia	AUD \$100m / 1 July–30 June	Structure, operations, supply chains, key risks, actions taken, effectiveness review, consultation and other relevant information.
United Kingdom	£36m / annual	Organisation and supply chains, policies, due diligence, risk areas, effectiveness and training.
Canada	CAD \$20m / financial year	Measures to prevent and reduce forced labour and child labour risk, including policies, due diligence, remediation, training and risk assessment.

Who we are and how we operate

Footwear Industries Pty Ltd, trading as Steel Blue, is an Australian-owned safety footwear business with operations across Australia, North America, Europe and the United Kingdom. Our head office is in Perth, Western Australia. Steel Blue manages research, development, design and quality assurance in-house and distributes through approved specialist PPE partners, supporting strong oversight, product integrity and supplier engagement.

Our core capabilities include

Innovation: In-house product research, development and design.	Oversight: Direct quality controls and rigorous safety testing.	Distribution: A global network of approved specialist PPE distribution partners.
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Our own operations

Our Employees

Steel Blue’s head office and Malaga operations in Western Australia support executive leadership, finance, information technology, human resources, customer service, product design and development, quality control and testing, manufacturing, planning, and production. Steel Blue also maintains sales representation across Australia. Our primary warehouse facility is located in Malaga, Western Australia, and, together with our regional warehouse and logistics network, supports product handling, distribution, and supply continuity across key markets.

Steel Blue operates a state-of-the-art manufacturing facility in Malaga, Western Australia, complementing its international supply partnerships.

Our Malaga operations are certified to ISO 14001 and operate in accordance with relevant environmental obligations. Steel Blue continues to enhance environmental performance through infrastructure and site initiatives aligned with broader sustainability objectives, with ongoing assessment of site-based improvements forming part of a wider infrastructure and workplace improvement programme.

Employees engaged in these operations are employed directly by Steel Blue and work within the company’s established employment and workplace standards framework. Steel Blue also partners with third-party logistics providers in Melbourne, Australia; Auckland, New Zealand; Kansas City, USA; Amsterdam, the Netherlands; Daventry, UK; and Cork, Ireland to support regional distribution and customer service.

Steel Blue has received external recognition for workplace culture and business performance, including employer and workplace awards. These acknowledgements provide broader context on the company’s governance, people practices and organisational standards.

Our People, Governance and dedicated resources

Steel Blue has established a dedicated Head of Sustainability role to strengthen programme governance, supply chain due diligence and product-level traceability readiness.

Executive oversight is supported by regular strategic engagement with principal manufacturing partners and periodic review of programme performance.

Ethical sourcing requirements are embedded into relevant manufacturing agreements and supported by associated policy documents and due diligence controls as part of the Steel Blue supplier compliance programme.

Our operating model

Steel Blue’s operating model is designed to maintain control over product quality, safety and supplier expectations. Research, development and design are managed in-house, while manufacturing is carried out through trusted partners in Jakarta and Brebes, Indonesia. Steel Blue personnel work closely with these partners to support quality control, monitor standards and maintain alignment with our ethical sourcing requirements. We also have full-time employees located within the Indonesian factories to provide on-site oversight and support.

Operating footprint

Our primary manufacturing partners are based in Jakarta and Brebes, Indonesia. Steel Blue also operates a primary warehouse in Malaga, Western Australia, supported by third-party logistics providers in Melbourne, Auckland, Kansas City, Amsterdam, Daventry and Cork.

Malaga, Australia

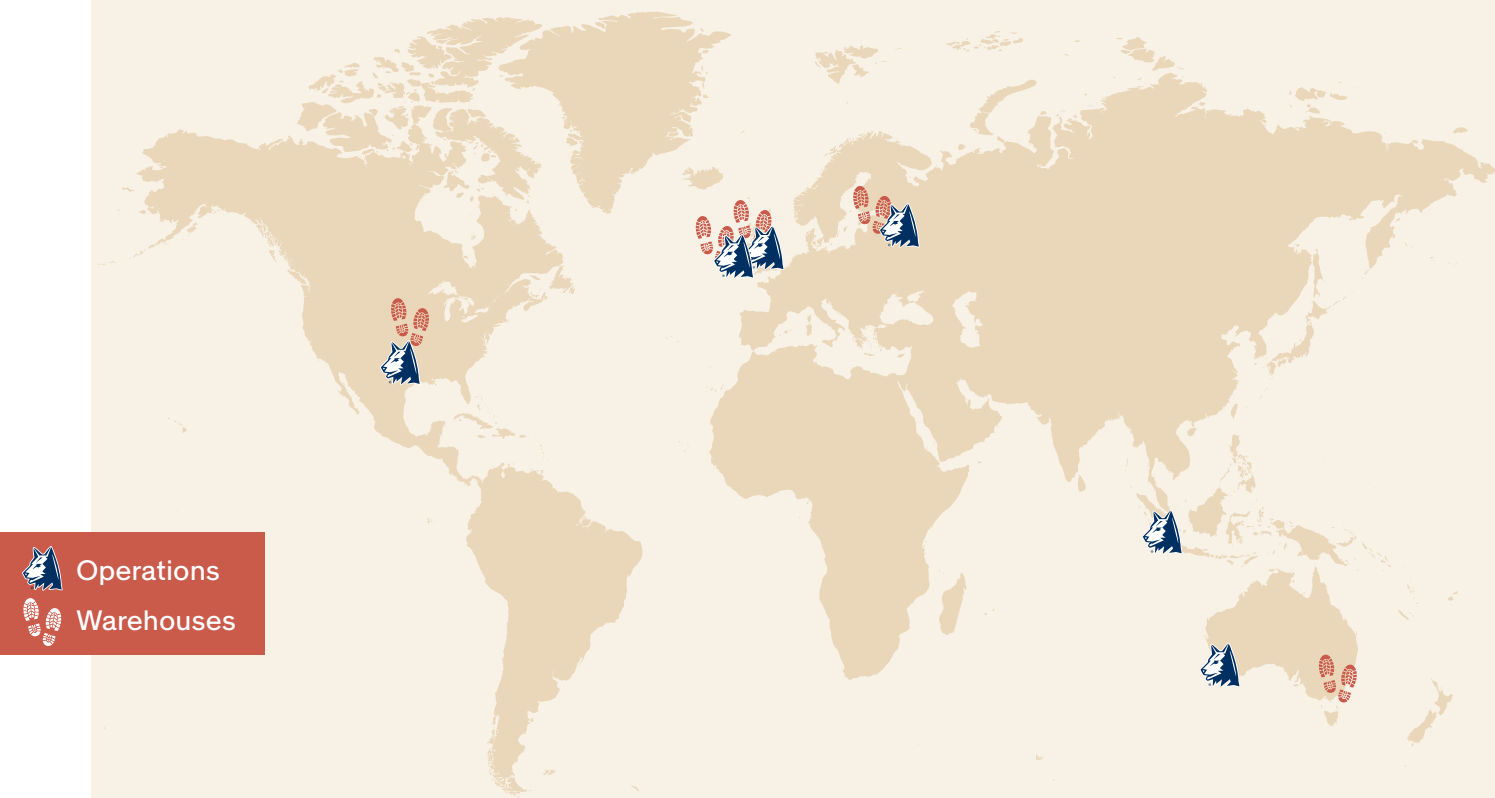
ROLE IN THE BUSINESS
Manufacturing and warehouse operations

KEY OVERSIGHT DETAIL
Supports local manufacturing, warehousing and distribution within Steel Blue’s Australian operations.

Jakarta and Brebes, Indonesia

ROLE IN THE BUSINESS
Primary manufacturing partners

KEY OVERSIGHT DETAIL
Steel Blue maintains embedded personnel and close operational oversight at both facilities.



North America, Europe and UK

ROLE IN THE BUSINESS
Regional subsidiary operations and distribution

KEY OVERSIGHT DETAIL
Supports market presence, customer service and regional distribution across key international locations.

Perth, Australia

Footwear Industries Pty Ltd

ROLE IN THE BUSINESS
Head office and reporting entity

KEY OVERSIGHT DETAIL
Provides group-level governance, design, quality and reporting oversight across the business.

Modern Slavery risk assessment and management



Modern Slavery Risk Assessment and management

Steel Blue acknowledges that the footwear industry carries a high risk of modern slavery, particularly in upstream supply chains where transparency is lower. We have identified four primary risk areas:

- **Logistics and subcontracting:** providers or upstream suppliers using non-approved subcontractors.
- **Material substitution:** the risk of approved materials being replaced by goods from non-compliant, non-approved sources.
- **Upstream transparency:** Tier 2 and further upstream raw material providers failing to comply with Steel Blue's Ethical Sourcing and Modern Slavery, Code of Conduct and Sustainable Procurement policies.
- **Policy gaps:** suppliers failing to cascade Steel Blue's ethical sourcing requirements to their own vendors.

Actions taken to assess and address Modern Slavery risks

Steel Blue's Board Audit and Risk Committee, together with the Executive Management Team, oversees annual and ad hoc risk assessments and reviews the effectiveness of the actions described in this statement. This is supported by embedded personnel in key manufacturing partner facilities, rotational site visits by Steel Blue staff, scheduled technical and quality visits, and executive review visits undertaken throughout the year. Together, these activities provide practical oversight outside formal audit cycles and support early identification, escalation and remediation of issues where required.

Key actions include:

- **Embedded oversight and factory visits:** Steel Blue maintains personnel within key manufacturing partner facilities in Indonesia, including quality, product development and in-country leadership roles. Head office personnel also undertake regular factory visits to support oversight of working conditions, quality controls, supplier performance and ethical sourcing expectations. In addition to recurring visits by product and quality teams, executive leadership undertakes review visits throughout the year to reinforce accountability and support timely follow-up where issues are identified.
- **Dedicated sustainability leadership:** Steel Blue has established a full-time Head of Sustainability role to strengthen ethical sourcing, human rights due diligence and supply chain mapping, including readiness for emerging product traceability requirements.

- **Rigorous auditing:** Our principal partner undergoes four-pillar SMETA external audits. We maintain a zero-tolerance policy for critical concerns and work on joint corrective action plans for any identified non-conformances or suggested improvements.

Supplier Governance:

- **All key suppliers must sign Steel Blue's:**
 - Ethical Sourcing and Human Rights Policy, referencing the ETI Base Code
 - Supplier Code of Conduct
 - Sustainable Procurement Policy
- **Leather sourcing:** 100% of our leather is sourced from Leather Working Group (LWG) rated members, supporting alignment with recognised environmental and social standards. Our current requirement is a minimum silver rating, with an ongoing commitment to increasing performance over time.
- **Supplier consolidation:** Steel Blue has intentionally consolidated raw material suppliers to strengthen control and improve visibility.
- **Country-level modern slavery risk** has been reviewed using the Global Slavery Index 2023 published by Walk Free.

Strategic evolution and future commitments

Strategic evolution and future commitments

To further strengthen our programme, Steel Blue continues to improve supply chain mapping, training coverage, traceability readiness and site-based oversight.

- 1. Digital Product Passport (DPP):**
Commencing full supply chain mapping to meet EU DPP requirements, providing end-to-end traceability from source to finished product.
- 2. Sedex visibility and mapping:**
Steel Blue is continuing to use Sedex-supported tools and supplier engagement to improve upstream visibility and strengthen risk-based due diligence across the supply chain.
- 3. Enhanced training:**
Steel Blue is rolling out targeted modern slavery training for teams that regularly visit or work closely with supplier sites, including product development and quality personnel.
- 4. Expanded on-site presence:**
Steel Blue continues to strengthen its in-factory oversight through additional technical and product-focused site presence to complement its existing embedded personnel model.
- 5. Life Cycle Analysis (LCA):**
Incorporating direct and indirect spend partners into our LCA to capture a total view of our supply chain impact.

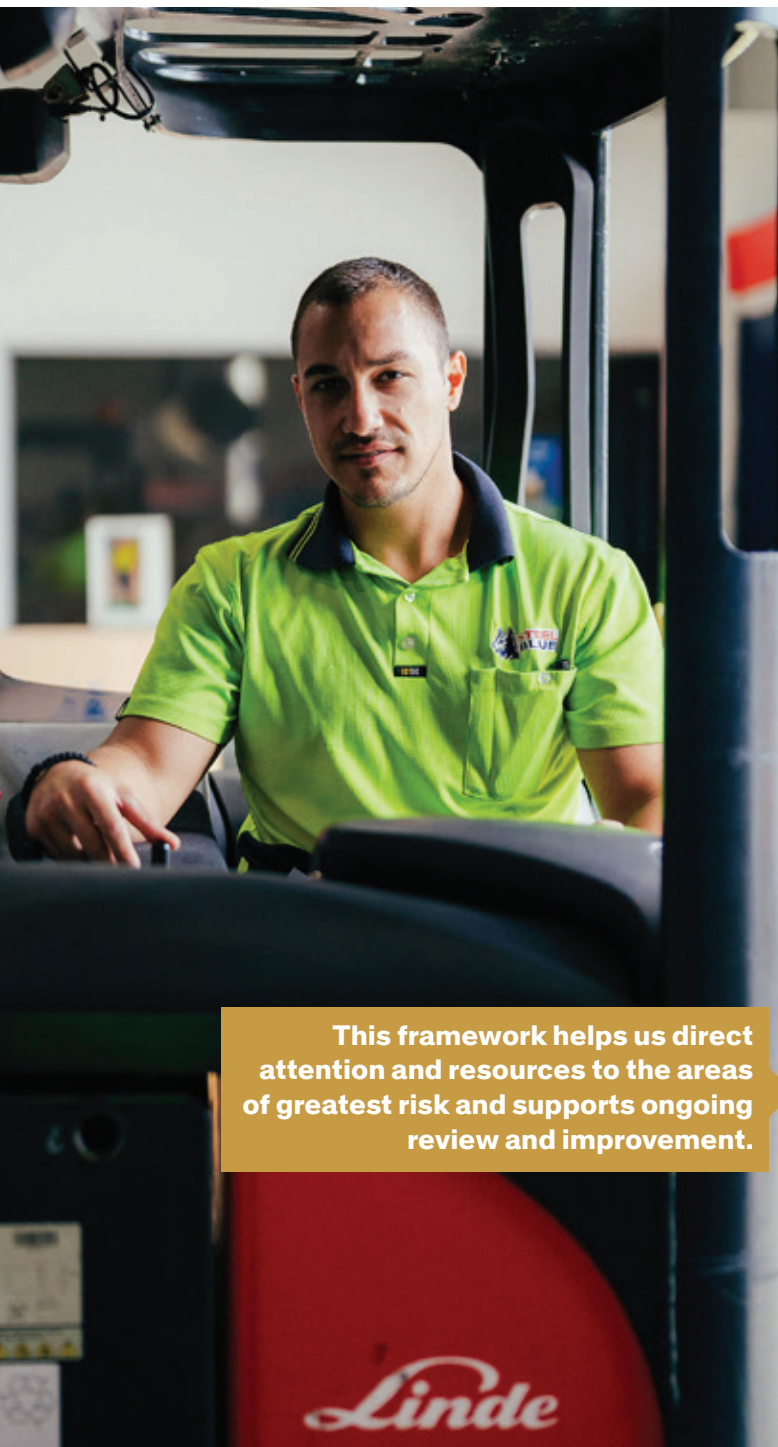


Monitoring our effectiveness

Steel Blue tracks the performance of our anti-slavery initiatives through specific, measurable KPIs overseen by our Board, Head of Sustainability and Head of Manufacturing.

Action	Measure	Detail
Supplier Compliance and Maintenance Programme	- Ethical sourcing compliance for 100% of suppliers. - Third-party SMETA 4-Pillar audits with our principal manufacturing partner factories. Auditors must be active members of APSCA. - An approved supplier register has been created.	- The Ethical Sourcing Policy has been issued to finished-product suppliers and further upstream (Tier 2 to tanneries). 100% have responded and agreed to the Steel Blue supplier compliance programme. - Sedex/SMETA audits for the principal manufacturing partner facilities are scheduled for May 2026. - An approved supplier register has been developed and is being maintained. - All suppliers, including promotional products and accessories, are included in our supplier compliance programme.
Supply Chain Mapping	Maintenance of the Supplier Register.	Policies extended to logistics providers; all NCs (non-conformances) are addressed within SMETA-mandated timeframes.
Training	Number of people within Steel Blue who have received modern slavery training.	Training has commenced for key staff members who work in, or visit, the factories regularly.
Monitoring	Steel Blue employees embedded within the Tier 1 footwear factories.	Five full-time Steel Blue employees work across the two factories.
Direct Oversight	Embedded staff presence	Continuous monitoring is supported by Steel Blue employees who are permanently or rotationally based within Tier 1 factories.
Reporting control	Log of reported issues within the supply chain	Reports are generated after each site visit.

Key Risk areas



This framework helps us direct attention and resources to the areas of greatest risk and supports ongoing review and improvement.

Key Risk areas

The table below highlights the main risks we monitor and the controls we use in response.

 High	RISK AREA Unauthorised subcontracting HOW WE RESPOND Zero-tolerance controls, embedded factory oversight and regular audit activity.
 High	RISK AREA Material substitution HOW WE RESPOND Approved material controls, supplier consolidation and traceability requirements.
 Medium	RISK AREA Tier 1 transparency HOW WE RESPOND Sedex participation, SMETA auditing, desktop review and embedded oversight support visibility and control.
 High	RISK AREA Supplier policy cascade: Tier 2 to tanneries HOW WE RESPOND Contractual requirements, annual policy acknowledgement and supplier compliance programme.

Risk heat map

The risk heat map shows how Steel Blue prioritises key modern slavery risks based on likelihood and impact. It helps direct attention and resources to the areas where stronger controls are most important. The heat map highlights subcontracting, material substitution and Tier 2 upstream visibility as priority areas for monitoring and control. It also shows where continued supplier engagement, policy reinforcement and oversight remain important to Steel Blue’s risk management approach.

Governance, Oversight and Accountability

Steel Blue has governance and resources in place to support ethical sourcing and modern slavery risk management. This includes executive oversight, Board visibility and a dedicated Head of Sustainability role focused on due diligence, supplier engagement, supply chain mapping and continuous improvement. Our Board Audit and Risk Committee and Executive Leadership Team review modern slavery risk as part of broader governance and supply chain oversight. Steel Blue also undertakes regular strategic reviews with key manufacturing partners to maintain alignment on expectations, monitor performance and support timely corrective action where required.

Built-In Oversight at factory level

Steel Blue’s requirements are embedded into manufacturing agreements and supplier expectations from the outset. In addition, Steel Blue has personnel working closely with manufacturing partner facilities in Indonesia, providing day-to-day oversight, quality control and practical monitoring of standards. This on-the-ground presence supports early identification of issues and complements formal audit activity.

Executive Oversight commitment

Executive and technical visits to our Indonesian manufacturing partners add depth to Steel Blue’s day-to-day oversight. Product development, quality and leadership personnel visit factories regularly, while executive visits during the year provide additional reviews of supplier performance, working conditions, audit readiness, corrective action follow-up and strategic alignment on expectations. This hands-on involvement strengthens accountability and supports faster follow-up where issues are identified. Together, embedded personnel, technical staff, executives and Board governance provide multiple layers of oversight across the year. This helps ensure that ethical sourcing commitments are supported by regular review, clear accountability and timely action.

Oversight in practice

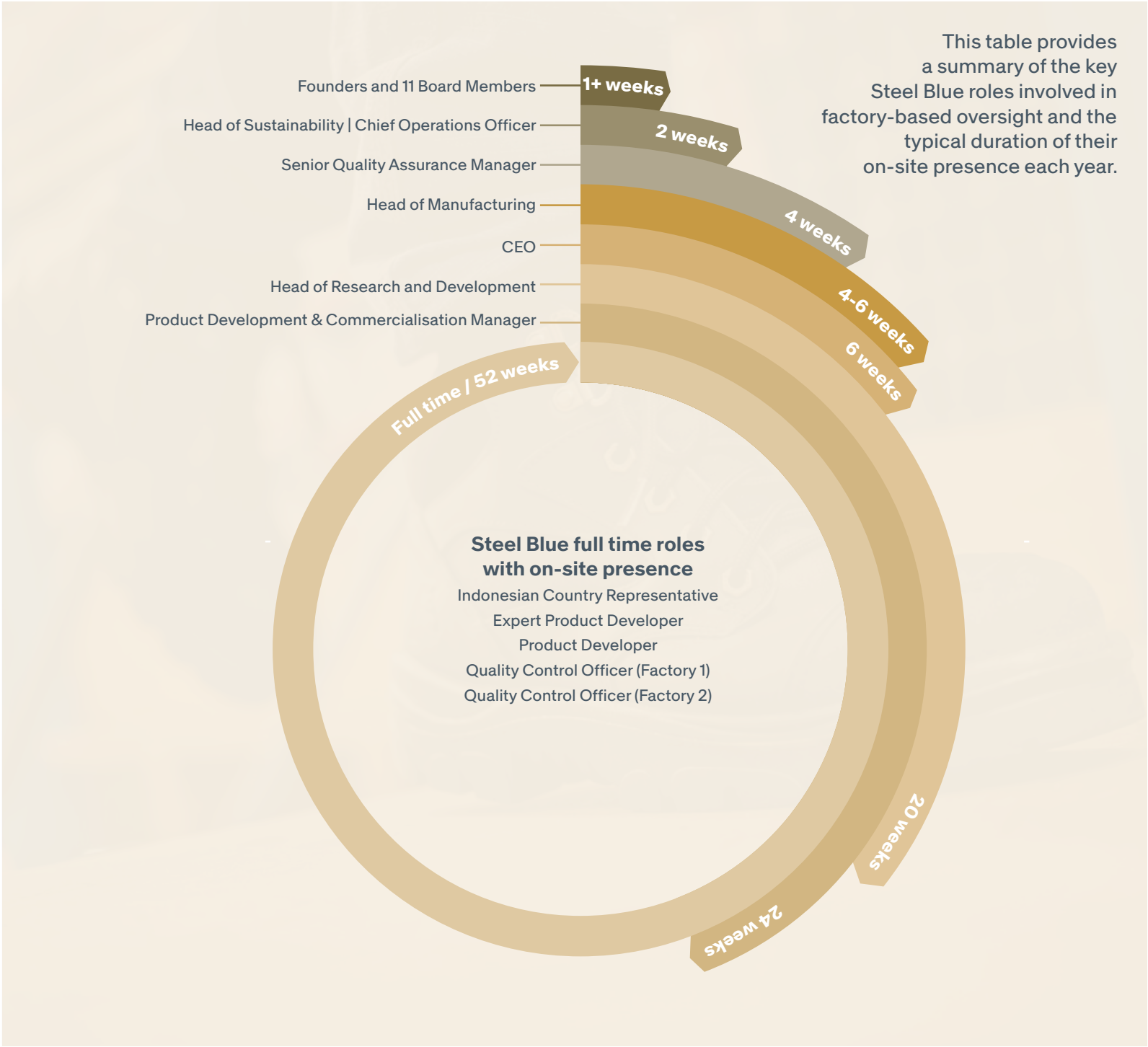
Oversight in practice

The table below shows the main oversight layers that support ethical sourcing across our manufacturing partnerships.

Oversight layer	Frequency	Focus
Embedded operational personnel	Continuous / regular site presence	Day-to-day standards, quality control and early issue identification.
Technical and quality leadership	Quarterly and scheduled visits	Audit preparation, product integrity and corrective action follow-up.
Executive leadership	Multiple visits through the year	Strategic oversight, supplier relationships and escalation support.
Board and Audit & Risk governance	Periodic governance review	Programme oversight, risk review and accountability.



This oversight model gives Steel Blue several points of review, from day-to-day operational monitoring through to Board-level accountability. It is intentionally designed to combine embedded factory presence, scheduled technical visits, executive review visits and formal governance review so that risks can be identified and addressed through multiple channels across the year.



Supplier Compliance Programme

Supplier Standards, Compliance and Onboarding

Steel Blue sets clear expectations before suppliers commence engagement with our business. All potential suppliers are subject to a structured vetting and approval process, which may include the review of facilities and working conditions where relevant. This ensures that our responsible sourcing requirements are established and understood from the outset.

Our supplier framework is underpinned by formal policies and Codes of Conduct applicable to both direct and indirect suppliers. These documents define our expectations in relation to labour rights, human rights, responsible sourcing, transparency, and business integrity. Suppliers are required to formally acknowledge these requirements and demonstrate ongoing compliance through periodic review, participation in audits, and the provision of supporting documentation.

Our Supplier Compliance Programme is applied consistently across all direct and indirect suppliers, both overseas and local, including promotional product suppliers. This programme operates under strict protocols designed to ensure robust governance and control. All signed agreements and relevant correspondence are centrally recorded and maintained within a controlled, shared environment accessible to authorised Steel Blue stakeholders. This ensures that only approved suppliers are engaged across the business.

The Supplier Compliance Matrix is maintained as a live control document, providing a clear and current record of approved suppliers and the status of their compliance commitments, including the dates on

which they have agreed to our policies and standards. No supplier may be engaged without first being fully vetted and onboarded into this programme.

These controls support our commitment to transparency and traceability across both our direct suppliers and upstream supply chain. We require visibility beyond tier one, and our key manufacturing partners are contractually obligated to disclose all sub-contractors. No sub-contractor may commence work without prior review and approval by Steel Blue. This ensures that our strict compliance protocols extend throughout the supply chain and that risks are identified, managed, and monitored at every tier.

In line with this approach, Steel Blue's key manufacturing partners are required to disclose all subcontractors involved in the production process. Subcontracting arrangements are subject to prior review and approval by Steel Blue, and no subcontractor may commence work without this approval. This requirement reinforces Steel Blue's ability to maintain traceability and apply its compliance standards consistently throughout the supply chain.

Through these measures, Steel Blue strengthens its due diligence processes and enhances its ability to prevent, identify, and address modern slavery risks in accordance with the reporting criteria under the Australian Modern Slavery Act 2018 (Cth).

Zero-tolerance provisions

Steel Blue applies a zero-tolerance approach to a number of critical practices that increase ethical sourcing and modern slavery risk. These include:

- Unapproved subcontracting or outsourcing without Steel Blue's prior approval
- Use of materials that have not been approved by Steel Blue
- Any form of forced, bonded or involuntary labour
- Any form of child labour
- Failure to provide access for Steel Blue or independent auditors to review facilities and records

Steel Blue takes a zero-tolerance approach to unauthorised subcontracting and unauthorised supply purchases because they reduce transparency and increase risk. Suppliers must review and sign our policies annually, participate in audits and provide supporting evidence of compliance when requested.



Country Manufacturing Tiers



Country	# Tier 1	# Tier 2	Risk	
Australia	11	1	Low	
Belgium	1	0	Low	
Germany	0	1	Low	
Italy	0	3	Low	
Korea (South)	0	2	Low	
Netherlands	1	0	Low	
New Zealand	0	1	Low	
Singapore	0	1	Low	
Spain	0	1	Low	
Switzerland	0	1	Low	
USA	0	2	Low	
Taiwan	0	1	Low-Medium	

Country	# Tier 1	# Tier 2	Risk	
Brazil	0	1	Medium	
Indonesia	1	23	Medium	
China	4	7	Medium-High	
Mexico	0	1	Medium-High	
Thailand	0	1	Medium-High	

Country	# Tier 1	# Tier 2	Risk	
India	0	1	High	

* Country modern slavery risk ratings have been derived using a cross-referenced methodology drawing on the amfori BSCI Country Risk Classification, Walk Free Global Slavery Index, and EU governance frameworks as benchmark references.

Supplier onboarding

Supplier onboarding stages- Tier 1

Stage	What we require	How we verify
Initial assessment	Facility review, supplier information and working condition reviews.	Site visit and Steel Blue assessment records.
Policy commitment	Signed acknowledgement of ethical sourcing, human rights and supplier requirements.	Signed documents and annual review records.
SMETA Audit	Participation in third-party SMETA audit. Desk top review for NC if required	Audit reports, Sedex records and review outcomes.
Ongoing monitoring	Performance reviews, corrective actions and continued transparency.	Site visits, documentation checks and corrective action tracking.

Where non-compliance is identified, suppliers are expected to commit to remediation and demonstrate measurable progress within agreed timeframes. Steel Blue works collaboratively with its Tier 1 manufacturing partners to address issues, support improvement and strengthen facility standards over time, recognising that long-term supplier relationships can support more effective and sustained corrective action.

Where critical non-compliance is identified, particularly in relation to forced labour, child labour or serious health and safety breaches, Steel Blue requires immediate corrective action and enhanced management attention. If a supplier is unable or unwilling to remediate after reasonable support, escalation and follow-up measures have been exhausted, Steel Blue will exit the relationship to ensure that its supply chain remains aligned with its ethical standards and responsible sourcing commitments.

Remediation and grievance handling

Where concerns are identified, Steel Blue expects them to be escalated promptly through supplier management, audit and site review channels so that corrective action can be initiated without delay. Depending on the nature of the issue, this may include immediate worker protection measures, management intervention, root-cause analysis, corrective action planning, defined timeframes for closure and follow-up review to verify implementation. Grievances and indicators of concern are addressed through direct engagement with suppliers, supported by management oversight and documented tracking of actions taken. Serious, repeated or unresolved matters are escalated through Steel Blue’s governance and supplier compliance framework and may result in intensified monitoring, further audit activity, formal remediation requirements or, where necessary, termination of the supplier relationship.

Independent auditing and ongoing monitoring

Independent auditing is a core part of Steel Blue’s approach. Key manufacturing partners undergo external social compliance audits, supported by internal checks, embedded oversight, site visits and corrective action tracking. Our principal manufacturing partner undergoes both social audits (SMETA 4-Pillar) and a Type 5 Conformance Scheme.



Type 5 Conformance Scheme

Steel Blue’s safety footwear is certified under a Type 5 Conformance Scheme, a comprehensive third-party product certification system defined by ISO/IEC TR 17026. This scheme involves multiple levels of assessment and ongoing verification to ensure certified products consistently meet relevant international standards, including ISO, ASTM, and AS/ NZS requirements.

The Type 5 process begins with Initial Type Testing, which involves laboratory testing to confirm compliance with all applicable safety and performance standards. This is followed by a Factory Assessment, during which an independent auditor evaluates the manufacturing facility to verify production capability, process controls, and quality assurance systems. A Management System Audit is also conducted to assess the manufacturer’s quality management system, typically ISO 9001 certification, to ensure production processes are consistently applied and controlled over time.

Unlike Type 1 schemes, which test only a single batch, or Type 2 schemes, which rely solely on market sampling, the Type 5 Conformance Scheme is an ongoing certification process.

Once a product passes the initial assessment, the manufacturer is granted a license to use the certification mark. This license is subject to Ongoing Surveillance, which includes periodic audits of the production process and the manufacturer’s quality management system, as well as Ongoing Product Testing. Products are regularly tested, either sourced directly from the factory or obtained from the open market, to verify that compliance is maintained throughout the product lifecycle. It maps out the operational phases of certification decision, licensing, and surveillance.

This multi-layered approach provides Steel Blue and its customers with confidence that certified products meet stringent safety standards at the point of initial approval and continue to do so through sustained oversight, independent verification, and continuous quality assurance.

This auditing and certification scheme is conducted at our Malaga manufacturing site as well as at our Tier 1 manufacturing partner factories in Indonesia.

SMETA Audit approach

SMETA Audit approach

Steel Blue uses the SMETA four-pillar audit model to assess labour standards, health and safety, environmental performance, and business ethics across key manufacturing sites. SMETA is aligned with internationally recognised labour standards, including the ILO Core Conventions and the UN Guiding Principles on Business and Human Rights.

Steel Blue requires that any critical non-compliance be addressed through formal corrective action plans with clear timeframes and measurable outcomes. All SMETA audits must be conducted by auditors who are members of APSCA (Association of Professional Social Compliance Auditors), the global professional body representing the highest standards of auditor training, competence, and ethical conduct. APSCA membership requires auditors to meet rigorous qualification criteria, maintain ongoing professional development, and adhere to a strict code of conduct.

This requirement is mandatory for all Tier 1 suppliers under Steel Blue’s Supplier Compliance Programme and is strongly encouraged for Tier 2 and upstream suppliers. This approach ensures that Steel Blue’s audit processes are conducted by qualified, independent professionals and supported by credible corrective action mechanisms and structured follow-up review.

Our layered monitoring approach

We monitor supplier performance through a combination of third-party audits, internal reviews, embedded staff presence and regular management oversight and factory visits. This layered approach improves visibility between audit cycles and helps us respond more quickly where corrective action is needed.



External audits are supported by embedded personnel, site visits and Sedex-based tracking of corrective actions. This gives Steel Blue visibility between formal audits and helps issues be followed through more effectively.

Supplier onboarding stages- Tier 1

Our audit framework combines external verification, internal checks, embedded monitoring and executive oversight. Findings are tracked through to closure, and expectations are extended to relevant supply chain partners where appropriate.

Monitoring activity	Frequency	Purpose
Independent SMETA 4P audits	Annual	Reviews labour standards, health and safety, environment and business ethics at key manufacturing facilities.
Type 5 Conformance Scheme	Annual	Ensures Steel Blue footwear continues to meet safety standards through ongoing independent verification, auditing, and certification.
Internal and embedded monitoring	Ongoing	Provides day-to-day oversight, spot checks and early escalation of issues.
Tier 2 & Upstream visits and reviews	As needed, at least once every 3 years	Strengthen visibility beyond direct suppliers and support risk-based due diligence.
Executive review visits	Throughout the year	Support strategic oversight, partner engagement and corrective action follow-through.

Steel Blue also seeks to maintain external evidence and third-party assurance, where relevant, to support responsible sourcing expectations.

Supplier compliance

Supplier compliance and Tier 2 upstream engagement (indirect suppliers)

Steel Blue extends due diligence beyond direct manufacturing relationships to improve visibility across Tier 2 and upstream suppliers. This includes supply chain mapping, targeted review of raw material sources and the use of tools and certifications that support transparency and traceability.

Steel Blue sources all leather from Leather Working Group (LWG) rated suppliers. This supports stronger environmental, traceability and social responsibility standards across a key raw material category.

Steel Blue is using the Sedex platform to strengthen supply chain visibility and support risk-based due diligence. This helps us map supplier relationships more clearly, identify higher-risk areas and maintain stronger oversight beyond direct suppliers.

Steel Blue is also continuing detailed supply chain mapping to strengthen upstream visibility and support emerging product traceability requirements in key markets. Facility visits are used where appropriate to supplement physical audits of selected upstream suppliers.

Steel Blue has engaged a specialist provider to undertake Life Cycle Assessments (LCAs) across its product range and support supply chain mapping for emerging European sustainability and traceability requirements, including the Ecodesign for Sustainable Products Regulation (ESPR) and Digital Product Passports (DPP).

Direct Tier 2 supplier engagement and control

Steel Blue maintains direct control beyond Tier 1 manufacturing, actively managing Tier 2 supplier selection, sourcing, pricing and product inputs through its Product Development and Operations teams. Unlike traditional models that delegate upstream procurement, Steel Blue determines which suppliers are used and under what conditions. This level of oversight strengthens supply chain transparency, reduces substitution risk, and ensures consistent enforcement of quality, ethical sourcing and human rights standards across multiple tiers.

Steel Blue’s operating model provides an uncommon level of upstream influence, whereby the business does not rely solely on Tier 1 manufacturing partners for procurement decisions. Instead, key Tier 2 supplier relationships, material selection and commercial parameters are actively directed by Steel Blue, strengthening control over product integrity, supplier behaviour and ethical sourcing outcomes across multiple tiers of the supply chain.

This work is intended to strengthen transparency and traceability across our supply chain and will progressively support customer and consumer-facing product information as project outputs are finalised.

What sets Steel Blue apart	How we apply control across Tier 2 suppliers	Why it strengthens modern slavery risk management
Direct supplier selection and approval	Product Development and Operations teams identify, assess and approve Tier 2 raw material and component suppliers.	Reduces reliance on Tier 1 procurement decisions and limits exposure to unknown or unapproved upstream suppliers.
Commercial control and pricing oversight	Steel Blue is actively involved in establishing pricing frameworks and commercial terms with upstream suppliers.	Limits incentives for unauthorised substitution or sourcing from higher-risk, non-compliant suppliers.
Day-to-day supplier relationships	Our teams maintain ongoing working relationships with key Tier 2 suppliers, including regular communication and performance alignment.	Improves visibility of supplier practices and enables earlier identification of risk indicators.
Quality and material specification control	Steel Blue sets and enforces material specifications, testing requirements and product quality standards at the component level.	Prevents material substitution and ensures only approved inputs are used across the supply chain.
Lead time and logistics coordination	Steel Blue works directly with suppliers and manufacturing partners on production planning, lead times and shipping arrangements.	Strengthens traceability and reduces the risk of unauthorised subcontracting or last-minute supplier changes.
Influence over upstream sourcing decisions	Steel Blue directs manufacturing partners on approved suppliers and sourcing parameters where required.	Extends ethical sourcing expectations beyond Tier 1 and reinforces consistent application of human rights standards.

Risk Mitigation beyond Tier 1

How we manage risk beyond direct suppliers – Tier 2 to source

Steel Blue applies a tiered approach to supply chain oversight so that due diligence extends beyond direct manufacturing partners to raw materials and upstream suppliers.

Tier	Main supplier type	How we manage visibility and risk
Tier 1	Direct manufacturing partners	Annual SMETA audits and Type 5 Conformance Scheme audits, embedded oversight, contractual requirements and corrective action tracking.
Tier 2	Raw material and component suppliers	Supplier compliance programme, policy and documentation agreement, and ad hoc facility visits (a focus area for 2027). Direct relationship and negotiations. Progressive mapping, traceability requirements, LWA members (Tanneries) Product data readiness work (LCA's DPP prep)
Tier 3 (Source)	Upstream raw material sources- Cattle Farms and Synthetic Factories as an example	Not yet mapped, this will form part of the 2027 ESPR and DPP requirements and will be included in next years MS and HR statement.

This framework supports Steel Blue in improving supply chain visibility, strengthening accountability, and managing risk across its extended supply chain. This remains an ongoing process, with our approach continuing to evolve and mature over time. Steel Blue is committed to enhancing transparency year on year as part of its continuous improvement approach.

Training and capability building

Steel Blue recognises that effective risk management depends on capable people as well as robust systems. We are strengthening internal training so employees who visit, assess or work closely with suppliers can identify modern slavery risk indicators, understand escalation pathways, and respond appropriately where concerns arise.

Training will focus on practical indicators such as signs of forced labour, recruitment fee concerns, excessive overtime, unfair employment practices and grievance pathways. Supplier sites are also expected to display worker rights information, including the ETI Base Code, in relevant local languages.

Workers at our Tier 1 suppliers are also expected to receive role-specific safety training, with records maintained for audit purposes as part of Steel Blue's broader compliance framework.its customers with confidence that certified products meet stringent safety standards at the point of initial approval and continue to do so through sustained oversight, independent verification, and continuous quality assurance.

This auditing and certification scheme is conducted at our Malaga manufacturing site as well as at our Tier 1 manufacturing partner factories in Indonesia.



- Sedex reporting helps Steel Blue identify potential risk indicators and direct training and support to higher-priority areas. Additional factory-based support from product and quality personnel strengthens on-site capability and oversight.
- Steel Blue reviews programme effectiveness through measurable indicators, management review and ongoing supplier engagement. This includes audit outcomes, training coverage, supply chain mapping progress and issue resolution.
- Supplier assessment and audit measures support monitoring of policy coverage, external audit results, supply chain mapping and closure of non-conformances. These measures help Steel Blue track whether controls are being implemented consistently.
- Training coverage and the level of direct oversight at manufacturing sites are also monitored. Embedded personnel and rotating staff assignments help maintain visibility and support continuous improvement.
- Steel Blue maintains issue logs, visit reporting and Sedex-based monitoring tools to support timely follow-up and clearer internal reporting. Internal reporting processes and supplier assessment tools continue to be strengthened over time.

Key performance indicators framework

Key performance indicators framework

Measure	Current focus	How we review it
Supplier coverage	Extending ethical sourcing requirements across direct suppliers and logistics partners.	Quarterly review of policy coverage and supplier acknowledgement.
Audit performance	Maintaining annual external audits and timely closure of findings.	Annual audit review and corrective action tracking.
Supply chain mapping	Improving Tier 2 and upstream visibility through Sedex and traceability work.	Monthly mapping updates and management review.
Training and issue response	Building staff capability and tracking identified issues through to closure.	Quarterly training review and ongoing issue log monitoring.

Continuous improvement remains a core part of Steel Blue’s approach, supported by stronger factory oversight, clearer supplier expectations and dedicated internal resources.



Global compliance framework

In this section, we will articulate how Steel Blue aligns its ethical sourcing programme with international conventions, market-specific requirements and practical due diligence expectations across global customer markets.

The legal landscape relevant to Steel Blue extends across three overlapping categories: modern slavery transparency statutes, mandatory or quasi-mandatory human rights due diligence regimes, and trade-based import control measures directed at goods linked to forced labour. In practice, these regulations expect businesses not only to disclose policies, but also to demonstrate risk-based due diligence, credible supply chain visibility, effective remediation pathways and documentary evidence capable of supporting market access.

For Steel Blue, compliance therefore cannot be approached as a single-jurisdiction reporting exercise. The Australian Modern Slavery Act 2018 (Cth), the United Kingdom Modern Slavery Act 2015, Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act and the California Transparency in Supply Chains Act establish disclosure obligations of differing scope and form.

By contrast, European and certain domestic due diligence requirements, increasingly focus on the adequacy of risk management systems, complaints processes, preventive and remedial measures, and the evidentiary basis for corporate action. In parallel, forced labour import-control legislation in the European Union and the United States operate as market access controls, requiring businesses to be able to substantiate the provenance of goods and the integrity of their supply chains where concerns arise.

Steel Blue’s supplier compliance and due diligence programme is designed to respond to this convergence of legal expectations through a single global control environment. That programme combines supplier policies, contractual requirements, site-based oversight, independent auditing, supply chain mapping, traceability development, training, corrective action processes and governance review.

The objective is to maintain one operational framework capable of supporting disclosure, due diligence and market access requirements across multiple jurisdictions without fragmenting compliance systems by country.



Global Compliance framework

JURISDICTION: **California / United States**
CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT 2010 (SB 657)

LEGISLATION-SPECIFIC FOCUS
Requires covered retail sellers and manufacturers doing business in California and meeting the revenue threshold to disclose on their website the extent to which they engage in supply chain verification, supplier audits, direct supplier certification, internal accountability and employee training relating to slavery and human trafficking in direct supply chains.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue’s supplier compliance and due diligence programme supports these disclosure themes through supplier onboarding controls, SMETA audits and other review activities, supplier policy certification, corrective action and accountability mechanisms, and targeted employee training that can be used to support California-facing transparency expectations where applicable.

JURISDICTION: **United States**
TARIFF ACT OF 1930, SECTION 307 AND UYGHUR FORCED LABOR PREVENTION ACT (UFLPA)

LEGISLATION-SPECIFIC FOCUS
Section 307 prohibits importation of goods made wholly or in part with forced labour, while the UFLPA creates a rebuttable presumption for goods linked to Xinjiang or listed entities, increasing the need for traceability and origin evidence.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue responds by maintaining approved sourcing controls, supplier screening, origin-related traceability efforts and supporting documentation intended to assist in demonstrating that goods entering the United States are not subject to detention, exclusion or seizure under forced labour import prohibitions.

JURISDICTION: **United Kingdom**
MODERN SLAVERY ACT 2015, SECTION 54

LEGISLATION-SPECIFIC FOCUS
Qualifying commercial organisations carrying on business in the UK and meeting the turnover threshold are expected to publish an annual slavery and human trafficking statement addressing organisation and supply chains, policies, due diligence, risk assessment, effectiveness and training.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue maintains UK-facing transparency content through this statement and supporting policies, supplier controls, audit processes, factory visits, training activity and effectiveness review.

JURISDICTION: **Australia**
MODERN SLAVERY ACT 2018 (CTH)

LEGISLATION-SPECIFIC FOCUS
Section 16 mandatory criteria require reporting on entity structure, operations and supply chains, modern slavery risks, actions taken to assess and address those risks, effectiveness, consultation and other relevant information, together with governing body approval.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue structures this statement around the Australian mandatory criteria and supports it with Board approval, group consultation, risk assessment, due diligence, training, site oversight and monitoring evidence.

JURISDICTION: **European Union**
DIRECTIVE (EU) 2024/1760 CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE

LEGISLATION-SPECIFIC FOCUS
Requires in-scope companies to identify and address actual and potential adverse human rights and environmental impacts in operations, subsidiaries and chains of activities through risk-based due diligence, monitoring, complaints and public communication.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue’s programme supports this direction through risk-based mapping, supplier engagement, grievance and remediation pathways, oversight and documentation that can be adapted to heightened EU customer and value chain expectations.

JURISDICTION: **European Union**
REGULATION (EU) 2024/3015 ON PROHIBITING PRODUCTS MADE WITH FORCED LABOUR ON THE UNION MARKET

LEGISLATION-SPECIFIC FOCUS
Prohibits products made wholly or partly with forced labour from being placed on, made available on, or exported from the EU market, with investigation and information-gathering powers focused on supply chain proximity, traceability and due diligence information.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue is strengthening traceability, mapping, approved sourcing controls, supplier transparency and evidence retention to support product-level substantiation should questions arise regarding whether goods may be prohibited from being placed on, made available on, or exported from the European Union market.

Global Compliance framework

While Steel Blue may not be directly captured by each of the legislative thresholds outlined here, it is committed to aligning its supplier compliance and due diligence programme with these requirements as part of a prudent and future-focused compliance approach. This alignment supports customers operating in in-scope jurisdictions by providing assurance that Steel Blue has considered relevant legislative expectations and implemented controls intended to support applicable market access, due diligence and reporting requirements.

Accordingly, Steel Blue footwear is supported by a compliance framework designed to align with the legal and regulatory expectations of the regions in which our products are supplied.

JURISDICTION: **Canada**
FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

LEGISLATION-SPECIFIC FOCUS
Annual reporting focuses on structure, activities and supply chains, steps taken to prevent and reduce forced labour and child labour risk, policies and due diligence, higher-risk supply chains, remediation, training and effectiveness assessment.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue supports Canadian reporting through documented policies, supplier due diligence, audit and remediation processes, training records, risk-based supply chain review and management oversight.

JURISDICTION: **France**
DUTY OF VIGILANCE LAW

LEGISLATION-SPECIFIC FOCUS
Requires large French companies to establish, implement and publish a vigilance plan covering risk mapping, evaluation procedures, mitigation actions, alert mechanisms and monitoring for serious human rights, health, safety and environmental risks.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue’s supplier compliance and due diligence programme supports these expectations through risk-based mapping, supplier assessment procedures, alert and escalation channels, corrective action tracking and monitoring records capable of supporting vigilance-style due diligence expectations in customer markets.

JURISDICTION: **International**
ILO CONVENTIONS NOS. 29, 105, 138 AND 182

LEGISLATION-SPECIFIC FOCUS
Establish the foundational international standards on forced labour, abolition of forced labour, minimum age and worst forms of child labour that inform labour rights due diligence globally.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue uses these standards as the underlying benchmark for policy settings, supplier expectations, audit criteria, training content and zero-tolerance labour rights controls.

JURISDICTION: **Switzerland**
SWISS CODE OF OBLIGATIONS ARTS. 964J–964L AND DDTR

LEGISLATION-SPECIFIC FOCUS
Imposes due diligence and transparency obligations in relation to conflict minerals and child labour for in-scope Swiss-based companies, requiring risk identification, mitigation and annual reporting in specified sensitive areas.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue’s supplier compliance and due diligence programme supports these expectations through child labour screening controls, sourcing restrictions, upstream traceability work and documented review measures relevant to sensitive raw material and supply chain categories.

JURISDICTION: **Norway**
TRANSPARENCY ACT

LEGISLATION-SPECIFIC FOCUS
Requires larger enterprises to carry out OECD-aligned due diligence on fundamental human rights and decent working conditions, publish an annual account of due diligence and respond to information requests.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue supports these expectations through documented human rights risk assessment, supply chain transparency work, supplier due diligence records and governance materials that can support customer information requests and broader market-facing transparency expectations.

JURISDICTION: **Germany**
SUPPLY CHAIN DUE DILIGENCE ACT (LKSG)

LEGISLATION-SPECIFIC FOCUS
Requires in-scope companies to establish risk management, conduct regular risk analyses, adopt preventive and remedial measures, maintain complaints procedures and document due diligence across own operations, direct suppliers and certain indirect suppliers.

STEEL BLUE COMPLIANCE RESPONSE
Steel Blue’s supplier compliance and due diligence programme supports these expectations through risk mapping, supplier controls, issue escalation, complaints handling capability, corrective action follow-up, audit activity and documented monitoring across relevant supply chain relationships.

Global Compliance framework

1. Global Compliance snapshot: Modern Slavery reporting, Due Diligence and import-control frameworks

The following table groups the principal legal themes affecting Steel Blue’s operations and customer markets and shows how those themes are addressed through the company’s supplier compliance and due diligence programme. It is intended to distinguish disclosure-based modern slavery laws from due diligence regimes and trade-control measures, while also identifying the evidence Steel Blue maintains in response.



Taken together, these frameworks establish an external compliance perimeter against which Steel Blue’s supplier compliance and human rights due diligence programme can be assessed. The practical significance the Global Compliance map together with this table, demonstrate how steel Blue’s internal is that they show how Steel Blue’s internal controls are intended to satisfy not only narrative reporting obligations, but also the more evidence-based expectations associated with modern due diligence and forced labour trade-control regimes.

Legal theme	Relevant laws / frameworks	Steel Blue control and evidence response
Modern slavery reporting transparency	Australia Modern Slavery Act 2018 (Cth); UK Modern Slavery Act 2015 section 54; Canada Supply Chains Act; California Transparency in Supply Chains Act (SB 657).	Annual statement preparation, Board approval, group consultation, risk assessment outputs, policy documentation, supplier verification and audit records, training records and effectiveness review materials support multi-jurisdiction disclosure requirements under modern slavery and supply chain transparency laws, including website disclosure expectations where applicable.
Forced labour import and market access controls	Regulation (EU) 2024/3015; U.S. Tariff Act 1930 section 307; Uyghur Forced Labor Prevention Act.	Approved sourcing controls, product and supplier traceability development, mapping outputs, origin-related records and corrective action evidence help position Steel Blue to respond where authorities or customers require substantiation that goods have not been made wholly or partly with forced labour and should not be subject to market withdrawal, refusal of release or related trade restrictions.
Human rights due diligence systems	EU CSDDD; Germany LkSG; France Duty of Vigilance; Norway Transparency Act.	Risk mapping, preventive controls, audit and site review, complaints and remediation pathways, issue escalation, governance review and documented monitoring measures support broader human rights due diligence expectations.
Child labour and sensitive sourcing controls	Canada Supply Chains Act; Swiss child labour due diligence rules; ILO Conventions 138 and 182.	Child labour prohibitions, supplier standards, training, upstream review, corrective action requirements and supporting records strengthen Steel Blue’s response to child labour-related due diligence expectations.
International labour rights baseline	ILO Conventions 29, 105, 138 and 182; ETI Base Code.	Steel Blue embeds these benchmarks in policy wording, supplier commitments, audit criteria, local-language worker information and zero-tolerance controls relating to forced labour and child labour.

Global Compliance framework

2. Compliance action summary: Supplier compliance and Due Diligence programme response

The controls summarised below form the operational core of Steel Blue’s supplier compliance and due diligence programme. In legal terms, these controls are the practical mechanisms through which the company seeks to meet disclosure obligations, support human rights due diligence expectations, and maintain records capable of responding to customer, regulator or market-access scrutiny.

Compliance focus	Core controls	Evidence maintained
Steel Blue maintains one global ethical sourcing and human rights due diligence programme designed to support multiple legal frameworks.	Supplier policies, zero-tolerance requirements, embedded oversight, SMETA audits, Tier 2 mapping, Sedex visibility, Type 5 Conformance Scheme, corrective action tracking and leadership oversight.	Statements, supplier acknowledgements, audit reports, mapping outputs, training records, corrective action logs, issue registers and governance review records.

Steel Blue maintains one global ethical sourcing and human rights due diligence framework designed to respond to differing legal expectations through a single control and evidence environment rather than a separate compliance system for each jurisdiction.

The matrix that follows translates the legislative frameworks described above into jurisdiction-specific compliance actions and evidentiary outputs. Its purpose is to show how Steel Blue’s supplier compliance and due diligence programme is intended to respond in practical terms to the legal expectations most relevant to its customer markets and operating structure.

Impact on Steel Blue’s compliance approach

Taken together, the legislative frameworks referenced in this statement establish a compliance expectation that extends beyond policy adoption alone. They require, or increasingly reward, demonstrable supplier governance, credible risk identification, complaints and remediation capability, documentary traceability, Board and management oversight, and evidence capable of supporting both disclosure and market-access outcomes.

Accordingly, Steel Blue’s supplier compliance and due diligence programme is structured to function as a single evidentiary and control framework capable of supporting reporting, due diligence and market access requirements across Australia, the United Kingdom, the European Union, Canada, the United States and other relevant customer markets. In practical terms, this requires strong supplier standards, risk-based supply chain visibility, independent and internal oversight, traceability for higher-risk inputs, child labour and forced labour controls, complaints and remediation pathways, and reliable reporting outputs that can be used across jurisdictions.



Global Compliance framework

3. Jurisdiction-by-jurisdiction Compliance action matrix: Legislative requirements and Steel Blue response

Jurisdiction / law	Specific requirement emphasis	Steel Blue action	Evidence maintained
Australia – Modern Slavery Act 2018 (Cth)	Mandatory criteria, consultation and governing body approval under section 16.	Prepare one Board-approved statement structured around the mandatory reporting criteria and informed by consultation across controlled entities.	Approved statement, consultation notes, risk review records and supporting governance documentation.
United Kingdom – Modern Slavery Act 2015 section 54	Annual slavery and human trafficking statement covering organisation, policies, due diligence, risk areas, effectiveness, and training.	Maintain UK-relevant transparency content supported by policy, audit, supplier oversight and training detail.	Published statement content, policy suite, audit summaries, factory visit records and training evidence.
Canada – Supply Chains Act	Measures to prevent and reduce forced labour and child labour, including due diligence, remediation, training, and effectiveness assessment.	Document policies, risk controls, remediation pathways, training activity, and supply chain review measures relevant to Canadian reporting.	Annual report, support materials, factory audit reports, risk committee outputs and remediation-related records, including SB factory reports conducted by SB executive team during visits.
California / United States – Transparency in Supply Chains Act (SB 657)	Website disclosure regarding verification, supplier audits, direct supplier certification, internal accountability and employee training relating to slavery and human trafficking in direct supply chains.	Maintain disclosure-ready supplier verification, audit, certification, accountability and training content within the broader supplier compliance and due diligence programme for use in California-facing transparency statements where applicable.	Website disclosure current WIP, supplier verification and audit records, supplier acknowledgements, internal accountability measures and training documentation.

Jurisdiction / law	Specific requirement emphasis	Steel Blue action	Evidence maintained
European Union – Forced Labour Regulation 2024/3015	Products made wholly or partly with forced labour cannot be placed on, made available on, or exported from the EU market.	Strengthen product traceability, supply chain mapping, supplier transparency, and origin-related due diligence in higher-risk supply chains.	Mapping records, supplier data, traceability documents, approved sourcing files and corrective action evidence. (WIP LCA and DPP data as evidence)
United States – Tariff Act section 307 / UFLPA	Import prohibition on goods made wholly or in part with forced labour, with heightened scrutiny for Xinjiang-linked goods or listed entities.	Maintain supplier screening, approved source controls, traceability and evidence capable of supporting origin and forced labour risk review.	Supplier declarations, traceability files, sourcing records and supporting supply chain review material. (WIP LCA and DPP data as evidence)
Norway – Transparency Act	OECD-aligned due diligence on human rights and decent working conditions, annual account of due diligence and response to information requests.	Use risk analysis, supply chain visibility work and due diligence narratives that can support external information requests and transparency expectations.	Due diligence summaries, risk review outputs, supplier engagement records and documented response materials.
Germany – LkSG	Risk management, risk analysis, preventive and remedial measures, complaints procedure and documentation across own operations and supply chain.	Maintain risk mapping, complaints and escalation pathways, supplier engagement and corrective action systems that can support due diligence expectations in German-linked supply chains.	Risk analysis files, grievance process records, CAP tracking, supplier controls and management review documentation.
France – Duty of Vigilance Law	Vigilance plan expectations include risk mapping, evaluation procedures, mitigation actions, alert mechanisms, and monitoring of implementation.	Maintain vigilance-style due diligence architecture through mapping, issue identification, supplier review, alert channels, and monitoring of mitigation measures.	Risk maps, supplier review records, alert and escalation processes, corrective action logs and monitoring documentation.
Switzerland – arts. 964j–964l / DDTro	Targeted due diligence and transparency duties in relation to child labour and conflict minerals in sensitive supply chains.	Maintain child labour screening, sourcing controls and upstream due diligence measures relevant to sensitive raw material and supply chain categories.	Supplier screening files, child labour controls, traceability work and documented due diligence review materials.

Future Mitigation Strategy

Future Mitigation Strategy: 2026 and beyond

Priority Areas for Continued Programme Development

Steel Blue is progressing detailed supply chain mapping to support European Union Digital Product Passport readiness and broader upstream visibility. Internal reporting tools and supplier assessment processes continue to be developed to support more consistent compliance tracking and reporting.

Steel Blue is committed to maturing its due diligence from Tier 1 monitoring to broader multi-tier supply chain transparency. Key future focus areas include:

1. Data, Traceability & Technology

EU Digital Product Passport (DPP) readiness:

Steel Blue is commencing detailed supply chain mapping to support DPP requirements, including identification and monitoring of indirect suppliers further upstream.

Sedex: The Sedex platform will help Steel Blue link upstream indirect suppliers to its profile, supporting stronger analytics, transparency and traceability across the broader supply network. Participation by indirect suppliers is currently voluntary but is encouraged as good practice.

Holistic risk assessment: Steel Blue will incorporate Product Life Cycle Analysis (LCA) covering both direct and indirect spend partners so that sustainability and human rights data can be assessed in a more integrated way.

Centralised compliance: Steel Blue is developing automated reporting logs and continuing supplier assessments through the Steel Blue Human Rights Compliance Form.

2. Training & Internal Capacity

Specialised education: Steel Blue will deliver targeted training to its product and quality teams on modern slavery legislation and awareness. This is important because these teams are often the first to observe conditions during regular factory visits.

Wider employee awareness: Steel Blue is rolling out general modern slavery training for all employees to support a company-wide culture of vigilance.

3. Enhanced Operational Oversight

Increased physical presence: In addition to embedded factory personnel in Indonesia and regular Head Office team visits, Steel Blue has expanded product and quality support roles to strengthen in-factory oversight and follow-up.

Embedding due diligence: Steel Blue is integrating human rights and due diligence factors directly into supplier performance expectations, supported by roles with specific oversight responsibilities.



Future Mitigation Strategy: 2026 and beyond

Focus Area	Strategic Action	Key Performance Indicator (KPI)	Target Date (Fin Year)
1. Governance & Assessment	Ethical Sourcing and Human Rights Policy	100% of Tier 1 & Tier 2 suppliers understand and agree to the new policy documents	Q4 2026
	Sustainable Procurement Policy		
	Steel Blue Supplier Code of Conduct, including Business Ethics Agreement		
2. Internal Training	Targeted training for Product & Quality teams on MS legislation.	100% of PD and Quality staff to complete advanced Modern Slavery awareness training.	Q2 2027
3. Employee Awareness	General Steel Blue employee training.	90% completion rate of Modern Slavery induction/refresher for all sales and office staff.	Q2 2027
4. Data & Reporting	Develop internal reporting logs for non-compliance/risks-SEDEX platform	Live dashboard established to track and close out identified supply chain risks.	Q2 2027
5. Environmental Sync EU ESPR LCA's	Product Life Cycle Analysis (LCA) for direct/indirect spend.	Complete LCAs for all Steel Blue products sold	Q1 2027
6. Traceability (DPP)	Supply chain mapping for EU Digital Product Passport (DPP).	Map 100% of direct and key indirect (upstream) suppliers for initial product lines.	Q1 2027
7. Sustainability and Impact reporting	Reporting Au ASRS and GRI Impact report	Reporting Steel Blue environmental impact	Q2 2027
8. Eco Vadis rated	Eco Vadis membership and Submission	Eco Vadis audited and rated	Q3 2027
9. Supplier Expectations	Embed Due Diligence factors into Direct Supplier expectations. Teir 2 to upstream factory visits	Review upstream supply partners facilities - commencing Q4 27 continue in 2028	Q4 2027
10. Oversight (Manufacturing partner)	Monthly factory visits by Perth-based PD and Quality teams.	Minimum 10 onsite visit reports filed per annum by the Perth-based team.	Ongoing
11. Oversight (Field)	Quarterly 6-week factory rotations by Product Manager/ QC Expert.	4 rotations (24 weeks total) of onsite senior management oversight per year.	Ongoing

Responsibilities

Management:

Management is responsible for demonstrating respect for human rights and ensuring that employees, suppliers, and contractors engaged by, or on behalf of, Steel Blue understand and comply with this statement and the associated supplier compliance policies and agreements.

Employees:

All Steel Blue employees are expected to understand and comply with the standards set out in this statement. Steel Blue expects any person representing the organisation to respect and support human rights and to report any concern that a supplier or contractor may be involved in forced labour, child labour, human trafficking, or any other form of modern slavery.

Consultation:

Steel Blue is managed through its head office leadership team. In preparing this statement, the Head of Sustainability consulted with more than 15 internal personnel across the Executive Leadership Team, Senior Leadership Team, Board Audit and Risk Committee and relevant operational and technical functions, including the Chief Executive Officer, Head of Manufacturing, Senior Quality Assurance Manager, Product Development and Commercialisation Manager, product development and quality personnel, and embedded Steel Blue employees working within Tier 1 manufacturing facilities in Indonesia. Consultation also included engagement with the Sedex team in Australia, direct engagement with Tier 1 manufacturing partners, and consideration of information derived from Tier 2 and upstream supplier engagement under the Steel Blue supplier compliance programme, including audit activity, site review findings, supply chain mapping, due diligence, and traceability initiatives supporting ESPR, Life Cycle Assessment and Digital Product Passport readiness.

Approval and reporting period

Approval and reporting period

This Modern Slavery Statement of Footwear Industries Pty Ltd provides an overview of Steel Blue's approach to ethical sourcing and modern slavery risk management across its operations and supply chain, including the risks monitored, the actions taken to address those risks, and how effectiveness is reviewed over time.

This statement covers the reporting period 1 July 2025 to 30 June 2026 and reflects Steel Blue's ongoing commitment to transparency, responsible sourcing, and continuous improvement.

This statement was approved by the Board of Directors of Footwear Industries Pty Ltd, being the principal governing body of the reporting entity, on 5 June 2026.

Signed by Peter Bell, Chief Executive Officer, as a responsible member of Footwear Industries Pty Ltd.



Peter Bell

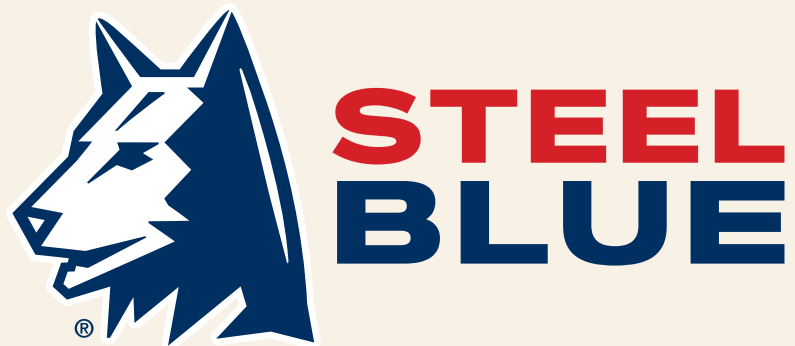
Chief Executive Officer

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Broader ESG, social impact and stakeholder commitments

Steel Blue's addendum details its commitment to environmental, social, and governance (ESG) principles through four pillars: **People, Planet, Communities, and Governance**; highlighting initiatives in human rights, employee wellbeing, community investment, ethical business conduct, and alignment with the United Nations Sustainable Development Goals to promote responsible business practices and ongoing improvement beyond mandatory modern slavery reporting.

ESG PURPOSE

We build certified footwear that lasts, respect every person in our value chain, give back to the communities we serve, and hold ourselves accountable to do it right.

ESG MISSION

Steel Blue is committed to the well-being of our customers and the communities we serve. We have embarked on leaving the world in a better place by designing products that are durable, long lasting, and reduce waste at every stage of their life cycle.

The foundation of our sustainability and ESG programme is our four pillar principles, aligned with our People, Planet, Communities and Governance core values.



Steel Blue’s ESG purpose is to build certified footwear that lasts, respect every person in its value chain, give back to the communities it serves, and hold itself accountable to do the right thing.

Its ESG mission is centred on the wellbeing of customers and the communities it serves, with a commitment to designing durable, long-lasting products that help reduce waste across the product life cycle.

Steel Blue’s sustainability and ESG programme is structured around four operating pillars:

People, Planet, Communities and Governance.

These pillars reflect the way the business translates values into action: People focuses on human rights and fair treatment; Planet addresses environmental performance and product stewardship; Communities reflects Steel Blue’s commitment to giving back; and Governance underpins these efforts through ethics, accountability, processes and resourcing.

Alignment with the United Nations Sustainable Development Goals

Steel Blue aligns its ESG framework with the United Nations Sustainable Development Goals (UN SDGs), reflecting its commitment to responsible business practices across operations, supply chain and community engagement.

Steel Blue four operating pillars - People, Planet, Communities and Governance were inspired by the UN SDGs.



People

FOCUS AREA

Human rights and employee wellbeing

ILLUSTRATIVE THEMES

Human rights, diversity and inclusion, fair treatment, employee wellbeing and development

ALIGNED UN SDGS



Planet

FOCUS AREA

Environmental stewardship

ILLUSTRATIVE THEMES

Resource efficiency, waste reduction, energy use, product durability and lifecycle considerations

ALIGNED UN SDGS



Communities

FOCUS AREA

Community investment and engagement

ILLUSTRATIVE THEMES

Charitable partnerships, community programmes, education initiatives and local engagement

ALIGNED UN SDGS



Governance

FOCUS AREA

Ethics and responsible business conduct

ILLUSTRATIVE THEMES

Business integrity, policies and procedures, accountability frameworks and oversight
Quality production

ALIGNED UN SDGS



Broader ESG Alignment

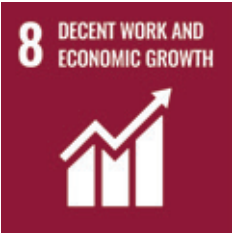
FOCUS AREA

Additional sustainability linkages

ILLUSTRATIVE THEMES

Ecosystem protection, responsible economic activity and value chain impacts
Impact reporting and responding to global legislation

ALIGNED UN SDGS



Community investment and social impact

Creating impact beyond our operations

Community investment remains a longstanding and visible part of Steel Blue’s broader responsibility agenda. Steel Blue’s corporate social responsibility reporting states that the business has **raised more than A\$2.2 million for community partners to date**, including more than A\$700,000 in the past year, and identifies community support as one of its top five strategic priority areas

Steel Blue supports a range of charitable and community organisations, including Breast Cancer Care, Beyond Blue, Sweet Louise, WA Charity Direct, Clontarf Foundation,

The business also supports community participation and social connection through programmes and partnerships such as its long-term sponsorship of the Swan Districts Football Club and support for the Annisa Pratama Soccer School in Jakarta.



Community impact

Creating impact beyond our operations

Employee participation forms an important part of this approach. Steel Blue’s CSR reporting states that employees may access a paid volunteer day through its Community Days programme and that the business also supports staff participation in fundraising and awareness initiatives, including Purple Bra Day and Movember.

Together, these initiatives reflect Steel Blue’s stated commitment to supporting causes that matter to its people and giving back to the communities it serves.



Our People: Inclusion, well being and employee support

Steel Blue’s commitment to its people is grounded in inclusion, fairness and opportunity. Diversity and inclusion is embedded across recruitment, development and leadership pathways, supported by flexible working arrangements and structured employee support programmes.

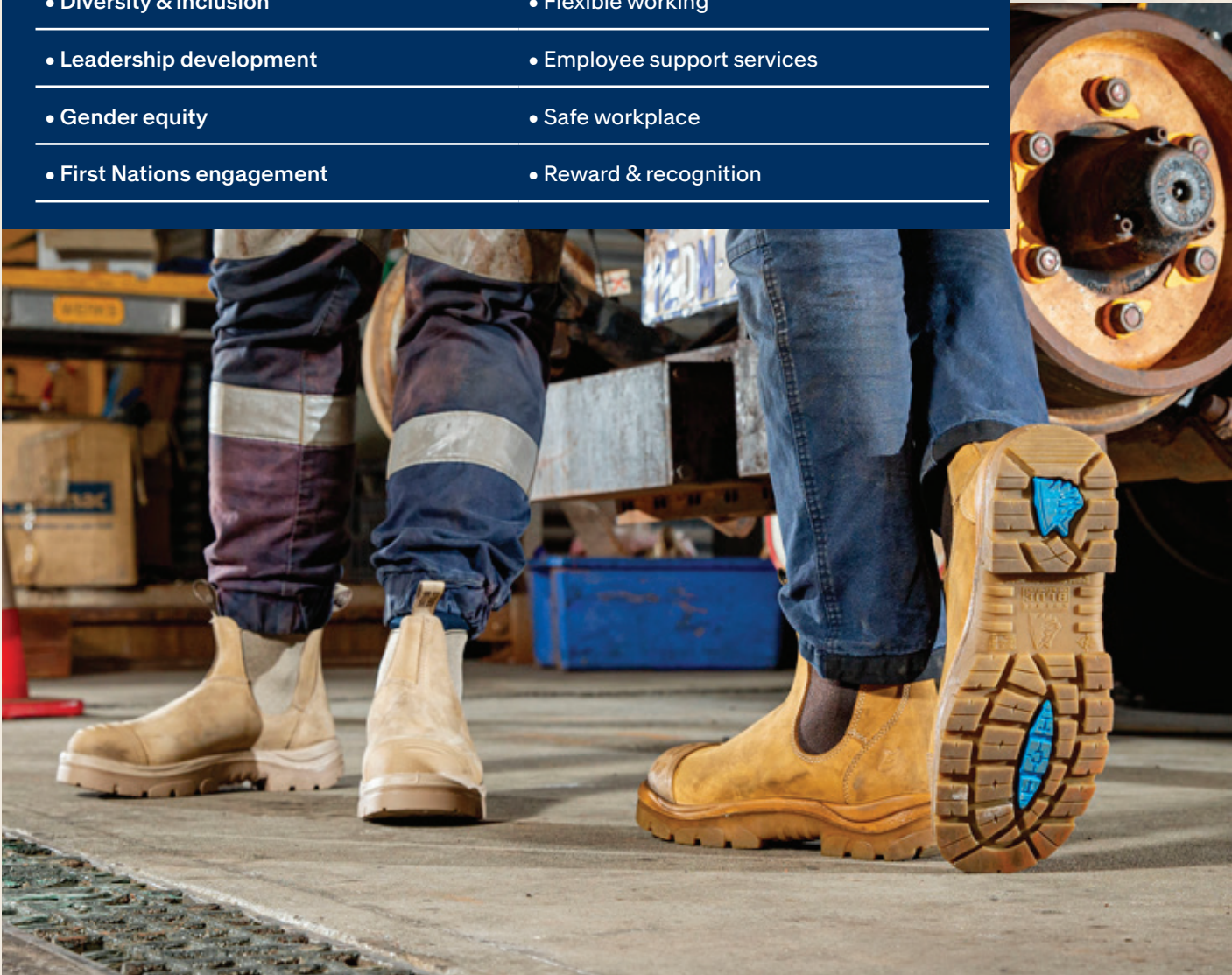
The business maintains a focus on gender diversity, leadership development and equitable employment practices, while also supporting First Nations engagement through targeted partnerships and initiatives. Employee wellbeing is supported through safe working conditions, support services and recognition frameworks that reinforce contribution, development and long-term engagement.

Inclusion and Opportunity

- Diversity & inclusion
- Leadership development
- Gender equity
- First Nations engagement

Wellbeing and Recognition

- Flexible working
- Employee support services
- Safe workplace
- Reward & recognition




Steel Blue’s alignment to the UN SDGs reflects its commitment to embedding responsible business practices across its operations, supply chain and community engagement activities.

Employer of the year

Steel Blue was awarded both Western Australian Business of the Year and Western Australian Medium sized business of the Year at the RISE (Resourcefulness, Imagination, Sustainability and Excellence) business awards in 2022 by Business news. The RISE Business Awards recognise business for their Resourcefulness, Imagination, Sustainability and Excellence. They are among the most prestigious awards available to business in Western Australia and the WA business of the Year is the top award offered.

THE AUSTRALIAN

Best Places to Work 2025

MEDIUM ORGANISATION

THE AUSTRALIAN BUSINESS AWARDS

EMPLOYER OF CHOICE WINNER 2024

RISE BUSINESS AWARDS

2022 WINNER

WESTERN AUSTRALIAN BUSINESS OF THE YEAR

MEDIUM BUSINESS OF THE YEAR

Continuous improvement

Steel Blue recognises that responsible business practice requires ongoing development and continuous improvement. Its CSR reporting states that, while the business has made strong progress across community, diversity and inclusion, environment, climate and human rights, the journey is not over and further work remains to be done.

Steel Blue intends to continue strengthening its systems, policies, programmes and partnerships to support ethical business conduct, reduce environmental impacts, support its people and communities, and uphold human rights across its operations and value chain





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