

The Blundstone logo, featuring the brand name in a white serif font with a green swoosh underneath, set against a dark blue background.

Blundstone®

TASMANIA AUSTRALIA · 1870

Modern Slavery Statement FY2024





Introduction

This statement complies with the *Modern Slavery Act 2018* (Cth) detailing the actions of the Blundstone Group to assess and address modern slavery risks in its operations and value chain for the financial year ending 30 June 2024.

The Blundstone Group is a private family-owned and operated footwear company which designs, manufactures, and distributes the internationally renowned Blundstone brand and New Zealand-focused work and safety brand, John Bull.

Reporting entities

This Statement is made for the year ended 30 June 2024 by:

- HA Cuthbertson Holdings Pty Ltd (ACN 009 493 350) and
- Blundstone Australia Pty Ltd (ACN 009 475 852)

and also reports on the activities of the subsidiaries Blundstone New Zealand Limited (Company Number 628290) and Blundstone (U.S.A.) Inc.

In this statement, unless expressly stated otherwise, references to the Blundstone Group, Blundstone, we, us and our, each refer to HA Cuthbertson Holdings Pty Ltd, Blundstone Australia Pty Ltd and our subsidiaries.

Blundstone Group structure

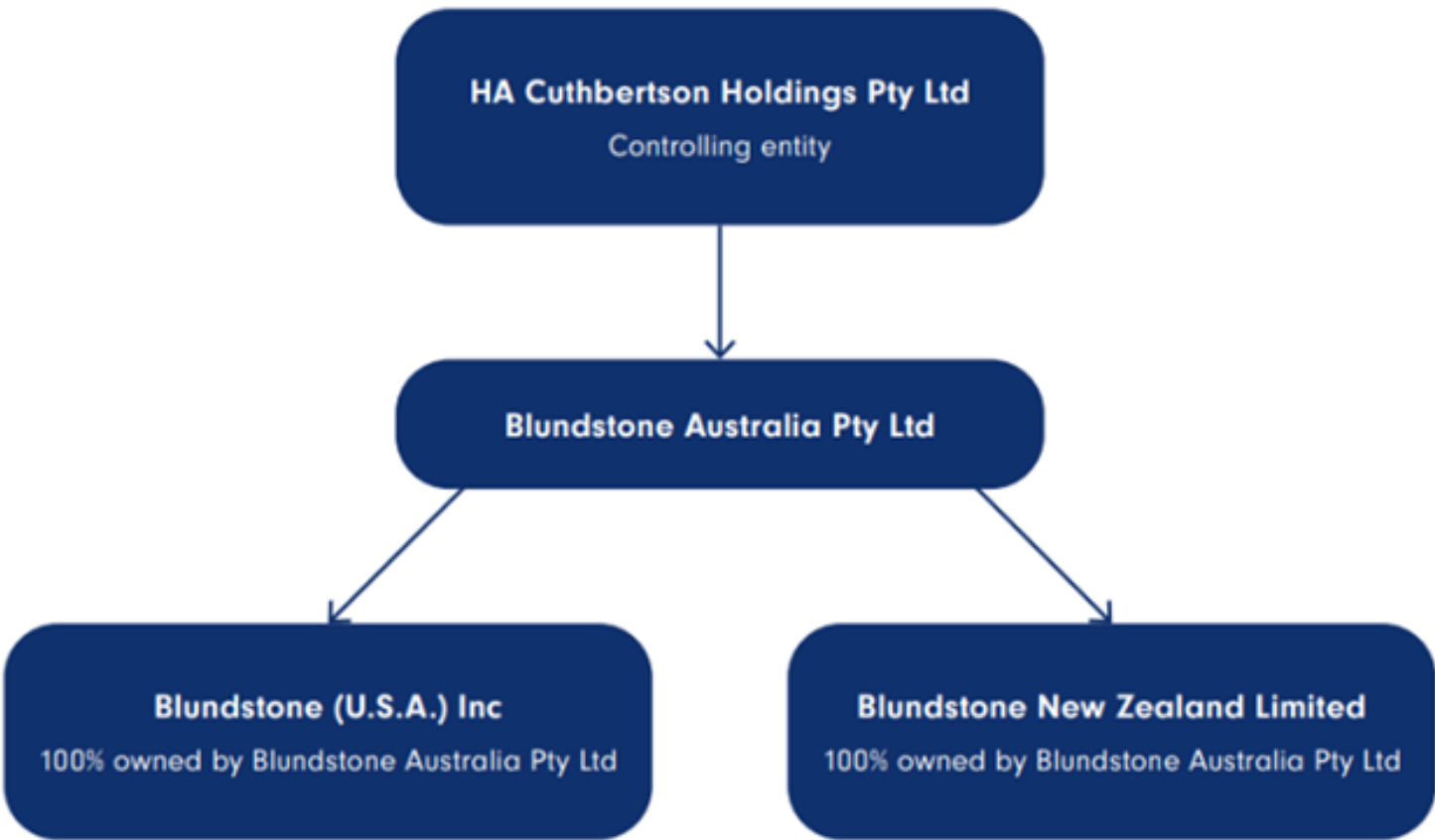
The Blundstone Group comprises four entites (refer diagram at left).

Our global headquarters are located at 88 Gormanston Road, Moonah, Tasmania. This is also the registered address for both HA Cuthbertson Holdings Pty Ltd and Blundstone Australia Pty Ltd.

Our headquarters are home to group management, administration, sales, marketing, brand, communications, environment, social and governance (ESG), legal and compliance, quality management, customer services, logistics, and design. Sales representatives are based across Australia and New Zealand.

Our New Zealand office is in Auckland, housing customer services and administration. We have distribution centres in Derrimut, Victoria, and Auckland, New Zealand.

In the USA, Blundstone is represented by a long-term partner who provides sales and warehousing services via a New Jersey-based office and a distribution centre in Pennsylvania.



Our values

We are committed to our values:



Family

Our people are the driving force of our business. We care for, respect and value the diverse group who are part of our family.



Customer

Our mission is to listen to, understand and deliver on the needs, wants and expectations of our consumers and our customers.



Community

We are proud to be an active, positive and contributing member of our community, locally and around the globe, today and for future generations.



Design

We are committed to designing innovative, quality, honest products, services and experiences that are fit for purpose.



Integrity

We always seek to do the right thing: to behave ethically, to act with integrity, and to minimise our impact on the environment.



Our commitment

We are committed to effectively addressing modern slavery risks in our business operations and value chains through taking appropriate steps to identify, assess and address those risks to reduce the potential for harm.

Since 2015 we have been taking steps to monitor and evaluate practices throughout our value chain, including partner self-assessments, Blundstone audits and third-party audits for key manufacturing partners and other important or significant manufacturing sites.

Building on previous activities, in 2021 we established Every Step Better (ESB), a broader business-wide program in response to ESG obligations and expectations.

The ESB program leverages our existing sustainability processes, establishes a management structure for ongoing monitoring and improvement and more generally provides a focal point for our investment and commitment in this space. It aligns with the objectives of Blundstone's recently approved ESG strategy and roadmap.

The program continues to focus on ensuring compliance with all relevant legislation, Blundstone values and Code of Conduct, but also aims to improve traceability of every aspect of our supply, production and distribution processes, enabling us to deepen our understanding of where modern slavery risks may exist and offering the opportunity to mitigate those risks.

Our operations and value chain

The entities within the Blundstone Group operate under the same corporate governance and risk management framework which integrates company values, policies, and procedures and a certified ISO Quality Management System. The Blundstone leadership team works across the Blundstone entities.

As of 30 June 2024, we employed approximately 146 people throughout Australia and New Zealand.

We design, distribute and retail leisure and safety footwear, gumboots, ancillaries, and accessories. We currently sell into over 70 countries using either our own distribution network or a network of distribution partners, many of which have been distributing for Blundstone for decades.

During 2023-24 we sold products directly to consumers online in two markets: Australia and the USA. Many of our distributors and retailers also sell Blundstone products online.

Excluding gumboots, our leisure and safety footwear is manufactured by long-term manufacturing partners in Vietnam, India, Mexico, Thailand, China and, to a lesser extent, Indonesia. Our gumboots are designed, manufactured, and distributed by Blundstone with manufacturing occurring at our own factory, located at our Tasmanian headquarters.

There are over 300 suppliers of raw material inputs across various countries around the world supporting our manufacturing programs. Major components for our core footwear business (including ancillaries and accessories) are sourced from Australia, Italy, Brazil, China, Thailand, Mexico, and the United States.

We also engage a range of suppliers that support our business through the provision of marketing, financial, ICT and similar professional services. These suppliers are generally considered 'low risk' and accordingly we have focused our due diligence efforts on our core footwear activities.

In addition to our core footwear business (which includes ancillaries and accessories), the Blundstone Group has a diversified investment portfolio across various asset classes including equities, property and fixed income which is both internally and externally managed.





Modern slavery risks

We recognise that footwear is a high-risk industry and that there are significant modern slavery risks throughout our value chain, with the most likely exposure being in the sourcing of finished footwear and associated raw materials, accessories, and ancillaries.

As a group, we have a strong focus on ‘doing the right thing’. Our ESB program encapsulates our commitments across three key pillars: People, Planet and Product.

Our value chain monitoring and assessment program sits under the ‘People’ pillar and focused initially on our most significant suppliers but is continuously expanding as we deepen our knowledge of our extended value chain.

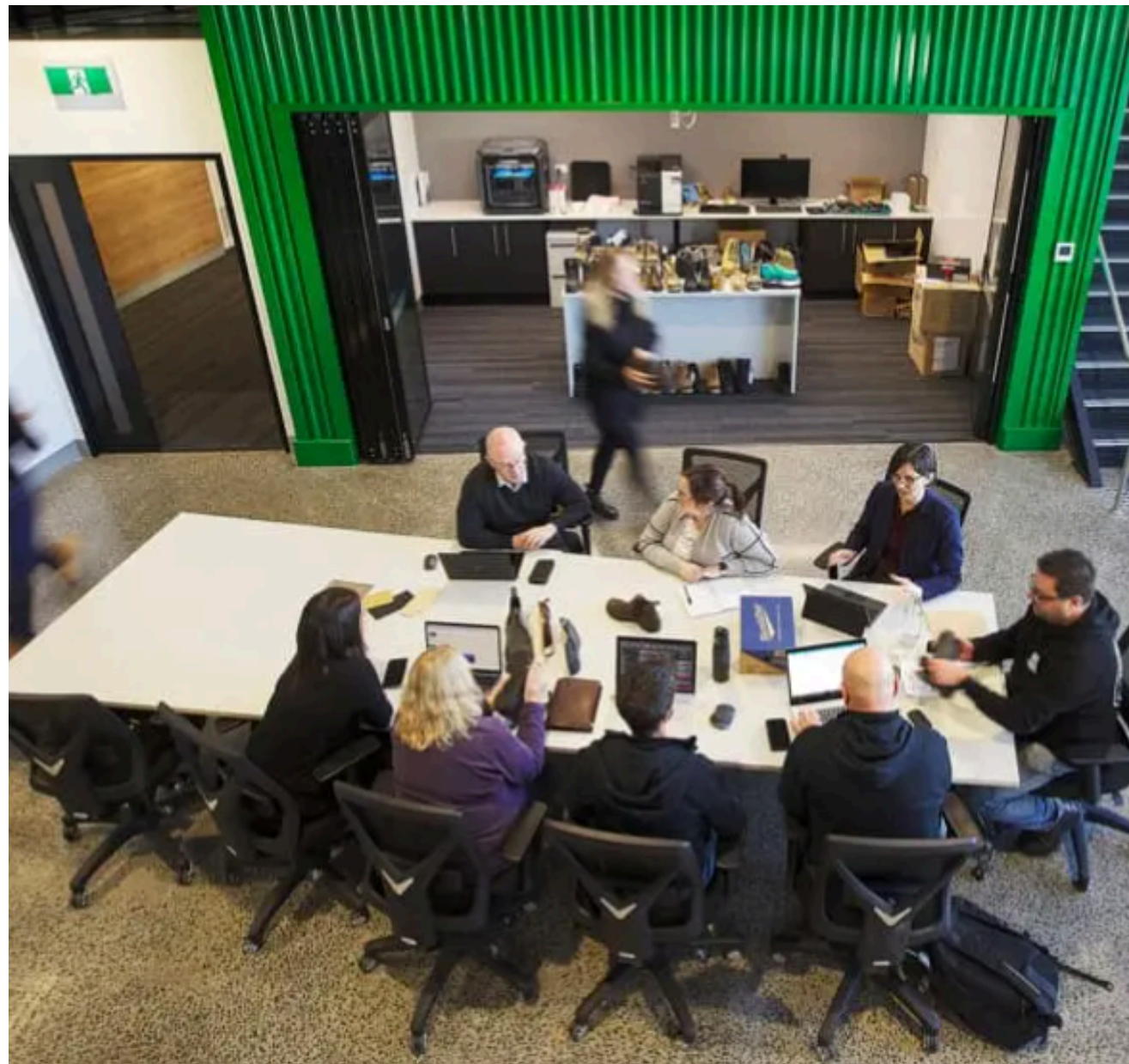
The program includes initial supplier assessment at selection stage, then undertakes ongoing auditing, risk assessment and management activities.

To date, we have identified several opportunities for improvement in some of our Tier 2 suppliers’ practices, including inadequate record-keeping and discrepancies in the payment of allowances. Where these instances have been identified, corrective actions have either been implemented to resolve the non-compliance or are being progressed and are part of our ongoing monitoring activities, including repeat on-site verification auditing.

During the latter part of the previous reporting period we identified an increasing trend in minor non-compliances amongst some Tier 2 suppliers in China. In response, we have finalised and implemented a risk-based program to address these issues which includes further and repeat on-site verification auditing to verify progress.



Actions taken to assess and address the risks



We have well-established long-term supply relationships allowing us to effectively engage, assess and address our value chain risks, including establishing continuous improvement measures with suppliers.

As a direct result of these well-established relationships, we have a higher level of visibility into and influence over our footwear manufacturers and their critical component suppliers. We have at least one quality inspector engaged as an independent contractor at each overseas footwear manufacturing location to monitor and report to Blundstone on manufacturing quality and, in addition to those core functions, to observe and report any infringements of our Code of Conduct, including social and labour infringements.

Our ESB program is the cornerstone of our efforts in managing a responsible value chain free from modern slavery, monitoring identified risks, and building continuous improvement. Our dedicated Accreditations team is responsible for the implementation and maintenance of the program to assess and address modern slavery risks in our value chain. That team reports to our Group Manager Legal & Compliance and with the support of a broader group of internal functions (including logistics, brand management, quality, technical and design), we work closely with our suppliers to drive compliance. Operationally, we have established procedures regarding how purchasing, onboarding, and risk management are carried out.

Actions taken to assess and address the risks (cont'd)

Due diligence and risk assessment

Product and service suppliers in our value chain are categorised into appropriate and defined tier levels, based on an assessment of risk profile that subsequently dictates the frequency and nature of assurance activities.

Tier 1 suppliers include those actively producing Blundstone and John Bull branded footwear and branded ancillaries or marketing materials. The commercial relationship is typically directly between Blundstone and the supplier. This tier includes our overseas footwear manufacturing partners and suppliers of branded items. Our gumboot factory in Australia is also classified as a Tier 1 supplier.

Tier 1 manufacturing partners are required to complete Self-Assessment Audits (SA) and undergo regular on-site verification audits (VA) conducted either by Blundstone or our third-party assessors.

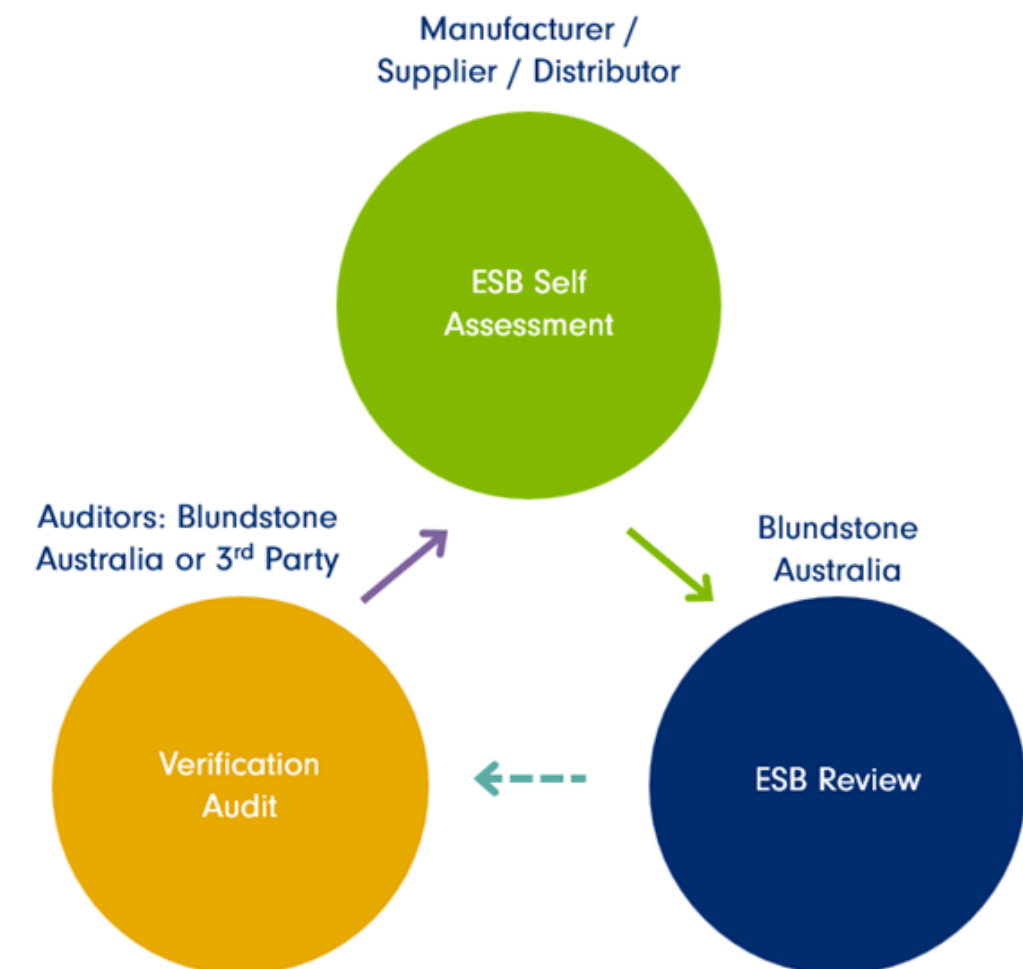
These audits are carried out annually for at least the first three consecutive years and every second year thereafter as a minimum. The VA process focuses on modern slavery risks, including assessment of social and labour risks, worker protection, environmental policies, working hours, and the presence of child labour.

We undertake a similar assessment and verification process with our gumboot factory, with a self-assessment questionnaire combined with auditing as part of our internal audit program every two years.

Our partners manufacturing Blundstone and John Bull ancillaries and accessories (that is, non-footwear items) are required to complete the Blundstone SA questionnaire process every two years and depending on their assessed risk, may be subject to an on-site VA conducted at their premises either by Blundstone or our third-party audit team.

The frequency of conducting VAs is dependent on a variety of factors including:

- the achievement of appropriate SA compliance scores
- the need for any corrective and/or preventative actions (CAPAs) identified through the SA system and
- our internal 'ESB Review' risk assessment process, which includes the consideration of trends, heightened risk areas and additional knowledge that may lead to the determination that a VA is appropriate.



Actions taken to assess and address the risks (cont'd)

• **Tier 2 suppliers** are those businesses that manufacture goods or provide services that input into our value chain, including freight forwarders.

Tier 2 suppliers of manufacturing components and material inputs are required to complete the SA questionnaire process at least once every two years. Where the Tier 2 supplier is assessed as being high risk by our Accreditations team, they may also be subject to an on-site VA.

All SA questionnaires and VAs are reviewed by our Accreditations team. Additional information is requested from suppliers if required and suppliers are given a timeline for such information to be addressed (depending on the severity). Where appropriate, CAPAs are issued and must be progressed to completion in a timely manner. If a supplier does not participate in the assessment process, we may suspend or terminate our agreement with the supplier.

Our investment portfolio is continuously monitored against ESG factors, including modern slavery risks, with regular reporting provided by Blundstone's investment adviser.

Contracts and additional documentation

The ESB program has been formally integrated into our relevant contractual agreements, with obligations outlined to manage ongoing adherence to ESB requirements.

Our Code of Conduct is integrated into existing relationship structures and sets out our minimum standards and expectations that we and our value chain partners are working to meet.

When considering potential new partners, we prioritise those businesses that are aligned with our values and Code of Conduct and which will partner with us to ensure the welfare of employees, the responsible and efficient use of resources and the minimisation of our footprint on the planet. As part of ESB, our Code of Conduct guides all areas of our business, and we expect all partners to respect and follow our lead.

To further support the ESB program and encourage disclosure of misconduct we maintain a group-wide Whistleblower Policy and Procedure allowing anyone in the value chain to raise grievances and report concerns, including anonymously. To date, there have been no substantiated disclosures relating to modern slavery or similar issues.



Actions taken to assess and address the risks (cont'd)

Verification and audit structure

The existing assessment and audit structure has continued to be implemented further into our overall value chain.

In FY2023-24:

- Blundstone's dedicated ESG team has undertaken a variety of activities to review our current performance (including an assessment of our ESB program against other established frameworks) and developed a target-led approach to key areas of the ESB program, culminating in the development and approval of our first Blundstone ESG strategy and roadmap.
- We have developed and implemented a comprehensive supplier onboarding process to provide a 'one stop shop' outlining our expectations and requirements before becoming a value chain partner, and ensuring alignment with our approved ESG strategy and roadmap. This includes modern slavery in addition to other key areas such as chemical compliance, environmental standards, and our Code of Conduct.
- Our Blundstone on-site third-party contractors have continued to maintain regular audits and checks of our key manufacturing partner sites and practices, with this program also including suppliers further up our value chain.
- We continued to expand the scope of our assessment program to include additional manufacturing sites further upstream within our value chain, Tier 1 and Tier 2 suppliers, further building on the significant increases in previous years.
- In FY2023-24:
 - a total of 48 Tier 1 and Tier 2 suppliers completed a SA, with the vast majority of these being 'new' suppliers and value chain members. The number of SAs completed during the year was down from the previous year (238), noting that suppliers are only required to undertake the SA process every second year and almost our entire supply chain completed this activity in FY2022-23; and

- we conducted VAs at 60 sites, up from the FY2022-23 total of 46 sites.

- Third-party verification audits were completed at four international Tier 1 manufacturing sites, with return visits planned during 2025-26. This represented a return to the Blundstone two yearly repeat VA schedule after an earlier increase in frequency in response to the anticipated heightened risk in the period following the easing of pandemic labour restrictions.
- Improvements in findings from audits and resolution to previous findings were achieved.

Communications

A suite of communication assets has been developed to provide:

- Branded documentation to third parties such as customers, who want to ensure they align and promote products that are responsibly made; and
- Consumers with the opportunity to read and understand our values and management of our value chain.

This information is publicly available on our Australian, New Zealand and United States websites. Information has been progressively rolled out across other markets through our distribution network as our digital footprint grows.

Assessment of effectiveness of our actions

We evaluate the effectiveness of our work primarily through two types of activity:

- **Compliance monitoring:** we regularly review the self-assessment audits, and on-site verification audits, together with site visits, to verify assessment findings and track progress of identified actions.
- **Assessing feedback:** we seek and consider feedback from our stakeholders and value chain partners and utilise a continuous improvement approach to addressing any value chain issues and to inform our broader ESG strategy.

Our future goals

We are committed to continuous improvement in assessing and addressing modern slavery risks in our business, particularly in the high-risk areas of the value chain. The goals set for 2024-25 include:

- Continuing to apply our program of assessments, risk review and verification audits, with a focus on our suppliers in high-risk areas that have an increased risk of modern slavery.
- Ongoing oversight and assurance in relation to modern slavery risks across the Blundstone Group's core footwear business and investment portfolio.
- Continuing to monitor national and international developments in relation to modern slavery to ensure that we maintain currency of knowledge and meet good practice standards across the Blundstone Group and where relevant, through our distribution networks.

Consultation and approval

This statement has been prepared in consultation with and includes input from Blundstone management responsible for overseeing relevant functions within the Blundstone Group.

This Modern Slavery Statement was approved by the Boards of HA Cuthbertson Holdings Pty Ltd and Blundstone Australia Pty Ltd on 12 December 2024.



.....
Stephen Gunn
Chair
HA Cuthbertson Holding Pty Ltd
Blundstone Australia Pty Ltd