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ROLEX AUSTRALIA PTY LTD

104 Exhibition Street
MELBOURNE, VIC 3000

Statement for calendar year 2022

This statement is made pursuant to *Modern Slavery Act 2018* (Cth) (“the Act”) for the reporting period 1 January 2022 to 31 December 2022.

It sets out the steps that Rolex Australia Pty Ltd ACN 005 956 338 (“Rolex Australia”) has undertaken, and is continuing to undertake to identify and address potential incidents or heightened risks of slavery occurring within its operations and supply chains. Rolex Australia is committed to respecting and upholding the human rights of its people and other stakeholders that it interacts with in the course of its business activities. Rolex Australia understands that its commitment to respecting human rights will support its future success as a responsible business.

Rolex Australia has a zero-tolerance approach to any form of modern slavery. Rolex Australia is committed to acting in an ethical manner, with integrity and transparency in all business dealings.

Reporting entity

Reporting entity: Rolex Australia Pty Ltd

ABN: 47 005 956 338

Registered Office: 104 Exhibition Street, Melbourne, VIC, 3000

Structure

Rolex Australia is an Australian Proprietary Company, registered on 30 December 1981 and is a member of the Rolex Group, headquartered in Switzerland. Rolex Australia has a head office in Melbourne, Australia and does not own or control any other entity.

Operations

Rolex Australia is the exclusive authorized importer and distributor of ROLEX and TUDOR wristwatches through a carefully selected Retailer network within the Oceanian market. Rolex Australia also owns and operates an After-Sale Service Centre located in Melbourne that services both the Retailer network and the end customer.

Rolex Australia has 50 employees working across its After-Sale Service Centre and head office. Rolex Australia is reviewing its induction process that is provided to all new staff and will update it to include further training on modern slavery and the expectations of its people in mitigating risks and reporting concerns. Rolex Australia uses recruitment agencies to carry out vetting of prospective employees for their eligibility to work and dialogue with these recruitment agencies will continue on topics including modern slavery.

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Rolex Australia has embedded a human rights approach in its operations and supply chains through several policies implemented. These policies are reviewed by the relevant senior policy owners and Board representatives at least every two years.

Rolex Australia has a disbursed procurement function with various key management personnel responsible for the procurement of goods and services within their remit. Rolex Australia engages a variety of reputable suppliers for the provision of non-trade goods and services, which include, but is not limited to:

- professional services including accounting & tax consulting services, IT consulting and legal services;
- freight forwarding and custom brokers;
- construction;
- event management, production and media agencies;
- property management including cleaning; and
- general operating services including utilities, telephone and internet.

The majority of these suppliers are based in Australia and have been associated with Rolex Australia for over 10 years.

Supply chains

Rolex Australia sources all the wristwatches, sales accessories, spare parts, tools and equipment, promotional collateral and display material from one main supplier, which manufactures the products itself in Switzerland. Almost 84% (by AUD value) of all transactions entered into by Rolex Australia are with this supplier.

This supplier is highly vertically integrated, manufacturing and transforming many of its materials in Switzerland, including gold and stainless steel. The supplier employs a significant Swiss-based workforce for processing and production. Accordingly, the supplier is able to minimise many sourcing risks that may be associated with contracted overseas labour due to its direct supervision of labour standards as they apply to their workforce. In relation to materials which are not manufactured internally, this supplier sources many of these materials from European Union suppliers after applying rigorous selection criteria. The supplier also has an extensive suite of philanthropic activities¹ which include the setting up of a training school for watchmakers and programs to support labourers overseas. The endeavor emphasizes the supplier's understanding of human rights and the associated risks for people who are particularly vulnerable.

Risks of modern slavery practices in the operations and supply chains

As outlined by the Australian Border Force², 'modern slavery' describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include:

- human trafficking;
- slavery;
- servitude;
- forced labour;
- debt bondage;
- forced marriage; and

¹ More information on these activities can be found at www.rolex.org

² <https://modernslaveryregister.gov.au/about/>



- the worst forms of child labour.

While there are risks of modern slavery practices in all businesses and supply chains, Rolex Australia acknowledges that the risks of modern slavery practices may be more prevalent in certain geographical regions and industries. Rolex Australia is aware that companies that are engaged from industries such as contracted cleaning, construction and IT equipment manufacturing have a higher prevalence of modern slavery. From 2024, Rolex Australia will have a targeted focus on its suppliers that operate in these industries as part of its ongoing risk identification and mitigation strategy.

Further, Rolex Australia understands that some countries may have higher risks of modern slavery. Rolex Australia does not have any direct dealings with countries that are considered high risk or with a high prevalence of modern slavery by the Global Slavery Index³.

As highlighted above, Rolex Australia sources most of its products from Switzerland, a country bearing the second lowest vulnerability score as determined by the Global Slavery Index.

Rolex Australia engages with other suppliers for general operating expenditure (see list included above). Whilst there is a risk of causing or contributing to modern slavery, this risk is mitigated as all of Rolex Australia's employees and the majority of the other suppliers are based in Australia. It is noted that this risk assessment is consistent with the results for Australia determined by the Global Slavery Index as Australia is considered to have a low vulnerability score. As part of the review of risks in the supply chains, Rolex Australia has reviewed the Modern Slavery Statements submitted by its key Australian suppliers.

Actions taken to assess and address these risks

Rolex Australia has obtained confirmation from its main supplier that they have taken steps to minimize the risk of modern slavery occurring within their business and supply chains. This supplier engages with its own suppliers on modern slavery and is also focused on modern slavery issues within its operations. Its commitment in these issues will be reinforced by the introduction of non-financial reporting obligations in Switzerland where this main supplier is located. These transparency obligations covering minerals and metals from conflict areas and child labour shall apply for the 2023 financial year.

Dialogue between Rolex Australia and its main supplier (and other suppliers) on modern slavery will continue with a focus on continuous improvement as per the requirements of the Act.

Rolex Australia has procedures in place for grievances and whistleblowing to enable employees to raise any concerns they may have in an anonymous, supported, and respected manner. Rolex Australia also adheres to all obligations regarding the payment of at least the minimum legislated wage to employees, who are also provided with safe working environments.

Rolex Australia regularly reviews its policies and procedures to ensure the highest standards are being maintained throughout its operations. Feedback from employees is regularly sought and relevant issues are acted on by the Board.

Rolex Australia continues to work with its suppliers to build meaningful relationships to promote transparency in discussions surrounding modern slavery. Rolex Australia is currently reviewing its policies and will update to include a review of modern slavery practices with suppliers.

Whilst Rolex Australia acknowledges that it may not be possible to fully investigate all activities of its suppliers, and in turn their suppliers, it continues to look for ways to support the promotion of human rights within its operations and value chain. In the future, Rolex Australia plans to expand this process

³ Walk Free Foundation 2018 Global Slavery Index ("Global Slavery Index")



to have prospective suppliers present on their modern slavery policies and practices in addition to their scope of service and fee structure.

Assessment of the effectiveness of these actions

Rolex Australia has not identified any occurrences of modern slavery in its operations or supply chains during the reporting period.

Rolex Australia continues to review the effectiveness of the strategies employed to identify new or existing risks of modern slavery and act on any incidences where modern slavery practices or risks are detected within its operations or supply chains. Given the low risk of modern slavery in the operations, the strategies are currently assessed informally during internal meetings with key stakeholders. Rolex Australia's Board of Directors are provided with updates as necessary.

Future actions

Rolex Australia is committed to progressing its response to modern slavery and will adopt the following actions from 2024:

- Create a modern slavery roadmap.
- Release modern slavery awareness training for all internal stakeholders.
- Continued engagement with new and existing suppliers on modern slavery aspects and risk mitigations. A higher focus will be placed on suppliers that operate in industries identified as having a higher prevalence of modern slavery.
- Continued engagement with recruitment agencies to ensure that contracted workers are recruited appropriately and with the highest regard for respecting human rights and guarding against modern slavery.
- Review and update policies, including updating the purchase policy and implementing a standalone policy focusing on Human Rights.
- Strengthen key management personnel's awareness of the risks of modern slavery in the operations.

Process of developing the statement in consultation with entities owned or controlled

Rolex Australia does not own or control any entities and therefore the requirement outlined in section 16 (f) of the Act is not applicable.

Other information

All relevant information has been provided in the preceding sections of this statement.

Approval for this statement

This modern slavery statement was approved by the Board of Directors of Rolex Australia. This statement is signed by Mr. Benoit Falletti in his capacity as Director of Rolex Australia on 17 July 2023.

Signature