

Document title: Steel Blue Modern Slavery Statement

Original Approval date: JULY 2019

Last review date: June 2021



OVERVIEW

Steel Blue is committed to supporting the eradication of slavery, human trafficking and child or forced labour, and to the promotion of ethical and lawful business practices with all business partners including employees, customers and suppliers in compliance with International Labour Organisation (ILO) conventions and associated Australian legislation and regulations.

REPORTING PERIOD

This policy applies to the reporting period January 1st, 2020 to December 31st, 2020.

REPORTING ENTITY, STRUCTURE, OPERATIONS AND SUPPLY CHAINS

This policy applies to Footwear Industries Pty Ltd, trading as Steel Blue (the “Reporting Entity”) and its two (2) subsidiary companies; Steel Blue North America, Inc. and Steel Blue Europe (EMEA) B.V. Footwear Industries Pty Ltd is incorporated in Australia; employs 77 employees (correct as of 4th May 2021), with its Head Office located in Perth, Australia.

Steel Blue is an Australian owned private company operating within the safety footwear industry. The wholesale business model sees its products distributed to end users via a network of approved specialist PPE distribution partners. The following value-chain demonstrates the level of vertical integration as well as highlighting the company’s core competencies of product research, development and design, wholesale, sales and marketing.

Research and Development	= Steel Blue
Manufacturing	= Outsourced
Inbound Logistics	= Outsourced
Wholesaling	= Steel Blue
Outbound Logistics	= Outsourced
Distribution	= Distributors (Steel Blue Customers)
Sales and Marketing	= Steel Blue

SUPPLY CHAINS

Steel Blue has a global supply chain. Our supply chain relationships include suppliers from the following sectors: Information, Communications, and Technology; Property Services (including Utilities, Cleaning, Waste Management and Security); Logistics and Correspondence; Vehicle and Equipment Maintenance; Consulting Services; Marketing; Print and Promotional Goods and Services; Office Supplies; and Corporate Clothing.

Our principal manufacturing partner is in Jakarta Indonesia.

MODERN SLAVERY RISK ASSESSMENT AND MANAGEMENT

The key risks identified relate to:

- Logistic providers not complying with Modern Slavery Policy.
- Down-stream raw material providers of our manufacturing partner not complying with Modern Slavery policies.
- The substitution of materials from approved suppliers with materials from non-approved suppliers who do not comply with Steel Blue Modern Slavery Policy.

ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Steel Blue's Board Audit and Risk Committee, along with the Executive Management Team, proactively consider and address risks through the implementation of thorough and effective annual and ad-hoc risk assessments. This process includes the regular review and assessment of the below outlined actions to ensure their effectiveness.

The following actions have been, and continue to be, undertaken:

- External audits on principle manufacturing partner, resulting in recent Responsible Factory accreditations by Footwear Distributors Retailers of America (FDRA).
- Adherence to the FDRA code of conduct.
- 4 pillar Smeta external audit resulting in no 'zero tolerance' concerns.
- Joint strategy plan with manufacturing partner to work through any identified corrective action plans.
- Full disclosure in the manufacturing agreement with principal manufacturing partner.
- Internal audits of manufacturing partner and key supply chain partners including physical visits to ensure working environment complies with Steel Blue policies and benchmarks.
- Vendor and supplier assessments prior to being approved as a Steel Blue supplier, including, where possible, a walkthrough of the manufacturing facility for direct observation of workers and worker conditions.
- Approved suppliers are re-assessed and required to achieve Steel Blue base requirement of no 'zero tolerance' issues.
- Human Rights Compliance letters issued to all key suppliers.
- Work in collaboration with manufacturing partner in assessing down-stream raw material suppliers.
- Desktop audits of down-stream suppliers as required.
- Consolidation of raw material suppliers to minimise risks and allow for greater control.

Moving forward to mitigate the risk of modern slavery we will focus on these areas.

1. Supplier assessment against Steel Blue human rights compliance form.
2. Steel Blue employee training.
3. Develop reporting logs.

MONITORING OUR EFFECTIVENESS.

Action	Measure	Detail
Supplier Assessment	Human Rights compliance form completed for 100% of suppliers. Third party compliance audits with our principal manufacturing partner.	To date, human rights letters have only been issued to suppliers relating to finished product and needs to be extended to logistical suppliers. Records to be kept for next period.
Training	Number of people within Steel Blue who have received modern slavery training.	Register to be created.
Reporting control	Log of reported issues withing the supply chain	No reports made to date.

RESPONSIBILITIESManagement:

Managers have a responsibility to ensure they demonstrate respect for all human rights and ensure employees, suppliers and contractors engaged with, and/or on behalf of Steel Blue, understand, comply with, and adhere to the policy and procedure utilising the Modern Slavery Checklist outlined in the Human Rights Compliance Form (FMHR011).

Employees:

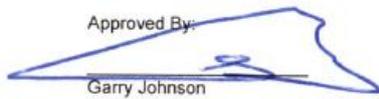
All Steel Blue employees shall ensure they understand and adhere to the guidelines and standards defined in this policy. Steel Blue expects any person who is representing the organisation to respect and support all human rights and to report to management any concern that a supplier or contractor is engaging in human trafficking, slave or child labour or any other modern slavery activity.

RELATED DOCUMENTS/INFORMATION	
Australia Federal Legal References:	Modern Slavery Act 2018 (Cth) NSW Modern Slavery Act 2018
International Legal References:	ILO Convention 29, Convention 105 and 2014 Protocol to C29 on forced labour; ILO Convention 138 and Convention 182 on child labour; ILO Convention 111 and Convention 110 on equality and non-discrimination; and ILO Convention 87 and Convention 98 on freedom of association.
Next Review Date:	July 2021

Approval

This statement has been prepared with input from and in consultation with the Steel Blue Executive Leadership Team and the respective accountable management team.

This statement was approved by the Board of Footwear Industries PTY LTD on the 29th of June 2021.

Approved By:

 Garry Johnson

Chief Executive Officer
Footwear Industries PTY LTD.