

FY2022
**MODERN SLAVERY
STATEMENT**

DECEMBER 2022
mosaicbrandslimited.com.au



INTRODUCTION

Mosaic Brands embarked on numerous monumental changes to our business in Financial Year 2022 (FY22), in spite of the continued adverse effects of the COVID-19 pandemic and global supply chain disruptions.

Maintaining due diligence to prevent Modern Slavery as our business undergoes these exciting and challenging changes has been and will remain a key focus.

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Continued lockdowns both domestically in Australia and overseas impacted our supply chain, customers, and internal teams. Despite these lockdowns our business was still able to grow with the acquisition of EziBuy and increased online sales.

Learn more, talk more, share more has been our initiative both internally and externally in FY22. We have focused on internal training including; ICON, Mosaic Academy, Well Being programs, and Ethical Sourcing & Modern Slavery webinar training. External promotion with our vendors included; Worker Empowerment & Safety, Ethical Sourcing & Modern Slavery webinars, Worker Voice hotline, and factory worker interviews.

Prioritising and customising our factory social auditing program with a key focus on; building safety, fair pay, workers' rights and empowerment were essential to execute our ethical sourcing strategy. Introducing our factory worker hotline across all countries of operation allowed us to have a dynamic insight into the impact of our ethical sourcing programs including modern slavery. Our Group continued to improve our process to effectively react to any potential instances of Modern Slavery by launching our remediation protocol.

Mosaic Brands continues to adhere to a zero-tolerance approach to prohibiting all forms of Modern Slavery;

- Human trafficking
- Slavery
- Servitude
- Forced labour
- Deceptive recruiting
- Debt bondage
- Forced marriage
- Child labour

As Mosaic Brand's third Modern Slavery statement, it has been prepared in accordance with the Modern Slavery Act 2018. This statement describes the following for the Financial Year 2022 (29th June 2021 to 30th of June 2022):

1. Our Company
2. Our Structure, Operations and Supply Chain
3. Identified Risks
4. Action Plans
5. Assessing and Measuring the Effectiveness of Actions
6. Consultation Process and Journey

This Modern Slavery Statement describe the minimum requirements in FY2022 mandated to Mosaic Brands' product supply chain and are adhered to by working in partnership with each respective vendor. Prevailing risks found in both international and domestic retail supply chains and details on Mosaic Brands' actions to overcome these risks, are further detailed in this statement.



OUR COMPANY

Millers • **R**ockmans • NONI B • **rivers** • KATIES • AUTOGRAPH • W•LANE • crossroads • beme • EZIBUY.COM

Mosaic Brands is a publicly listed company on the Australian Stock Exchange (ASX:MOZ). Mosaic Brands Limited owns and operates ten retail clothing brands throughout Australia and New Zealand, predominately within women's apparel and accessories sold via its network of circa 920 stores and on its 10 digital platforms.

Throughout its store portfolio the Group employs approximately 4,000 team members and has six warehouse, two distribution service providers, and a Support Centre employing a further 250 people.

ASX:MOZ

920

10

4,000

6

2

250

Enhancing our online presence was a key initiative for FY22. Mosaic Brands can now be purchased online in three countries (Australia, New Zealand, and United States).

OUR CUSTOMER

Reaching a wide target market Mosaic dominated in the mature market sector with customers age between 45-85 years old. Our key audience has a median age of 55 and can find product across all 10 of our Brands to cater to her needs. Men's wear is offered via Rivers, also targeting the median age of 55. Products are inspired by latest

global trends designed in Australia, allowing our customer to always make the perfect purchase.

As the retail industry shifted over the past years, so has our customer's shopping habits. While in-store shopping is still the preference online traffic continues to increase.

“
EVERYTHING SHE WANTS.
WHERE SHE WANTS IT.
WHEN SHE WANTS IT.
”



OUR BRANDS





Mosaic Brands now has 100% interest in EziBuy, a leading New Zealand womenswear online apparel business. In the midst of Australia and New Zealand's toughest COVID-19 lockdowns the New Zealand EziBuy team began the transition process to Mosaic Brands. EziBuy now fully operates out of our Support Centre as a part of the Mosaic Brands family of 10 brands. To ensure a dynamic transition all EziBuy team members and vendors were trained on Mosaic Brands Ethical Sourcing Policies via in-person, e-learning, and webinar trainings.

The following companies covered by this statement will be referred as “The Group” or “Mosaic Brands”:

- Mosaic Brands Ltd: ACN 003 321 579
- Noni B Holdings Pty Ltd: ACN 614 340 537
- Noni B Holdings 2 Pty Ltd: ACN 626 335 760
- Pretty Girl Fashion Group Holdings Pty Ltd: ACN 089 304 941
- W Lane Pty Ltd: ACN 003 115 124
- Pretty Girl Fashion Group Pty Ltd: ACN 051 283 900
- Rivers Retail Holdings Pty Ltd: ACN 626 380 934
- Millers Retail Pty Ltd: ACN 626 380 309
- Autograph Retail Pty Ltd: ACN 626 380 390
- Katies Retail Pty Ltd: ACN 626 380 158
- Crossroads Retail Pty Ltd: ACN 626 380 541
- Noni B Holdings NZ Ltd: 6891755
- EziBuy: CN 297 449
- EziBuy Holdings Ltd: CN 1915120

Further information about our Groups' business and operations, including its corporate governance, are available at: <https://www.mosaicbrandslimited.com.au/corporate-governance>

OUR STRUCTURE & OPERATIONS

OUR WHISTLE BLOWER POLICY

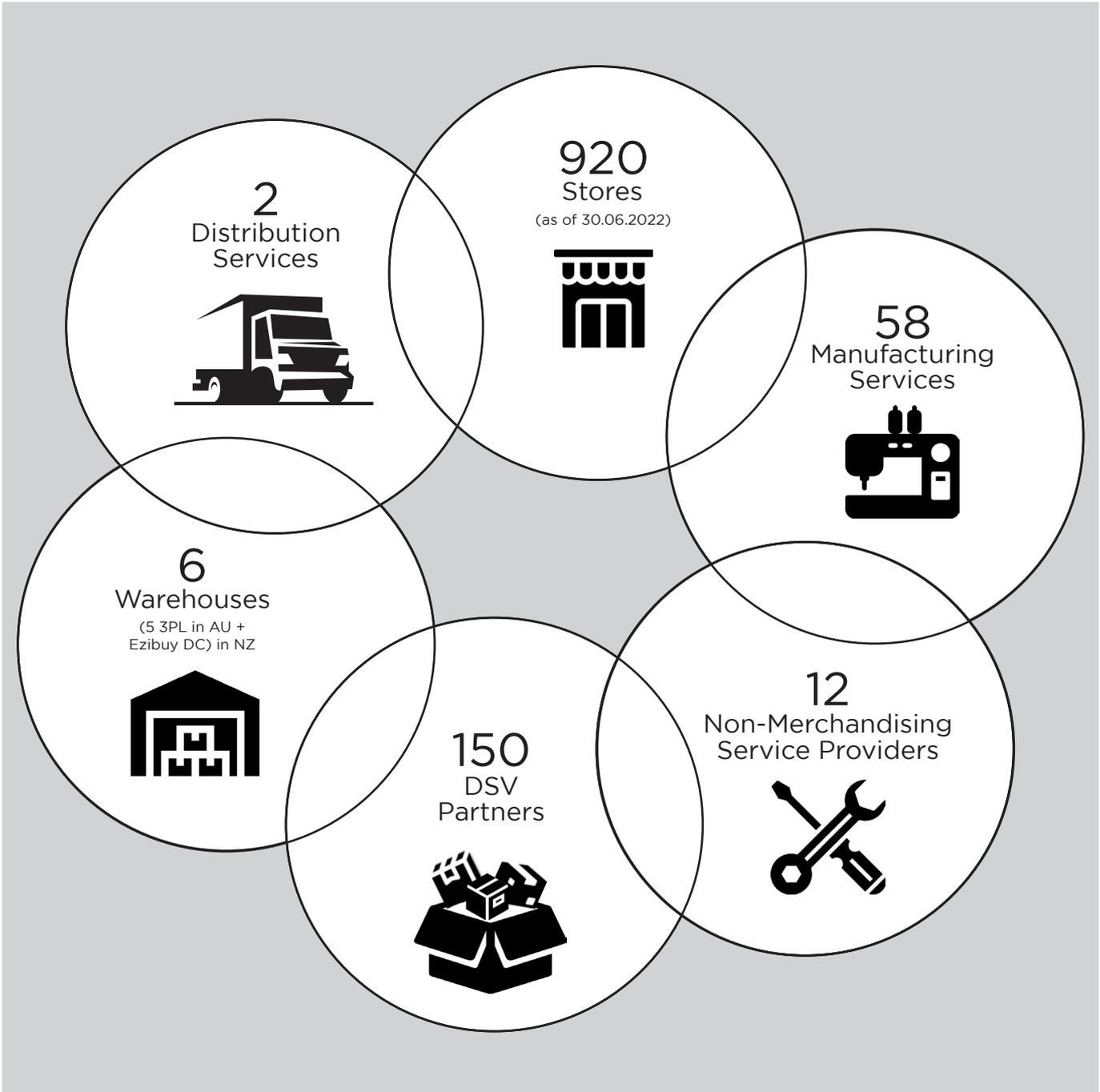
Our Group is committed to high standards of conduct and ethical behaviour in our business activities. We promote and support a culture of honesty, good ethical practice, corporate compliance, and corporate governance. Mosaic Brands encourages the reporting of any instances of suspected unethical, illegal, fraudulent, or undesirable conduct involving the businesses. We provide protective measurements so that anyone who makes a report may do so confidentially and without fear of intimidation, disadvantage, or reprisal. Conduct that appears illegal, unethical, or otherwise improper, should be reported. The [Whistleblower policy](#) aims to give confidence about raising concerns internally, by offering a reporting and investigative mechanism that is objective, confidential, independent and protects from reprisal or disadvantage.



OUR ETHICAL SOURCING POLICIES

- 1.1 Vendor Code of Conduct
- 1.2 Anti-Fraud and Corruption Policy
- 1.3 Chemical Restrictions - Notice of Acceptance
- 1.4 Child Labour, Young Worker, and Forced Worker Remediation Policy
- 1.5 Cotton Sourcing Policy
- 1.6 Factory Assessment Audit - Notice of Understanding
- 1.7 Intellectual Property & Confidentiality Agreement
- 1.8 Subcontracting Form
- 1.9 Anti-Discrimination Policy
- 2.0 Modern Slavery Protocol for Remediation

OUR OPERATIONS



DEFINING OUR SUPPLY CHAIN

Merchandise Suppliers

Manufacturing Vendors: Create products branded with one of our 10 Brand's trademark logo.

Drop Ship Vendor (DSV): Trademark branded vendor holding proprietary rights for resale. Mosaic Brands does not own the trademark.

Non-Merchandise Suppliers

A variety of suppliers who provide a good or services that is not sold for resale to Mosaic Brands customers. Examples include swing tickets, packaging, fit-outs, stores, transportation, and consumer services.

IDENTIFIED RISKS



INHERENT RISKS

Although global regulations and business transparency continue to improve throughout supply chains, we are proud that Australia recognises the importance of identifying Modern Slavery risks and applies higher standards than most countries. However, labour conditions are a pertinent issue that Mosaic Brands closely monitors across our entire supply chain. At the final stage of the supply chain our team members at our stores and support centre follow the strict guidelines set out by our internal human resources department and the Australian government. Focusing on the legal right to work is a key topic as Mosaic Brands supports VEVO qualified

employment. Furthermore, the process of distributing our final product is complex, and reliant on hard work from our logistics team members. This level of our supply chain requires a strong focus on workplace health and safety. Finally at the production stage of our supply chain the diverse variety of country specific regulations must be monitored to ensure that all Mosaic Brands Ethical Sourcing requirements are being maintained.

DOMESTIC RISKS (AUSTRALIA & NEW ZEALAND)

According to an [FY22 report](#) made by the Australian Federal Police, there were 42 reports of forced labour in Australia reported for the financial year. A total of 294 accounts were made across five identified forms of Modern Slavery, including human trafficking and slavery.

While Mosaic Brands takes a zero tolerance approach to Modern Slavery, the report indicates the relatively low frequency of domestic Modern Slavery. Nevertheless, we continue to monitor our domestic operations for potential modern slavery signs or risk.

All warehousing in Australia, online fulfilment and into store distribution activities are performed by 3rd parties: 3PL and carriers. Our partners are equally committed

to working as per Modern Slavery Act. Our own Distribution Centre in New Zealand employs 54 permanent employees and casual workers in peak season under direct employment agreement.

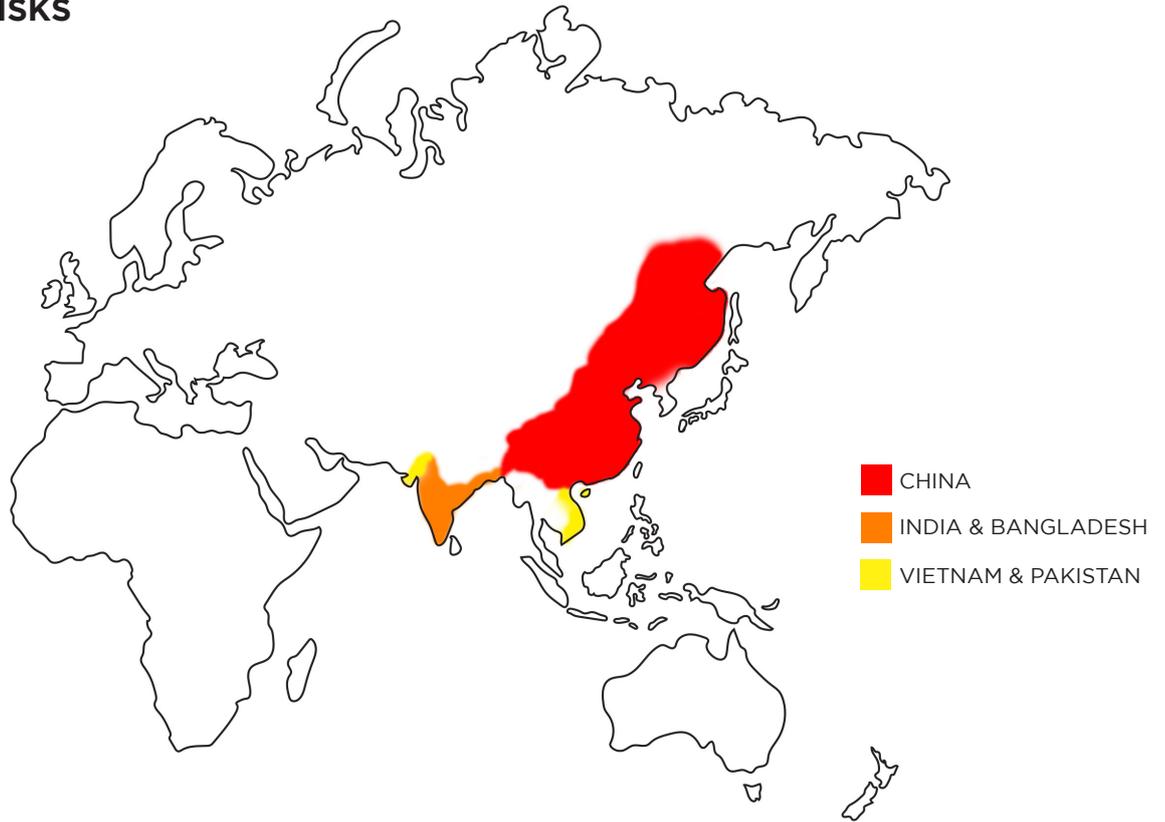
All logistics partners are acting as per Governments directions and Health and safety legislation, but we must remain vigilant of the prevailing risks surrounding our distribution. Workers may be forced to work an excessive and unsafe number of hours because of our decisions. Unrealistic delivery timelines, late orders, shortened critical path and changes to orders, are all actions we can control.

Furthermore, seasonality of the business can mean certain times are impacted with heavy volumes, resulting in unrealistic demands placed on workers.

Deceptive recruiting is an additional risk within our domestic supply chain. Victims can be tricked into jobs where they are paid little or nothing, as they have been forced into debt or had their identity documents confiscated.

Mosaic Brands and its supply chain partners are committed to a program where position tasks, benefits, and conditions are always clearly outlined and adhered to. Across our support centre, stores, and distribution supply chain, professional recruitment processes are utilized to minimise Modern Slavery risks. Employment checks to ensure candidates have a legal right to work in Australia mitigate this risk.

OVERSEAS RISKS



The combination of strong communication and regulated protocols minimizes our risks for overseas vendors. While the Group is diligent to sustain oversight of our vendor base, inherent risks are still prevalent. Low visibility of our Tier 2 & 3 vendors remains as our highest risks, coupled with the slow roll out of social audits during FY22 due to continued delays caused by COVID. However, the group has

persisted in mapping our entire supply chain resulting in visibility of 100% of Tier 1, 30% of Tier 2, and 1% of Tier 3 vendors. The group hopes to increase our visibility by conducting social audits or joining accreditation programs where vendors must comply with prerequisites.

Industry-wide identified risks in the garment sector must be

acknowledged, as they may directly impact our vendor base. Each country in which Mosaic Brands partners with is subject to specific barriers that our vendor base must navigate to ensure adherence to our Vendor Code of Conduct. Each country's identified risk and leverage has been outlined below.

COUNTRY	PO INTAKE	EXTERNAL IDENTIFIED RISK	LEVERAGE RISK LEVEL
China	76%	Union busting, no guarantee of rights, forced labour	HIGH
Bangladesh	18%	Forced labour, forced marriage	MEDIUM
India	4%	No guarantee of rights, laws restricting collective bargaining, union busting	MEDIUM
Vietnam	1%	Systematic violations to human rights	LOW
Pakistan	1%	No guarantee of rights, debt bondage	LOW

ACTION PLANS & MEASURING DUE DILIGENCE

Maintaining a focused approach to upholding due diligence was vital in FY22 as the Group continued to adapt during the COVID pandemic. Although our internal team, domestic stakeholders and overseas vendors had to adjust to unique business operations, engagement and programming remained essential for the Group. The Group identified three key actions to execute during FY22, with web-based execution being critical. Utilising enhanced virtual communication benefited our entire supply chain, while the Group hosted its first vendor webinar training and participated in numerous virtual events held by our stakeholders. This continued collaboration process ensured that the Group was actively involved across all aspects of our industry.



OVERSEAS ACTIONS

Continuing to develop our relationships with our vendor base remains important to create an impactful partnership. In FY22 the group committed to learning even more about our diverse vendor base while initiating new programs.

Modern Slavery Remediation Protocol:

Is the Groups newest policy written to ensure that vendors have a clear understanding of the risks of Modern Slavery, what actions are prohibited, and what protocol to follow if Modern Slavery is found. A webinar training was hosted for all vendors to further discuss the new policy, which was shared with all vendor factories.

Worker Voice Hotline:

In partnership with QIMA an anonymous hotline was launched in each country the Group operates in. QIMA hosted private webinars for all Mosaic Brands vendors and their factories to prepare for the new program. A worker can scan a QR code, call a unique phone number or write an email to lodge their complaint in their local language. A representative from QIMA will then process the complaint to Mosaic’s online dashboard for complete transparency. Additional intervention can then be provided by QIMA based on the severity of

the complaint. As of launching the Worker Voice Hotline in June no complaints have been lodged.

Workplace Safety & Entitlements Webinar:

All vendors participated in the Groups first vendor training webinar. The webinar highlighted the importance of workplace safety and training on worker entitlements. Topics for the webinar were chosen based on top nonconformities found during social audits and recommendations from the Groups key MSI stakeholders.

Vendor Code of Conduct Poster displays:

Tier 1 factories mandatory requirement to display Mosaic Brands Vendor Code of Conduct is complete, with photo displays recorded at the factory. From FY22 Tier 2 &3 factories must display the posters as well. The Mosaic Brands Vendor Code of Conduct has been translated into five languages supporting each of vendors and their factories.

Do you have anything to report?



Please contact us if you have a complaint about your work environment or worker rights.



MosaicHotline@qima.com



[+91 8800216046](tel:+918800216046)



[WhatsApp: +91 8800216046](https://wa.me/918800216046)





Contact Us on WhatsApp

 Your complaint will be kept anonymous.

In partnership with



MSI ENGAGEMENT

PARTNERSHIP WITH QIMA

With the industry expertise from QIMA, the group was able to restructure and launch new compliance programming in FY22.

Living Wage Data Collection:

In-line with the Group's Five-Year Living Wage Road Map, collection of living wage data was started in FY22. Following the Anker methodology of the family basket, we have collected seven additional benchmarks for year one. Which shows that nearly half of our factory workers are already receiving a living wage. We are continuing to monitor our year two progress.

Annual Social Audit Program

Update: The Group created its own unique program after consulting with both MSI stakeholders and vendors. Additional questions were added to the social audit to provide comprehensive oversight, with a deeper focus on worker well-being. While the group continues to utilise conventional in person on-site and follow-up audits, audit fatigue must be considered.

DOMESTIC ACTIONS

We have a well-developed Workplace Health & Safety system that includes a number of Wellbeing, Code of Conduct and Workplace Behaviour policies and support mechanisms. We are proud of our Employee Assistant Program which provides free and confidential counselling for our team members and their families in the event they need support for work or non-work-related issues.

We continue to manage a professional recruitment process to minimise Modern Slavery risks, including working rights & VEVO checks to ensure candidates have a legal right to work in Australia.

Mosaic Brands regularly consults with our trade union, the SDA, on matters impacted our team members.

We implement minimum wage increases annually in line with the Fair Work Commission's decisions

Worker Voice Hotline: The addition of a third party operated grievance hotline will provide an extra level of transparency to our factories and a dynamic tool to address any complaints that are lodged.

ADDITIONAL THIRD PARTY

AUDIT AGENCIES: In conjunction with the services provided by our partner QIMA, the Group continues to engage with other leaders in the social compliance industry. Participation in webinars hosted by providers such as Elevate and Bure Vertias provided insight on industry best practice and areas for future programming. By maintaining open dialog with various stakeholders, the Group is provided with robust knowledge and tools.

PARTNERSHIP WITH NGOS:

Actively contributing to Non-Government Organization (NGOs) projects requires accountability and transparency from the Group, while connecting us to our industry peers. Furthermore, constructive feedback from these NGOs continues to strengthen our compliance programming.

and ensuing increases to the General retail Industry Award, removing the risk of employees being paid below legal minimums.

Modern Slavery Remediation

Protocol: Along with the vendor webinar training, Mosaic Brands employees were also trained on the newest ethical sourcing policy and risks of modern slavery. Two in person sessions were held at the Support Centre, along with a webinar version for newcomers. The online training module

Oxfam: Participation in the Oxfam webinar on wage gap analysis gave helpful insights on how to execute this stage of the Groups Five Year Living Wage Roadmap.

Additionally, the Group has received an invitation to take part in the follow up event hosted by Oxfam. Mosaic Brands continues to be publicly listed on Oxfam's initiatives; What She Makes and the Naughty or Nice list.

BWA: The Group took the opportunity to participate in the voluntary Ethical Fashion Report Update survey for FY22. This survey remains as a significant guideline for policy execution and social audit criteria.

Action Aid: In collaboration with Clean Clothes Campaign and Fashion Revolution, Action Aid Australia invited Mosaic Brands to partake in the Fashion Checker survey. The Group was proud to share our accomplishments in transparency and living wage data collection process.

was also updated to check the understanding of new material for all employees.

We have also taken steps ensure our partners and suppliers manage Modern Slavery risks in their supply chains. We have contractual obligations for managing and minimising modern slavery risks.

All logistics partners are acting as per Governments directions, Modern Slavery Act and Health and Safety legislation.



Mosaic Brands continued to focus on our Six Commitments & Initiatives which are reflected in our FY22 Business Commitments

COMMITMENT	INITIATIVES
Modern Slavery	Worker Voice Hotline Responsible Sourcing Network Cotton Pledge signatory Internal & External training Modern Slavery Protocol for Remediation Participation in MSI webinars
Traceability	Public Factory List Social Audits Mapping Tiers 1-3 via Open Apparel Registry
Transparency	Participation in NGO surveys Worker Voice Hotline
Minimum Wage	Worker Training & Empowerment Social Audits
Living Wage	Data Collection Program Oxfam workshops
Sustainability	Preferred Fibre research Worker Training & Empowerment

Measuring due Diligence.

ASSESSMENT	GUIDELINE	ACTION TAKEN/MEASUREMENT
Governance	BWA and Oxfam updates	Continued support in improving our Ethical Sourcing practices.
	Whistleblower Policy	
	New Vendor On-Boarding 6 month monitoring program	65% completed the program, with 35% work in progress
	Launching Worker Voice Hotline program	3rd party run program
Monitoring	Worker Voice Hotline	100% active factories with hotline access, 4 trainings conducted, 0 reports received.
	Vendor Survey	Vendor feedback and improvements for internal teams. Average score of "satisfied" at the group level.
	On-site QIMA social audit	Verify factory details during social audit T 1-3.
	Internal Engagement Survey	71% engagement level across the teams in our business. This includes specific question measuring access to wellbeing support at work which has increased 40% in the previous 12 months.
Risk Management	Social Audits	41% QIMA audit 59% multi-brand collaboration audits verified by 3rd party audit agency

OUR CONSULTATION PROCESS AND JOURNEY



This statement covers the financial year of 2022. During the process of drafting this statement the Group engaged with all parties to clearly outline its values, policies, and strategies as well as requirements under the Modern Slavery Act 2018. Mosaic Brands' action plans, strategies, and accomplishments were provided to all relevant teams, partners, and external consultants to ensure understanding.

The continued support and guidance from our external stakeholders ensured that efforts to eradicate Modern Slavery are upheld. Evidence of this multi-level collaboration can be seen in the lifted ban on Uzbekistan cotton. While the group does not source from this region, it is enduring to see the results of unified action.

FOCUSING ON THE FUTURE

The Group will continue to focus on four key initiatives as we embark on FY23 business commitments: training, protocols, traceability & transparency, and engagement. Training both internally and externally will remain as an important tool to cross check that all Ethical Sourcing requirements are understood and capable of execution. Monitoring our compliance programming and collaboration with our key MSI groups and industry peers will ensure that our Ethical Policies and procedures are remaining effective. Furthermore, increased partnerships with key stakeholders such as Oxfam and the International Accord for Garment Workers Health and Safety, will drive our transparency and traceability programming. As the world adjusts to operating alongside COVID, our Group hopes to resume in person factory visits enhancing our vendor engagement.

CONTINUED COMMITMENT

As the COVID pandemic continued to impact our business during FY22, our Group faced challenges meeting our financial goals for the year. This has motivated our team to strengthen our FY23 strategy which will continue to focus on how we as a Group can make a positive impact in our supply chain to monitor Modern Slavery risks. Mosaic Brands is thankful for the support received both internally and externally throughout FY22. It is clear from our statement that this support has helped us achieved impactful programming in relation to Modern Slavery monitoring. Mosaic Brands looks forward to striving for even greater achievements.

The CEO and the Executive Team remain entrusted with the responsibility of ensuring Mosaic Brands achieves the Modern Slavery requirements enshrined in the Modern Slavery Act 2018.

This individual statement was prepared by the Production and Compliance departments of Mosaic Brands and was approved by the Board of Directors on December 23rd, 2022.

Scott Evans

A handwritten signature in black ink, appearing to read 'Scott Evans'.

CEO, Mosaic Brands Limited

