

FY2023



FASHION BIZ



Fashion Biz Modern Slavery Statement

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Owners of Country throughout Australia and that sovereignty was never ceded. We recognise the deep and enduring spiritual connections and relationship Aboriginal and Torres Strait Islander People have to community, as well as the lands, oceans, waterways, air, and sky. We pay our respects to Aboriginal and Torres Strait Islander cultures; and to Elders past, present and emerging. We also acknowledge and pay our respects to First Nations People, and other Traditional owners of the lands where Fashion Biz (Australia) operates globally.

ABOUT THIS STATEMENT

The submitting entity is Fashion Biz (Australia) Pty Ltd ('Fashion Biz') which qualifies as a reporting entity under the Modern Slavery Act 2018 (Cth).

This Statement covers all business units within Fashion Biz and reports on the state of operations, structure, governance framework and activities during the reporting period covering FY2023 from 1 April 2022 to 31 March 2023. All business units are covered by Fashion Biz (Australia) policies, procedures and systems, including those relating to contracting, purchasing and human resources. The assessment of modern slavery risks in Fashion Biz's supply chain, as described in this Statement, includes suppliers procured by Fashion Biz on behalf of its subsidiaries or by the subsidiaries themselves.

All dollar figures presented in this Statement are in AUD.

Contents

ABOUT FASHION BIZ	04	REPORTING CRITERIA 4	36
OUR VALUES	05	ACTIONS TAKEN TO ASSESS AND ADDRESS RISK	37
STATEMENT FROM OUR BOARD AND MANAGING DIRECTORS	06	REPORTING CRITERIA 5	40
HIGHLIGHTS	07	EFFECTIVENESS ASSESSMENT	41
REPORTING CRITERIA 1 & 2	10	CONTINUOUS IMPROVEMENT	43
OUR ORGANISATIONAL STRUCTURE	11	REPORTING CRITERIA 6	44
OUR GOVERNANCE FRAMEWORK	13	PROCESS OF CONSULTATION WITH ENTITIES OWNED OR CONTROLLED	45
OUR SUPPLY CHAIN	19		
REPORTING CRITERIA 3	23		
MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAIN	24		
OPERATIONAL RISKS	27		
SUPPLY CHAIN RISKS	29		

ABOUT FASHION BIZ

Fashion Biz was established in New Zealand in 1989 with a view to supplying garments to the local New Zealand market, originally importing woven shirts and polo shirts from Fiji.

Fashion Biz (Australia) is a trading entity of its parent company Fabizco which is headquartered in Auckland, New Zealand. Our directors, management and production team strive to supply the market with new, innovative, quality garments at the best possible price whilst maintaining our ethical and responsible principles. We have offices and warehouses in five locations across Australia, three in New Zealand and one in North America (Canada).

We distribute through several channels including agencies, promotional companies, embellishers, uniform specialists and retailers. Fashion Biz has relationships with manufacturers and distributors in New Zealand, Australia, the USA, Canada, Fiji and the Pacific Islands.

Our manufacturing bases include China, Bangladesh and India. Throughout our supply chain (which includes manufacturers, decorators and other service providers) we are committed to working with the resources available to us to assess and address modern slavery and ethical sourcing risks. We recognise that our role in complex and diverse supply chains does not preclude us from the responsibility to instil a culture of transparency, and we work with suppliers and customers to address risks of ethical sourcing and modern slavery.

OUR VALUES

As a responsible and ethical business, we recognise the significant harm and injustice caused by modern slavery and human trafficking to vulnerable people globally. We are committed to ensuring that no such exploitation exists within our own operations, our supply chain, or in the communities touched by our business activities.

Fashion Biz is committed to sourcing products and services in an ethical and responsible manner, considering the welfare of workers, health and safety and potential environmental impacts. Our Mission “To provide superior quality garments at highly competitive price points while focusing on customer satisfaction at all times” is underpinned by our corporate values of:

- Professionalism
- Best in Class
- Productivity
- Ethics
- Service
- Fairness
- Competitiveness
- Customer
- Teamwork
- Proactive
- Commitment

We have established a positive and supportive environment where our staff, suppliers and business partners may understand the importance of our corporate values and are expected to abide by our values, internal policies and procedures to respect human rights. We are guided by internationally recognised human rights principles outlined in global frameworks and codes, including the Ethical Trade Initiative (ETI) *Base Code*. Fashion Biz is an accredited ISO business holding the following certificates:

- AS/NZS 45001:2018 - Health and Safety Management Systems
- ISO 14001:2015 - Environmental Management System
- ISO 9001: 2015 S - Quality Management System

STATEMENT FROM OUR BOARD AND MANAGING DIRECTORS

We are proud to submit Fashion Biz Australia's first Modern Slavery Statement as a reporting entity under the Modern Slavery Act 2018 (Cth).

We recognise that we operate in an industry sector with complex and diverse supply chains that encompass risks of modern slavery, and environmental, product quality and sustainability concerns.

This Statement outlines our ongoing approach to identifying, preventing, and addressing modern slavery risks and describes the practical steps to meet our own high ethical standards to eliminate exploitation within our own operations and supply chain.

The Modern Slavery Action Plan and three-year roadmap outlined in this statement builds upon the work previously undertaken to proactively address modern slavery risk in our operations and supply chains.

Our goal is to ensure that all people touched by our business activities are treated fairly and with respect, and that our business practices uphold the highest standards of ethical conduct.

We acknowledge the dedication of our Working Group in preparing our first Statement and their pivotal role to implement our Modern Slavery Action Plan.

This Statement was approved by the Fashion Biz Board on 4 September 2023.



Harmesh Khatri
Managing Director

2022-23 HIGHLIGHTS

- Completed modern slavery risk prioritisation to identify potentially high-risk procurement categories and suppliers
- Undertook a Modern Slavery Gap Analysis to identify governance gaps and improvement opportunities across five business areas
- Formalised our Working Group which includes broad representation across the company
- Engaged and educated key internal stakeholders including developing an awareness baseline to measure the effectiveness of our training and engagement actions
- Developed a practical three-year Modern Slavery Action Plan to drive our program forward and to keep us accountable



FY2023: Modern Slavery Risk Management Initiatives

While this is our first year as a reporting entity, we have already undertaken significant work to understand modern slavery risks posed by our direct suppliers. We have trained many of our staff and suppliers on social impact auditing and, to-date, have conducted 75 factory audits in our overseas manufacturing base (see case study on page 26).

Building on these initiatives, we focused our efforts on enhancing our understanding of our broader operational and supply chain modern slavery risks and impacts.

With the support of external modern slavery risk experts, we conducted a review of our systems and processes and undertook a Modern Slavery Gap Analysis to identify gaps and opportunities and enhance our risk management systems. We formalised a Modern Slavery Working Group ('Working Group') comprised of representatives from key business areas across Australia and New Zealand.

The Working Group developed a practical and comprehensive 12-month Modern Slavery Action Plan ('Action Plan') and a high-level three-year road map that will inform our ongoing risk management approach. We conducted a baseline awareness survey for relevant staff based in Australia and New Zealand to determine levels of understanding of modern slavery across our business. Modern slavery survey questions will be incorporated into our annual staff survey to track awareness of the issue across our operating areas and assess the effectiveness of our training and communications programs.

We documented and prioritised our Tier 1 (direct) suppliers and supply categories against internationally recognised modern slavery risk indicators.

More details of actions taken are included under *Criteria 4 Actions Taken to Assess and Address Risk*.

Our Plans for FY2024

In FY2024 we will implement priority Year 2 actions documented in our Action Plan and continue to raise awareness about modern slavery risks among key internal stakeholders including our board and senior management team in New Zealand, our employees, suppliers and contractors. Modern slavery awareness training will be incorporated into employee and contractor induction programs.

We will assign clear roles, responsibilities and accountabilities for modern slavery risk management across our organisation and develop a risk appetite statement that incorporates modern slavery and broader human rights risks.

The Working Group will work with key stakeholders to review and update policies, procedures and contract clauses as our understanding of this risk matures.

While supplier audits were undertaken before we became a reporting entity, in FY2024 we will establish goals and targets in our next reporting period to determine the number of

high-risk suppliers to assess each year. We will conduct detailed desktop assessments and on-site audits (where required) of our priority suppliers.

We will review and update our whistleblower policy and process, and ensure it is communicated effectively to our internal and external stakeholders.

Our Plans for FY2025 and Beyond

In FY2025 we will review, extend, evaluate and improve our modern slavery risk management program and extend this program to manage broader human rights risks. Our priority will be to establish performance standards and evaluation criteria for our suppliers and develop and review corrective action plans with identified high-risk suppliers.

We will review opportunities to enable at-risk workers in our operations and supply chain to communicate with us. We will also develop a formal remedy pathway that is aligned to our crisis management framework to support victims.

REPORTING CRITERIA 1 & 2

OUR ORGANISATIONAL STRUCTURE

OUR GOVERNANCE FRAMEWORK

OUR SUPPLY CHAIN

REPORTING CRITERIA 1 & 2

Our Organisational Structure

Fashion Biz is a wholesaler of quality uniforms, workwear and promotional apparel (stock service and made-to-order) to New Zealand, Australia, Canada, USA, PNG and the Pacific Islands.

We distribute our garments through several channels including agencies, promotional companies, embellishers, uniform specialists and retailers.

We take pride in the craft of our clothing, remaining at the forefront of fabric development, maintaining adequate stock levels, and ensuring the latest business infrastructure is in place to enable us to offer and guarantee the best service to our customers.

Our business provides end-to-end apparel and workwear solutions, providing integrated services to our customers including:



Stock Service: each of our warehouses maintains high levels of stock to enable us to meet customer demands at short notice.



Made-To-Order Custom Service: our production department oversees custom orders from concept through to graphic design and completion.



Print: we develop and produce a print catalogue for each product range, showcasing each product/style



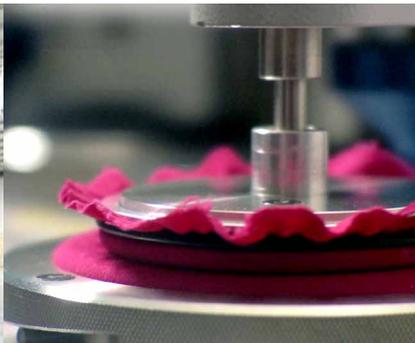
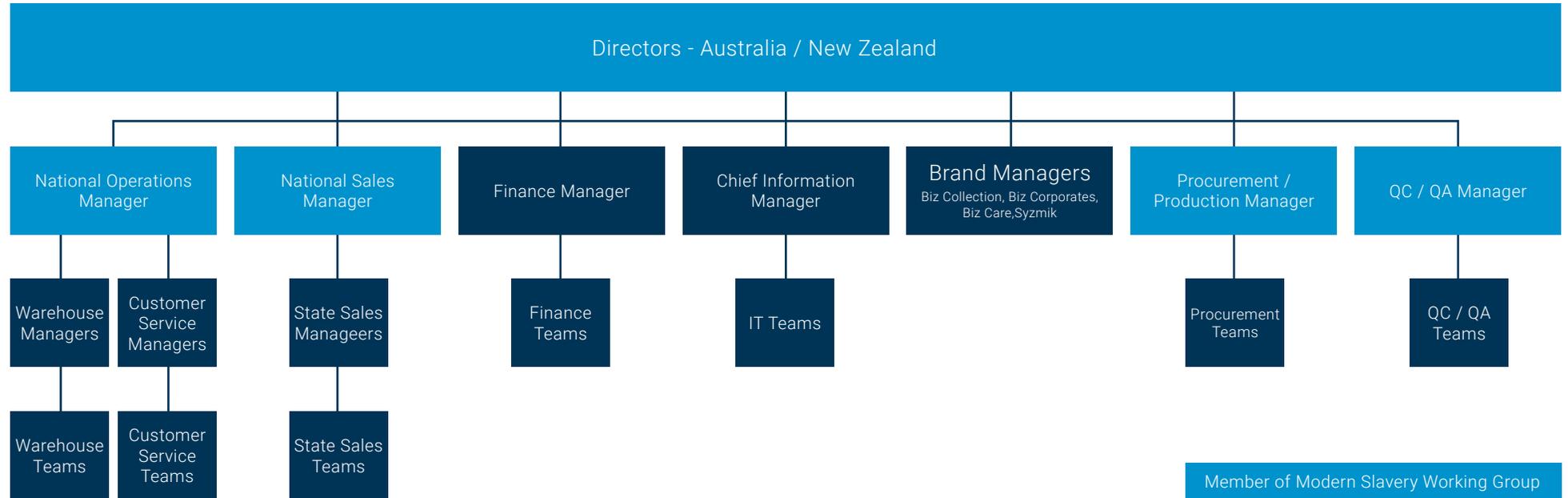
Online: each product line has a custom-built website to complement the print catalogue, featuring secure access for distributors, ordering and tracking functions.



Customer Service: customer service consultants manage orders, liaise with customers and works with the warehouse team to fulfil orders.



Logistics: includes the receipt upload and storage within our warehouses, pick/pack systems and distribution of orders to customers.





Our Governance Framework

Effective corporate governance is critical to the long-term success of Fashion Biz, and our Board and all levels of management are committed to maintaining and enhancing a strong governance framework that underpins our vision to be a leading provider of corporate fashion and workwear in Australia and New Zealand.

The purpose of our corporate governance framework is to assist our people to make good decisions that promote the longer-term success of our company.

Fashion Biz is governed by a Board of six Directors, with five based in New Zealand and the other is our Managing Director for our Australian operations.

Our Board has ultimate responsibility for the approval and oversight of our modern slavery risk management program and approval of this Statement. The Board is kept informed on modern slavery issues via input from the Senior Management Team and is supported by our Working Group responsible for the development, implementation and monitoring of our modern slavery risk management program and performance. The Board is supported by the following Committees:

<p>Quality Assurance / CSR Committee</p>	<p>Responsible for maintaining the high standard of our product and services and delivering tangible social benefits to the communities in which we operate. This team meets quarterly and includes members of our Australian and New Zealand QA teams, sales, production, and the Chair of our OHS Committee. The committee also includes a representative from our Working Group.</p>
<p>Occupational Health and Safety (OHS) Committee</p>	<p>Oversees our OHS program and commitments to promoting staff welfare. Meets quarterly with delegates representing each state office, and reports to our CSR Committee.</p>
<p>Senior Management Team (SMT)</p>	<p>Leads and guides our business towards our strategic objectives, while overseeing our operations and ensuring effective decision-making. The SMT meets three times a year and receives reports from all committees including key business areas and our Working Group.</p>
<p>Modern Slavery Working Group</p>	<p>Drives our Modern Slavery Action Plan and currently meets monthly as our formal program initially develops. The Working Group includes members from Operations, Quality Assurance, Sales, Procurement, Production and our Australian Managing Director.</p>



Fashion Biz: Who We Are

What We Do	Stock service Made to Order Print Catalogues Online Catalogues Customer Service Logistics
Where We Do It	Australia New Zealand North America
Our Values	Professionalism Ethics Competitiveness Proactive Customer Commitment Productivity Fairness Teamwork Best in Class Service
Our Manufacturing Base	China India Bangladesh
Our Relationship to Potential Modern Slavery Risks	<p>Cause: Unlikely in Australia, New Zealand and North America</p> <p>Contribute: Unrealistic deadlines, peak seasons, downward cost pressures, lack of oversight</p> <p>Directly Linked: Manufacturing base companies/direct suppliers in high risk countries, poor visibility of Tier 2 supply chain, outsourcing arrangements</p>
How We Manage Risk And Undertake Due Diligence	<p>Governance Framework: Board engagement and oversight, implementation of risk framework, formal Action Plan, policies and codes of conduct</p> <p>Due Diligence And Risk Management: Supplier risk prioritisation, supplier reviews, desktop and onsite audits, stakeholder engagement and monitoring</p> <p>Training & Engagement: Staff training, auditor training, gap analysis and relationship building</p>

Our Policies

We have several Group level policies, codes and guidelines which require our employees, suppliers, distributors and other business partners to protect and respect human rights as part of our day-to-day businesses. Policies apply to all Fabizco entities (Australia, New Zealand and North America) and contribute to our group mission and commitment to ethical sourcing and modern slavery risk management.



Policy and Procedures	Purpose
Code of Conduct	Provides guidance to staff and new employees on ethical standards and our corporate values. Outlines our expectations of ethical conduct and is used as a guide for making decisions in day-to-day activities.
Social Procurement	Outlines processes to embed social procurement in Group business activities and how these contribute to alleviating community disadvantages via provision of sustainable social and economic benefits.
Modern Slavery	Outlines the concepts and principles of respecting human rights within the Group, commits us to working towards assessing and addressing the risks of modern slavery and outlines expectations of all stakeholders to act responsibly and manage risks in operations and supply chains.
Ethical Sourcing	Applies to all facilities that produce goods or provide services to Fashion Biz. Based primarily on the Ethical Trade Initiative Base Code it outlines our commitment to conducting business ethically, manufacturing responsibly and demonstrating environmental consciousness.
Corporate Social Responsibility Audit Guidance Book	Provides guidance to staff and contractors on conducting social audits on partner suppliers to ensure they comply with Fashion Biz's expectations. Includes desktop Supplier Self-Assessment Questionnaire (SAQ), audit preparation and on-site audits at supplier sites (both announced and unannounced).



Our Operations

Fashion Biz was established in New Zealand in 1989 to supply garments from Fiji to the New Zealand market. In 1998 an office and distribution centre was established in Sydney, Australia, and in 2005 the Australian head office and distribution centre was established in Melbourne, Victoria. Subsequent facilities were opened in Brisbane, Adelaide and Perth.

In 2010 the Canadian head office and distribution centre was opened in Vancouver and in 2013 a second showroom was opened in Ontario.

We also have relationships with manufacturers and distributors in the USA, Australia, New Zealand, Canada and Fiji.

Company Snapshot

Number of Staff	Offices, Warehouses and Distribution Centres	Annual Turnover	Number of Garments in our Warehouses (Average)
<p>AUS: 200 NZ: 76 CAN: 23</p>	<p>AUS: Sydney, Melbourne, Brisbane, Adelaide, Perth NZ: Auckland, Wellington, Christchurch CAN: Vancouver, Ontario</p>	<p>≈AU \$100M</p>	<p>AUS: 7.5M NZ: 2.6M CAN: 1.6M</p>

OUR SUPPLY CHAIN

At A Glance

 <p>Total spend: \$84.1M</p>	 <p>Total suppliers: 332</p>	 <p>Total categories: 19</p>
 <p>% Spend on top five categories: 99%</p>	 <p>No. of supplier countries: 5</p>	 <p>Top spend category: 'stock and merchandise for sale' (87% of total spend)</p>

Overview

Our total annual procurement spend is \$84.2 million with 332 direct (Tier 1) suppliers across 19 goods and services categories.

Further work will be undertaken in the FY2024 and FY2025 reporting periods to better understand our extended supply chain and inherent modern slavery risks in our indirect (Tier 2) suppliers.

What We Buy

Our supply chain consists of goods and services that support us as a major wholesaler of uniforms, workwear and promotional apparel. Broad categories of goods and services used in our sector and the known associated modern slavery and/or human rights risks are summarised in Table 1.

Table 1: Modern Slavery Risk Factors In The Fashion Sector

Good or Service Category	Material and Use or Purpose	Stage(s) of Production Potentially at Risk of Modern Slavery	Reported Forms of Exploitation/Modern Slavery	SD Strategies Modern Slavery Risk Index ¹				Potential Relationship with Operations and Supply Chain ²		
				Country	Sector	Commodity	Work Force	Cause	Contribute	Directly Linked
Fabric suppliers	Raw cotton, silk, wool, and synthetic materials such as polyester and nylon.	Growing, harvesting, processing, refining, and manufacturing of raw materials*	Bonded and forced labour, the worst forms of child labour, state-sponsored modern slavery (especially cotton) and underpayment of wages and dangerous working conditions.	High	High	High	High	Low	High	High
Trims and accessories suppliers	Buttons, zippers, ribbons, buckles, and other decorative elements used to finish the clothing.	Sources or raw materials and components, manufacturing, and subcontracting or outsourcing arrangements*.	Bonded and forced labour, the worst forms of child labour deceptive recruitment, other forms of modern slavery, the underpayment of wages including mandatory overtime and unsafe working conditions.	High	High	High	High	Low	Medium	High
Thread and yarn suppliers	Key materials needed for sewing and knitting garments.			High	High	High	High	Low	Medium	High
Dyeing and finishing suppliers	Specialize in dyeing and finishing fabrics to achieve the desired colours, textures, and qualities.			High	High	High	High	Low	Medium	High
Label and tag suppliers	Sewn into garments to display brand names, care instructions, and other important information.			High	High	High	High	Low	Medium	High
Packaging suppliers	Provide the boxes, bags, and other materials used to package and ship the finished products.	Sources of raw materials, manufacturing, moulding, printing and finishing. Also significant risk in recycling and management of post-consumer waste.	Bonded and forced labour, deceptive recruitment, underpayment of wages and unsafe working conditions.	Medium	High	High	High	Low	High	High
Machinery suppliers	Suppliers provide the machinery and equipment needed for cutting, sewing, and finishing the garments.	Manufacturing, upgrades, consumables, spare parts and maintenance services.		High	High	Medium	Medium	Low	Low	Medium
Printing Suppliers	Specialize in printing designs, patterns, and logos on fabrics.	Use of raw materials (inks, dyes etc.), machinery and manufacturing/printing process.	Labour exploitation, child labour, bonded/ forced labour, unsafe working conditions and underpayment of wages including mandatory overtime.	High	High	High	High	Low	High	High

*Note: Significant labour exploitation and modern slavery risks are associated with warehousing, materials handling and transport of goods, especially to seafarers.

Close to ninety per cent of our spend is on stock and merchandise we sell via our sales channels. The main categories of goods and services we procure from our direct suppliers and percentage of total spend with each supplier are included in Table 2.

Table 2: Key Goods and Services Procured

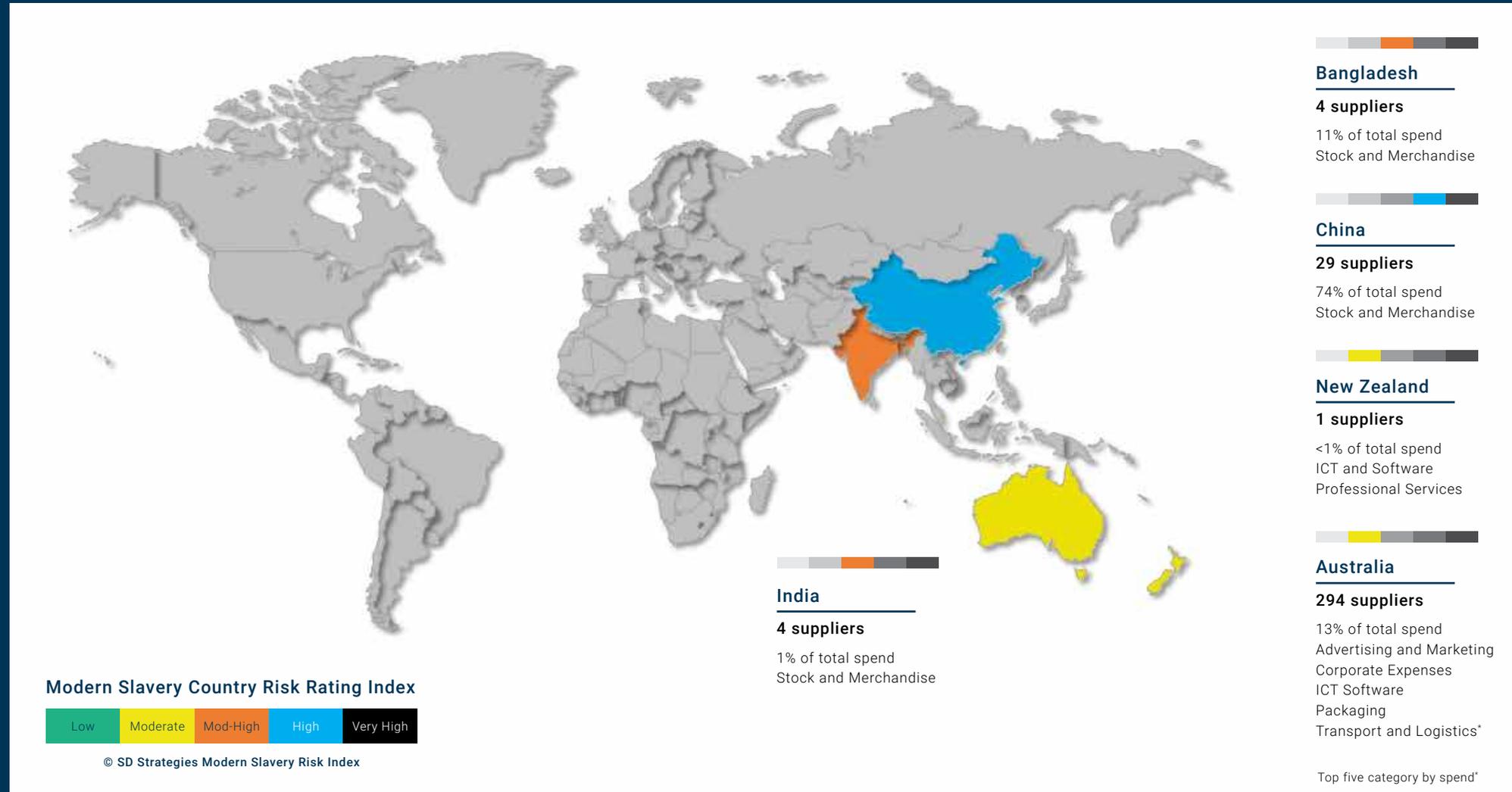
Procurement category	Per Cent Total Spend
Stock and merchandise	87
Courier, haulage and transport services	6
Corporate finance, fees, services and expenses	4
ICT Software, networking and support services	1
Advertising, media, marketing and promotions	1
Other	1

Supplier countries

We source our goods and services from direct (Tier 1) suppliers in five countries with almost three-quarters (74%) of our total procurement spend being with suppliers in China. The rest of our spend is with suppliers in Australia (13%), Bangladesh (11%), India (1%) and New Zealand (<1%).

The map over the page provides an overview of our global supply chain. Information on each country includes the number of suppliers, percent of total spend in each country and the main categories of goods and services procured. The map provides an indication of modern slavery risk in each country based on the SD Strategies *Modern Slavery Country Risk Rating Index*.

Tier 1 Global Supplier Map



REPORTING CRITERIA 3

MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAIN

OPERATIONAL RISKS

SUPPLY CHAIN RISKS

REPORTING CRITERIA 3

Modern Slavery Risks in Operations and Supply Chain

Our focus in FY2023 was to build on our understanding of potential modern slavery risks in our operations and supply chain, identify gaps in our approach to modern slavery governance and engage and educate our senior management team and Working Group members.

Operational Risks

With the support of external experts, we undertook a modern slavery Gap Analysis of our operations, policies and processes with members of our Working Group representing governance, risk finance, ICT, human resources and communications from across our Australian and New Zealand operations.

The purpose of this initial workshop was to:

- identify gaps in our systems and processes that may increase our exposure to modern slavery risks in our operations and supply chains;
- identify opportunities to improve and enhance our systems and processes; and
- inform the development of our modern slavery risk management program.

Supply Chain Risks

Several actions were undertaken to address modern slavery and broader human rights risks prior to Fashion Biz becoming a reporting entity (see page 25). In FY2023, we focused our efforts on obtaining a deeper understanding of our Tier 1 supplier risks and the operational processes

in place to manage those risks. We engaged external expertise to help us document, assess and prioritise our direct suppliers against four modern slavery risk indicators (see page 29 - 30).

We acknowledge that there is potential modern slavery risk associated with our direct suppliers and in our extended supply chain. Many of our manufacturing base suppliers are in countries identified as high risk for modern slavery, including China, India and Bangladesh.

We will continue to engage priority high-spend and high-risk suppliers of goods and services in FY2024.

Modern Slavery Risk Management Actions – Pre-Reporting

- Engaged key suppliers regarding modern slavery risks in their operations and supply chains.
- Developed Ethical Sourcing and Modern Slavery Policy which outline the minimum requirements that suppliers must meet to conduct business with Fashion Biz.
- Included formal requirements in manufacturing agreements with suppliers required to adopt procedures and practices to manage labour exploitation and modern slavery risks.
- Developed Social Procurement Policy to help alleviate disadvantage and provide social and economic benefits to the broader community.
- Commissioned independent third-party auditors to undertake on-site audits of key manufacturing plants in China, India and Bangladesh and issued corrective action plans to address non-compliances.
- Trained key staff and contractors to undertake basic social compliance audits when visiting Fashion Biz supplier factories (see case study page 26).

CASE STUDY: Internal Auditor Training for Fashion Biz Staff and Suppliers

We recognise the importance of continuously improving our management of human and labour rights risks and corporate social responsibility (CSR) efforts across our supply chain. To address this, we partnered with a recognised certification firm to deliver training on social auditing and CSR requirements to Fashion Biz staff and representatives from our major China-based suppliers. The training aimed to equip participants with the necessary skills and knowledge to become effective internal auditors, and to understand the basic requirements of CSR, enabling trainees to:

- Self-audit their own factories
- Identify compliance issues
- Design Corrective Action Plans (CAPs)
- Monitor internal performance

Information on issues identified through the self-assessments and CAPs enables us to review compliance with contractual social performance requirements and work with suppliers to meet our expectations.

We delivered training to 23 people from our China Team and eight high-volume suppliers, who operate multiple factories in Shanghai, China, over three days in March 2021. The training created awareness and knowledge among the participants regarding the auditing process, its requirements and outcomes. Since the roll-out of the training, 75 factories have been audited. Thirty-two of these audits were conducted by our staff. An additional 43 audits or other certificates have been issued by third-party auditors such as BSCI, WRAP, SMETA and SA8000 (note some factories have multiple certificates under these schemes) enabling us to improve our modern slavery and labour rights risk management across our manufacturing base.

We will continue to review our future approach, processes, platforms, and collation of information to continue to improve our supply chain risk management and CSR efforts.

Operational Risks

Fashion Biz has a professional level and largely office-based workforce in Australia, New Zealand and North America (Canada). While we consider the risk of modern slavery to be relatively low within our direct business operations, we recognise that the potential risk of modern slavery increases through our international supply chains, business partnerships.

Importantly, our Board and leadership teams responsible for our Australian, New Zealand and North American operations are committed to identifying and addressing modern slavery risks.

Modern Slavery Gap Analysis

The Working Group undertook a gap analysis to identify areas of improvement across five key categories:

- Management Systems
- Human Resources And Recruitment
- Procurement and Supply Chain

- Risk Management
- Customers And Stakeholders

Figure 1 provides the results of our modern slavery gap analysis. The analysis identified gaps and opportunities for better assessing and addressing our modern slavery risks, building on the work we have previously undertaken. The gap analysis enabled our Working Group to:

- develop practical actions to address potential risks in our operations and supply chains
- prioritise actions and set timeframes for deliverables
- assign responsibilities for implementation
- identify 'unknowns' that additional research or engagement within our operational areas, customers and the textiles and apparel business sector more broadly.

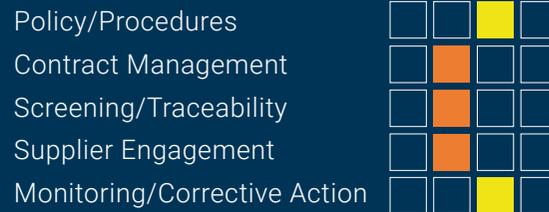
Key actions and outcomes of the gap analysis are reflected in our Action Plan on page 39.

Modern Slavery Program GAP ANALYSIS RESULTS

Management Systems



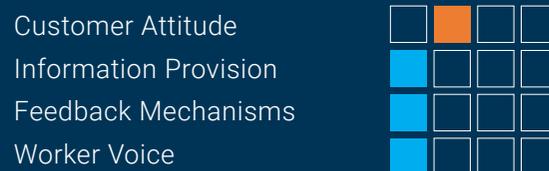
Supply Chain



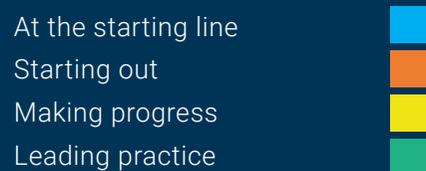
Risk Management



Customers/Stakeholders



Human Resources



We acknowledge that we are at the starting point of an ongoing process to effectively manage our modern slavery risk and deliver against our commitment of “*working with the resources available to us to assess and address modern slavery and ethical sourcing risks*” (Fashion Biz Modern Slavery Policy).

Actions taken during our first year as a reporting entity have enabled us to better understand the core elements of an effective modern slavery risk management program. Key aspects of our program include expanding our understanding of operational and supply chain risks, engaging and educating our employees, updating our existing risk and governance framework and adapting our supply chain management processes to respond to these challenges.

The results of the Gap Analysis informed the development of our Modern Slavery Action Plan and Roadmap, developed collaboratively with key representatives from across our organisation.

The three-year Road Map has established a clear pathway for us to enable our staff to deliver tangible benefits to our customers, community and our business. Elements of the action plan and roadmap are included in Criteria 4 '*Actions Taken to Assess and Address Risk*' below.

Supply Chain Risks

High Level Findings At A Glance

- Eighty-eight per cent (88%) of our total procurement spend of \$84.2 million is potentially high-risk for modern slavery.
- Over one-half (55% or 182) of our 332 suppliers are potentially high risk for modern slavery.
- Our highest risk spend category is 'stock and

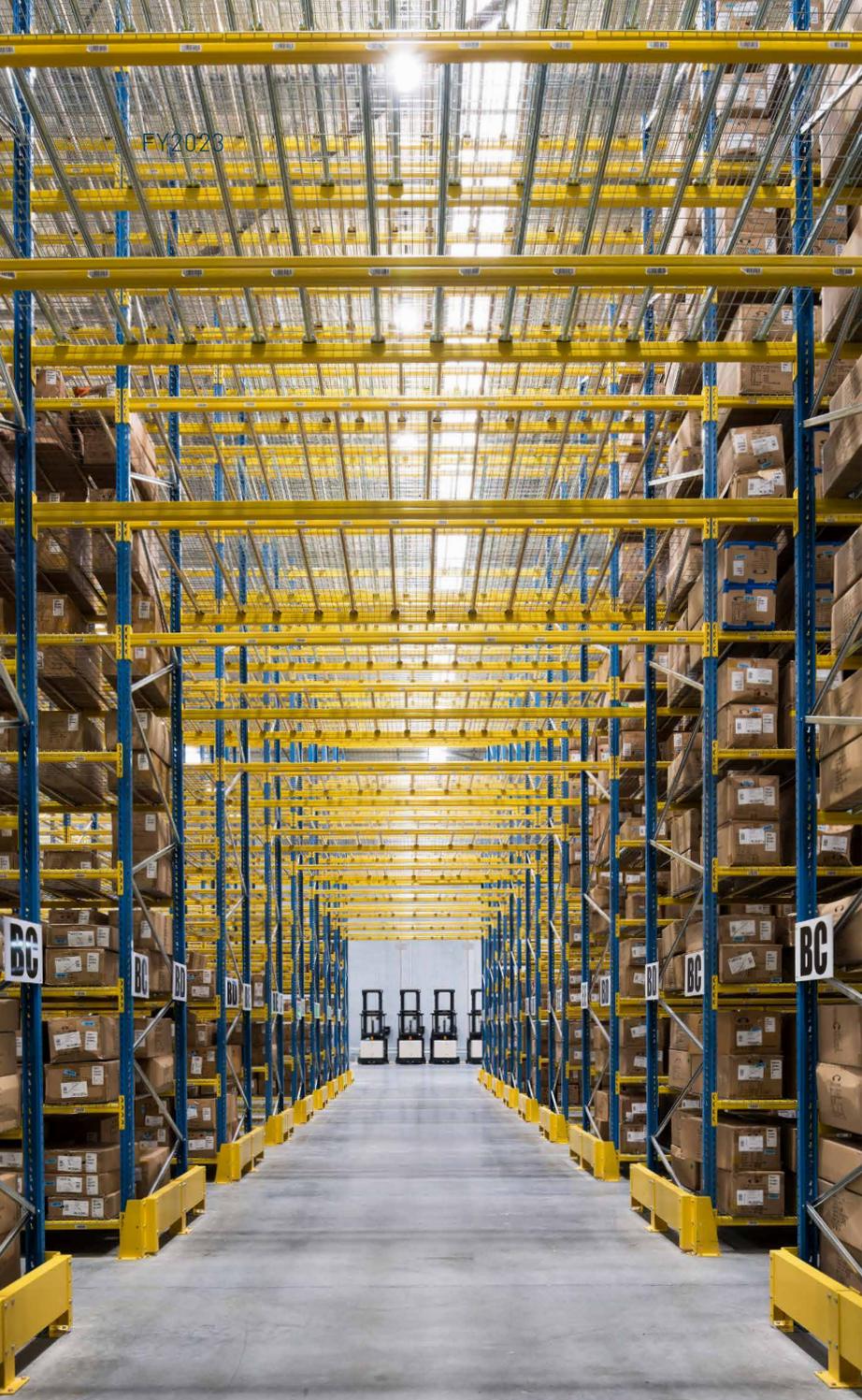
merchandise for sale,' accounting for 97% of our potentially high-risk spend.

- Goods and services procured from suppliers located in countries ranked as high risk for modern slavery are recognised as a key risk factor.

Supply Chain Overview

Our procurement team, supported by external experts, analysed \$84.2 million of procurement data for potential modern slavery risk against four key risk indices:

- **Industry Sector:** Specific industry sectors (deemed as high risk in international and national guidance documentation. This includes sectors with high-risk business models such as the use of labour-hire workers and outsourcing, seasonality, franchising and aggressive pricing.
- **Commodity/Product:** Specific products and commodities deemed as high risk by the US Department of Labor's 2022 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials.



- **Geographic Location:** Based on estimated prevalence of modern slavery and the government responses as outlined in the 2023 GSI and using the SD Strategies country risk matrix which assesses risks against 13 global indices. High risk geographies include those with a weak rule of law, corruption, displacement, conflict, and the State's failure to protect human rights. While we predominantly source stock from distributors based in Australia, we recognise that our manufacturing base is in countries that are at high risk for modern slavery.
- **Workforce Profile:** In undertaking our supplier analysis we considered the type of labour involved in the production of our goods and services, particularly where base skill, vulnerable, or temporary migrant labour is used.

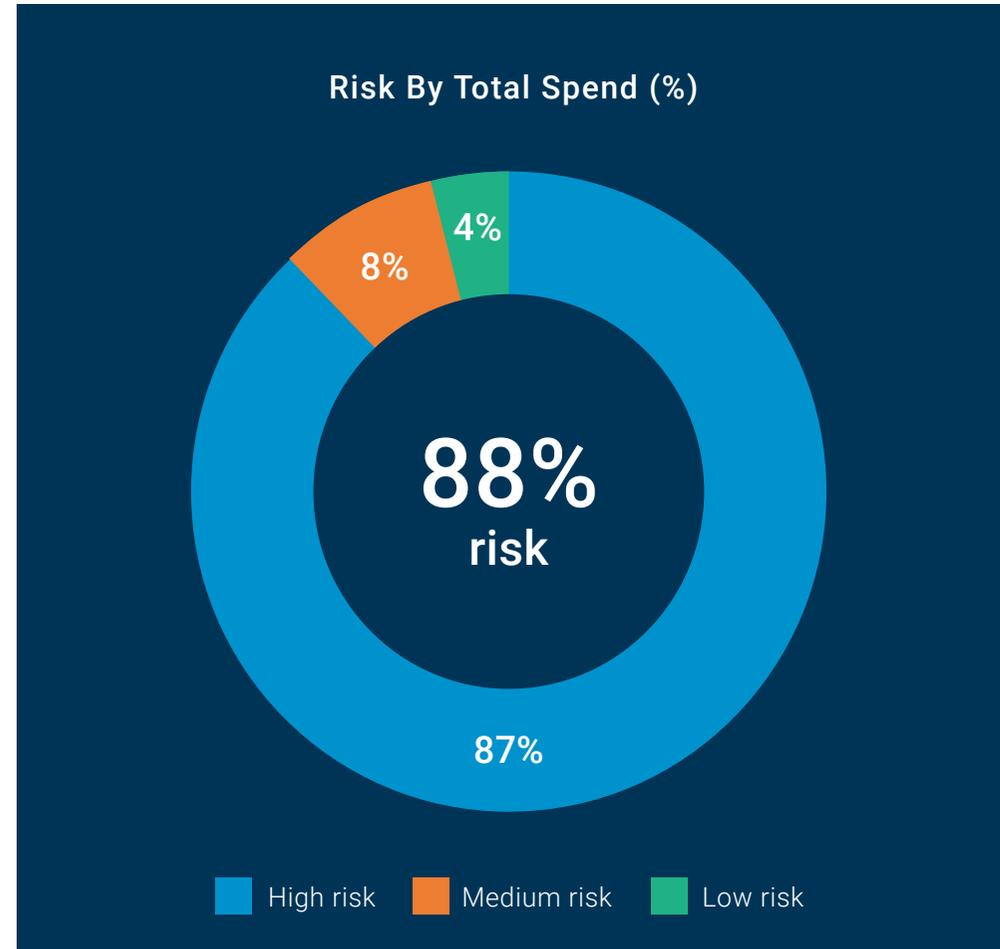
Important note: Our focus in FY2023 has been on understanding risks across our supply chain and those posed by higher spend Tier 1 (direct) suppliers. We recognise that there may be high risk amongst our lower spend suppliers and our extended supply chain and will incorporate these into future risk assessments.

Risk By Spend

Analysis of procurement spend across our operations in Australia and New Zealand identified 88% of spend as potentially high risk for modern slavery. This is almost entirely attributable to spend on stock and merchandise for sale.

A further 8% of spend was categorised as medium risk for modern slavery and 4% as lower risk.

The high percentage of potentially high modern slavery risk spend is typical for a company operating in the apparel manufacturing sector. Our supply chains extend into countries, sectors and commodities that are known to be at higher risk for modern slavery. Ongoing assessment of our operations and engagement of potentially high-risk suppliers will provide a more detailed understanding of actual risk and practical management actions we can take.



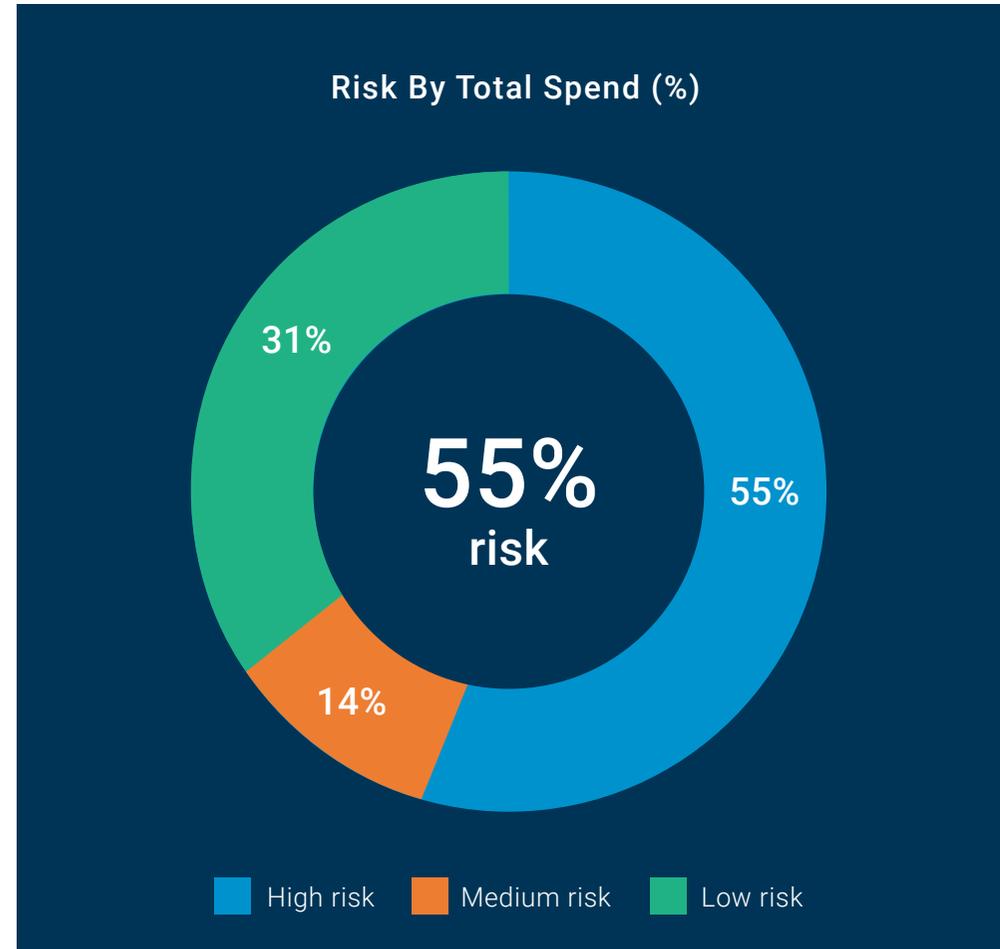
Risk By Suppliers

Analysis of 332 Tier 1 (direct) suppliers used by our Australian and New Zealand operations indicates that just over one-half (55%) of our suppliers are potentially high risk for modern slavery.

A further 14% of spend is categorised as medium risk for modern slavery and 31% as lower risk.

While some of our direct suppliers based in Australia represent a lower risk of modern slavery practices, suppliers located in higher risk countries, operating in high risk industry sectors, and using more vulnerable workers pose higher risks for modern slavery.

We will continue to gather data on the modern slavery risk (including dynamic and emerging risks) associated with the goods and services we procure. By engaging our direct suppliers, we will obtain a better understanding of potential risks in our extended supply chain both in Australia and internationally.

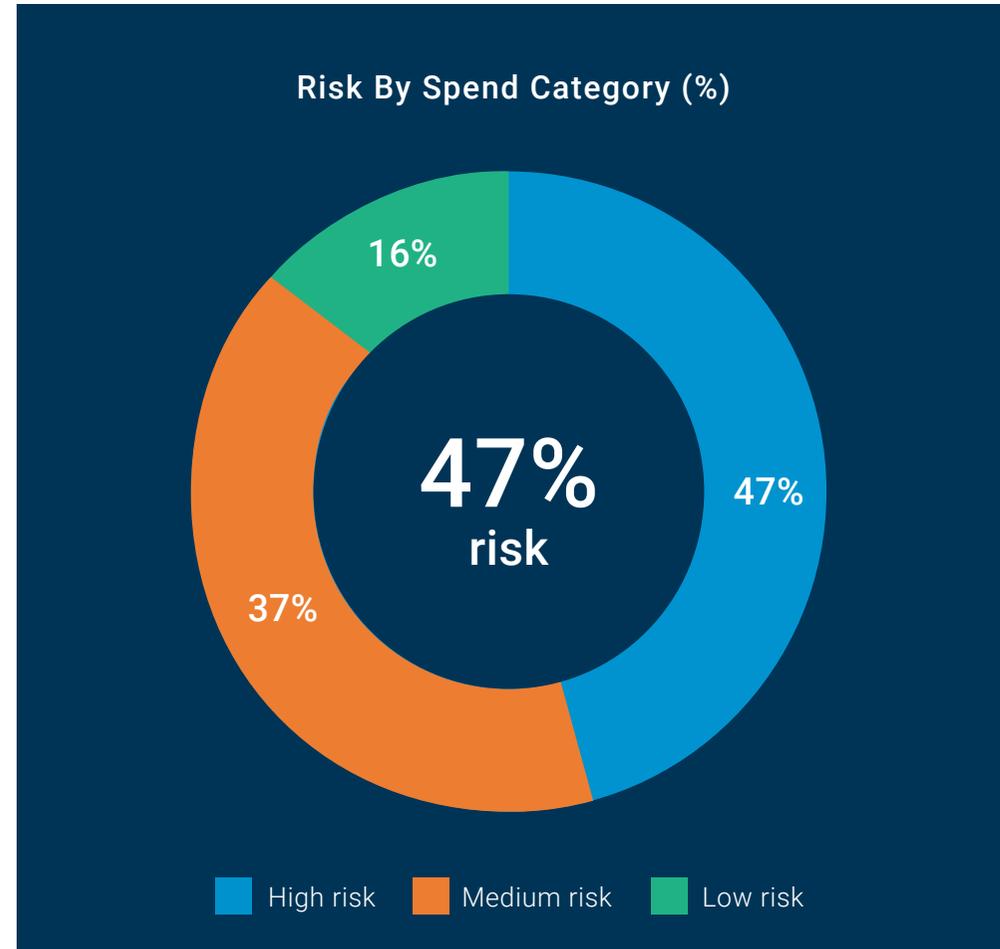


Risk By Spend Category

Based on the four risk factors outlined above (geography, industry sector, commodity and workforce profile), nine of the nineteen categories of goods and services we procure are potentially high risk for modern slavery.

As indicated, our potentially highest risk spend category is stock and merchandise for sale. This spend category makes up 97% of potentially high risk spend.

Other lower spend, potentially high risk categories for modern slavery include packaging materials, building and construction, travel, labour hire, international freight, ICT hardware and facility management services. These categories collectively accounted for the remaining three per cent of potentially high risk spend.



Risk By Supplier Country

We purchase a wide range of goods and services from five countries: Australia, Bangladesh, China, India and New Zealand.

According to the Global Slavery Index 2023 and SD Strategies' Country Risk Index 2022, three of our supplier countries are 'Moderately High Risk' (orange) and 'High Risk' (blue) for modern slavery: China, Bangladesh and India (see Global Supplier Map page 22).

The largest number of suppliers located in high risk countries are based in China (29 suppliers). We also have four suppliers in India and four suppliers located in Bangladesh. The number of suppliers and respective percent of spend within each country is summarised in the table below.

Country	Percent of Total Spend	No. of Suppliers	High Risk Spend Categories
China	74%	29	Stock and merchandise for sale
Bangladesh	11%	4	Stock and merchandise for sale
India	1%	4	Stock and merchandise for sale

While thirteen percent of our spend is with 294 suppliers in Australia (see Global Supplier Map page 22) we recognise that these are Tier 1 (direct suppliers) and that there may be considerable risk associated with Tier 2 suppliers and beyond.

Our modern slavery action plan will work towards identifying and managing risk in our indirect supply chain in future reporting years as resources allow.

CASE STUDY: Release to Work Program, NZ Department of Corrections, *Ara Poutama Aotearoa*, New Zealand.

Fashion Biz is part of this innovative New Zealand government Release to Work Program (RTW) to prepare people in prison for work near their release through training, qualifications and on-the-job experience. RTW provides people with valuable skills making them more employable, improves their self-worth and reduces recidivism. Nearly 60% of prisoners in New Zealand participate in some form of employment or industry training.

Global research demonstrates that the use of prison labour for government programs or commercial enterprises can lead to serious violations of human rights, exploitation and the creation of 'sweatshop' like work conditions. These programs can be highly profitable for government and private companies that 'employ' prisoners and are politically popular as being 'tough on crime'. However, when incarcerated people are forced to work through threats or other forms of coercion, such as the withdrawal of privileges, these programs can dehumanise people and violate basic human rights.

Before joining RTW we confirmed it was a legitimate skills development program, that participants were not being coerced into work and were involved on a voluntary basis. We also ensured that the jobs we provided meant participants gained practical skills that will assist them to work in the apparel sector or other related industries post-release.

To date, twenty-six people have worked in our office and warehouse and we will continue our involvement with this valuable initiative to support disadvantaged people, contribute to society as good corporate citizens and help make our community safer.

As a commitment to our responsibility to society, continue to employ on average 3 persons per year offering them a supportive environment for their gradual reintegration into their community, where they can gain experience and develop skills that will lead to sustainable employment after release.

REPORTING CRITERIA 4

ACTIONS TAKEN TO ASSESS AND ADDRESS RISK

REPORTING CRITERIA 4

Actions Taken to Assess and Address Risk

The following actions were completed in the FY2023 reporting period.

Modern Slavery Working Group

We formalised our Working Group. We formalised our Modern Slavery Working Group that includes representatives from across our Australian and New Zealand operations including management, quality assurance, sales, production, product development and procurement. The Working Group is responsible for leading our modern slavery risk management program and implementing our action plan and road map.

Internal Awareness Survey

At the commencement of our modern slavery risk management program, we implemented a baseline awareness survey for relevant staff (18 people participated across our operations in Australia and New Zealand) to determine levels of understanding of modern slavery as a pilot for a wider staff survey. The results indicated that while 85% of participants rated the relevance of modern slavery to our operations as either 'High' or 'Very High', 80% of participants could only give a broad definition of the term 'modern slavery' and one-third said they have 'some' understanding of risks in our supply chain.

The results of this baseline survey will continue to inform our modern slavery awareness and training programs and enable us to measure the effectiveness of these programs.

Modern Slavery Gap Analysis

With the support of external consultants, we conducted a review of our systems, policies and processes, and undertook an operational gap analysis to identify our modern slavery governance maturity. The Working Group responded to 22 multi-choice questions assessing five key areas of business activity for gaps and opportunities. The outcome of the Gap Analysis informed the development of our Action Plan and three-year roadmap. Results of our Gap Analysis are included under Reporting Criteria 3 (see page 28).

Modern Slavery Action Plan

Our Working Group developed a practical and comprehensive 12-month modern slavery action plan and three-year road map, the first year of which is detailed in this statement. It will inform our risk management approach moving forward. Our action plan includes commitments to establish a project management group, address gaps in our governance and due diligence processes, update risk management processes, improve supply chain management, engage our

suppliers, focus on HR and recruitment activities and deliver training to key internal and external stakeholders.

Supplier Risk Identification and Prioritisation

We reviewed and prioritised our highest spend suppliers against modern slavery risk indicators and high-risk spend categories (see Criterion 3 *'Modern Slavery Risks in Operations and Supply Chains'* above). We have committed to working with our management, procurement and quality assurance teams to support efforts to assess potential modern slavery risks both within our operations and manufacturing operations in China, Bangladesh and India.

In Year 2 we will focus on implementing additional risk management actions and enhancing our due diligence processes for our priority national and international suppliers.

In Year 3 our focus will be on monitoring and reviewing progress as part of our commitment to continual improvement. Our three-year road map is included below.

Modern Slavery Roadmap

Our focus for Year 1 (the reporting period for this statement) was on reviewing existing systems and processes for managing operational and supply chain modern slavery risks, determining our highest risk/highest priority suppliers and building a modern slavery risk management framework.

Our three-year road map is outlined opposite:

Area of Focus	Year 1 (FY2023) Establish Framework	Year 2 (FY2024) Expand Due Diligence Program	Year 3 (FY2025) Review, Extend, Evaluate & Improve
Governance & Due Diligence	Formalised our Working Group and developed a detailed three-year Modern Slavery Action Plan. Engaged our SMT and key business areas to implement priority modern slavery risk management actions.	Incorporate modern slavery management into relevant business systems and processes. Formalise responsibilities/accountabilities for managing risk into employee roles and position descriptions.	Review outcomes and overall effectiveness of our program and update Modern Slavery Action Plan to strive for continuous improvement.
Risk Management	Identify opportunities to expand our modern slavery risk management efforts.	Ongoing integration of modern slavery into our risk management systems and processes. Develop a formal monitoring program to identify operational and supply chain risks. Risk Appetite Statement?	Review and report on the integration of modern slavery risk management actions into our operational systems and processes.
Procurement & Supply Chain	Mapped our Tier 1 (direct) suppliers and undertook a supplier risk prioritisation process to identify risk categories and potentially high-risk suppliers.	Integrate risk screening into procurement processes. Include modern slavery management requirements in all contracts and undertake additional due diligence on priority suppliers. Consider expanding risk assessments to our extended supply chain	Review the effectiveness of modern slavery risk management actions into procurement systems and requirements in supplier contracts.
Engagement, Training & Education	Developed and delivered a staff awareness survey and trained SMT and Working Group on modern slavery risks and legislative requirements.	Undertake training needs analysis for internal and external stakeholders and develop an internal modern slavery awareness program including induction training.	Assess levels of internal and external stakeholder awareness of modern slavery risks and actions.
Grievance & Reporting	Reviewed our internal and external whistleblower reporting channels.	Establish formal whistleblower or grievance mechanisms and communicate our position on grievance to suppliers.	Develop a transparent and accountable modern slavery remediation program for victims of modern slavery. Investigate the practical application of worker voice data collection and reporting systems.

REPORTING CRITERIA 5

EFFECTIVENESS ASSESSMENT

CONTINUOUS IMPROVEMENT



REPORTING CRITERIA 5

Effectiveness Assessment

The measures taken to date establish a continuous improvement process to develop internal capabilities and iteratively improve our systems and processes.

To track our progress to manage modern slavery risk we are implementing a review process to ensure we are making tangible progress towards implementing our actions and achieving our goals.

Our modern slavery risk management action plan and due diligence processes are regularly reviewed as part of our corporate commitments to ethical sourcing and risk management through:

- Reports to the SMT and Board including policy review; monitoring the effectiveness of our risk management system and measures taken to manage risk; researching the latest information on issues and emerging threats; and making improvement recommendations.
- Investigating and responding to issues or reports through our staff or reporting channels.
- Assessment and reporting of modern slavery risks across our operations and supply chain and ensuring improvements are implemented.
- Engaging with and educating our manufacturing base suppliers beyond compliance with our policies and 'business as usual'.
- Deliver relevant and practical training to staff and suppliers on modern slavery issues and risk management.
- As we implement our Action Plan, we will assess the effectiveness of our actions against the following quantitative and qualitative indicators.

Area of Focus	Activity	Qualitative Indicators	Quantitative Indicators
Governance & Due Diligence	<ul style="list-style-type: none"> Integration of policies, standards and processes across operating areas Management system implementation and review Practical implementation and enforcement of staff Code of Conduct, Ethical Sourcing and Modern Slavery Policy and Social Procurement Policy 	<ul style="list-style-type: none"> Standing item in regular management meetings Modern slavery included in relevant company policies and procedures Engagement and education of internal staff and base manufacturing suppliers as a priority 	<ul style="list-style-type: none"> Number and type of modern slavery and human rights issues raised or questions asked in management meetings Per cent policies relevant reviewed, updated and integrated Number of internal staff and external suppliers undertaking training
Risk Management	<ul style="list-style-type: none"> Risk management program communicated and integrated into business systems Monitoring and communication of existing dynamic modern slavery/ human rights risks and emerging threats 	<ul style="list-style-type: none"> SMT/Board review and update of risk approach and outcomes Enhanced internal understanding and discussion of modern slavery risks and expectations to manage risk Increased supplier understanding of risks relevant to their country of operation and our expectations to manage them 	<ul style="list-style-type: none"> Number of modern slavery and human rights issues identified and documented Number of risk mitigation actions implemented including the application of remedy to identified victims
Procurement & Supply Chain	<ul style="list-style-type: none"> Supplier risk assessments (focus on base manufacturing suppliers) Identification of Tier 2 suppliers and third-party outsourcing arrangements by manufacturing suppliers Screening for risk including during supplier prequalification and onboarding Risk management requirements incorporated into new supply agreements and contract renewals 	<ul style="list-style-type: none"> Ongoing engagement and education of suppliers Enhanced due diligence of high-risk suppliers including self-assessment questionnaires (SAQs) Issues and opportunities identified in supplier to SAQ responses. 	<ul style="list-style-type: none"> Per cent suppliers engaged and trained Per cent supplier responses to SAQs and number of documents provided as evidence Modern slavery risk dashboard profile Number of corrective actions identified Per cent of supplier contracts with modern slavery clauses
Engagement, Training & Education	<ul style="list-style-type: none"> Board, SLT and employee engagement and training Supplier engagement as part of ongoing relationship management Awareness raising and engagement of all stakeholders regarding modern slavery issues and opportunities. 	<ul style="list-style-type: none"> Enhanced organisational awareness and knowledge of modern slavery risks Increased Board and SLT and support of modern slavery risk management program Engagement of distributors and other business partners regarding risk management 	<ul style="list-style-type: none"> Per cent Board, SLT and employees trained Per cent new staff trained Results of the annual staff climate survey Number of Board / SLT papers, engagements and discussions per annum.
Grievance & Reporting	<ul style="list-style-type: none"> Reporting hotline (whistleblower) Prepare Modern Slavery Statement Develop marketing collateral and public information on our modern slavery risk management program 	<ul style="list-style-type: none"> Reporting channels actively communicated Per cent of issues effectively addressed Modern Slavery Statement submitted on time 	<ul style="list-style-type: none"> Total number of issues raised Per cent of issues effectively addressed

FY2023



IMS 113A



Continuous Improvement

Addressing modern slavery risk is complex and challenging. In FY2023 we made significant progress in understanding our operational and supply chain risks, engaging our staff and management team globally and documenting our modern slavery action plan and road map.

Our Working Group led by our Quality Assurance Lead and supported by our Board, will strive for continuous improvement as we continue to integrate modern slavery risk management into all aspects of our operations and purchasing decisions.

We expect our approach to evolve over time as we and the business community learn more about the risks and impacts of modern slavery globally.

REPORTING CRITERIA 6

PROCESS OF CONSULTATION WITH ENTITIES OWNED OR CONTROLLED



REPORTING CRITERIA 6

Process of Consultation with Entities Owned or Controlled

Fashion Biz does not own or control any other entities. Fashion Biz is an entity of its parent company Fabizco Limited which is headquartered in New Zealand. It is one of three entities owned and controlled by Fabizco:

- Fashion Biz Ltd (New Zealand entity)
- Fashion Biz (Australia) (this reporting entity)
- Fashion Biz Wholesale (Canada) Ltd (Canadian entity).

We are working closely across our business units and teams to ensure a harmonised approach to managing modern slavery risk across the organisation and identify opportunities to share learnings from our program.

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the principal governing body of

Fabizco Limited

as defined by the Modern Slavery Act 2018 (Cth)¹ ("the Act") on

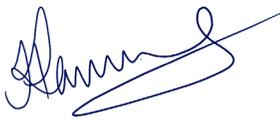
4 September 2023

Signature of Responsible Member

This modern slavery statement is signed by a responsible member of

Fabizco Limited Board

as defined by the Act²:



Harmesh Khatri Managing Director

Mandatory Criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory Criteria	Page Number(s)
a) Identify the reporting entity	1 - 9
b) Describe the reporting entity's structure, operations & supply chains.	10 - 22
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	23 - 35
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	36 - 39
e) Describe how the reporting entity assesses the effectiveness of these actions.	40 - 43
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	44 - 45
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	-

*If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

**You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

¹Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.

²Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the Corporations Act 2001—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.