

MACVAD

GLOBAL SOURCING AND SUPPLY SOLUTIONS

MODERN SLAVERY STATEMENT

FOR THE FINANCIAL YEAR TO 31 MARCH 2023





Any use of slave or trafficked labour is absolutely abhorrent to MACVAD. We take the issue very seriously, and we are fully supportive of any measures to eradicate this criminal activity.

MACVAD acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions in the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). The Statement sets out the steps that MACVAD Ltd and the companies in its corporate group listed below*(the "Company") has taken to ensure that slavery and human trafficking is not taking place in its supply chain or in any part of the business.

*This statement covers the activities of MACVAD Ltd and the following companies which are its subsidiary undertakings:

MACVAD Ltd
Urban Leisure Ltd
Urban Trends (NZ) Limited
MACVAD Australia Pty Limited
MACVAD Europa GmbH
MACVAD Trading (Hangzhou) Co., Ltd.
MACVAD (Canada USA) Limited
Macvad (UK) Limited
Macvad USA Ltd

"Modern slavery" encompasses slavery, servitude, human trafficking and forced labour. MACVAD has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically, with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or supply chain.



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Governance

Modern slavery is a consideration for the whole of MACVAD's business: the premises from which we operate, the supply chain for the products which we sell and which we use, and the services which we outsource. For this reason, MACVAD's approach to modern slavery is managed by a group consisting of Operations Director and Head of HR, with valuable input from departments around the business. The Operations Director reports to the MACVAD Board on modern slavery issues.

The MACVAD Board has approved this statement and formally reviews policy and performance on ethical trading and modern slavery annually.



Company Structure

MACVAD is an agent, importer and supplier of goods operating in New Zealand, Australia, Germany, Canada, United States of America, and the United Kingdom. Headquartered in Auckland, NZ, we operate a Support office in Hangzhou, China with Sales offices in,

- Chicago, United States
- Barnett, United Kingdom
- Düsseldorf, Germany
- Mississauga, Canada
- North Ryde, Australia

Most staff have their workplace in a MACAVD office although a few in New Zealand, China and the United States of America work remotely on a permanent basis.

MACVAD operates a warehousing facility at the Auckland Head office location and uses contracted warehousing facilities in New Zealand, Australia, Canada, China, Germany, United States of America, and United Kingdom.

OPERATIONS AND SUPPLY CHAIN

Overview

MACVAD supplies most products as consignments under 'house' brands to retailers across the broad categories of Garments, Footwear, Textiles, Furniture, Housewares, Home Décor, Sports, Toys, and Outdoor activities. MACVAD has experienced growth in online business with deliveries direct to consumer in most regions.

Products are sourced from more than 1,000 manufacturers in 16 countries across 6 continents.

- China, India, Malaysia, Pakistan, Taiwan, Thailand, Vietnam, Cambodia
- Australia, New Zealand
- Italy, Poland, Turkey
- South Africa
- United States of America
- Brazi

In addition to contracted warehousing, we also outsource support services, international and domestic freight, local deliveries, professional and IT services, cleaning, and maintenance in all offices.





Modern Slavery Risks

IN OUR OPERATIONS AND SUPPLY CHAINS



MACVAD continues to identify and assess the risk of modern slavery in its operations and supply chain by reviewing country and industry risk indicators provided by the Ethical Trade Initiative.

The supply chain risk is higher based on the breadth, location, job types and the higher probability of migrant, contracted or temporary workers.

Risks are also noted in some of the contracted third party service providers which may require informal, seasonal or temporary labour-intensive work because these roles are more likely to be outsourced to a third party and filled by foreign nationals on temporary visas. Examples of these roles include cleaners and warehouse operators.

It is considered that the risk is comparatively low with MACVAD staff as all staff are screened directly employed by MACVAD.

Our Policies and Actions

MACVAD is committed to ensuring that there is no modern slavery or human trafficking in the supply chain or in any part of the business.

The MACVAD Modern Slavery policy reflects a commitment to acting ethically and with integrity in the business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking does not take place anywhere within the supply chain. This policy supplements our [Ethical Code of Conduct](#), which has been in place for some years, and is based on the Ethical Trading Initiative ('ETI') base code.

Our Corporate Responsibility team in China and the Head Office remains unchanged since the last report and have extensive experience of working with factories to assess and improve adherence to ethical standards. This year the team have created and distributed bilingual information material and conducted training sessions to broaden the understanding of Modern Slavery issues through our supply chain.

Proposed updates to the Corporate Responsibility training for MACVAD staff were delayed until FY24 in favour of specific Modern Slavery training for the frontline team members

Third party Service providers to MACVAD have been categorised and identified in preparation for the rollout of a risk assessment program.



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FY24 Initiatives



WHAT'S AHEAD

Our commitment to building a reportable system that will continuously improve risk identification and minimisation is progressing through,

- Releasing the comprehensive Corporate Responsibility training program to all MACVAD Staff during FY24.
- Creation of a Modern Slavery Risk assessment questionnaire for service providers to MACVAD.
- Ongoing annual reviews of the MACVAD Social Assessment Procedures and Supplier educational material will incorporate material specific to identification and prevention of Modern Slavery.

BOARD OF DIRECTORS APPROVAL

MACVAD will never knowingly enter into a business relationship with any organisation involved with slavery, servitude or human trafficking. The senior management of the Company accepts responsibility for the implementation of any policy in relation to this matter and for the provision of adequate resources to ensure that slavery, servitude or human trafficking is not taking place in the Company or its supply chain.

This statement has been approved by the Board of Directors of MACVAD Ltd and signed by the Managing Director of MACVAD.

A handwritten signature in blue ink, appearing to read 'S. Kingan', with a long, sweeping underline.

Struan Kingan
Managing Director

First statement published December 2023

Last reviewed and approved by the Board of MACVAD Ltd on
19 December 2023.

