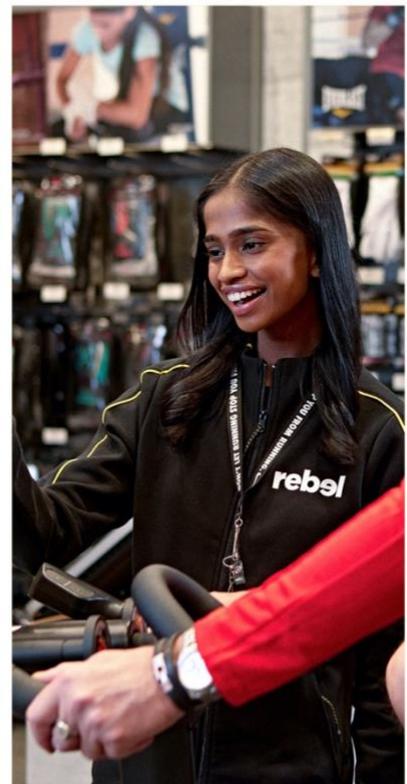
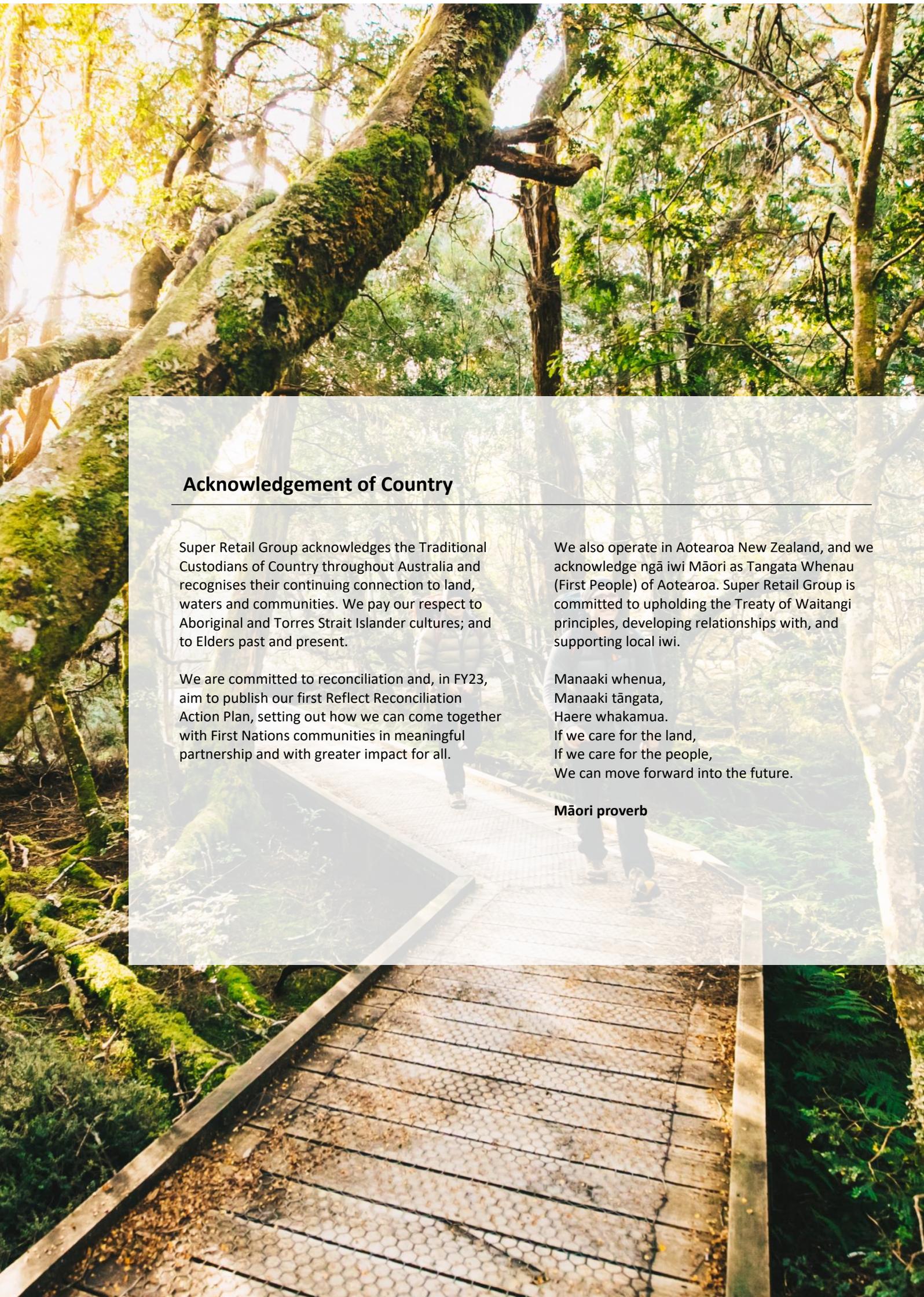


20 MODERN 22 SLAVERY STATEMENT

Inspiring you to
live your passion





Acknowledgement of Country

Super Retail Group acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders past and present.

We are committed to reconciliation and, in FY23, aim to publish our first Reflect Reconciliation Action Plan, setting out how we can come together with First Nations communities in meaningful partnership and with greater impact for all.

We also operate in Aotearoa New Zealand, and we acknowledge ngā iwi Māori as Tangata Whenau (First People) of Aotearoa. Super Retail Group is committed to upholding the Treaty of Waitangi principles, developing relationships with, and supporting local iwi.

Manaaki whenua,
Manaaki tāngata,
Haere whakamua.
If we care for the land,
If we care for the people,
We can move forward into the future.

Māori proverb

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ABOUT THIS STATEMENT

Super Retail Group Limited (ACN: 108 676 204) is an Australian public company listed on the Australian Securities Exchange (ASX:SUL). The registered office is at 6 Coulthards Avenue, Strathpine, Queensland, 4500, Australia.

This is Super Retail Group's (**the Group**) Modern Slavery Statement (Statement) pursuant to the *Modern Slavery Act (Commonwealth) 2018* (the Act) for the financial year ended 2 July 2022 (FY22). This is a joint statement covering Super Retail Group and the entities described under section 2.3 *Reporting Entities*. This Statement describes how Super Retail Group seeks to identify, assess and address risks and instances of modern slavery across its Operations and Supply Chain. It also sets out how the Group assesses the effectiveness of its approach.

This Statement has been internally reviewed and subject to internal assurance.

The CEO and Board of Super Retail Group (as principal governing body of the entities described in 2.3 *Reporting Entities*), approved this Statement on 23 November 2022. This statement has been signed by Anthony Heraghty, Group Managing Director and Chief Executive Officer in his role as a responsible member of the Super Retail Group Board. Refer to Appendix 2 for approvals and confirmation of mandatory criteria according to sections 4 and 16 of the Act.

Note: Key capitalised terms used in this Statement are defined in the Glossary in Appendix 1.



Message from our CEO

At Super Retail Group, we are committed to upholding human rights and fair working conditions for people involved in our supply chain and operations. In the context of responsible sourcing, that means acknowledging that human rights abuses occur in supply chains, being clear on our expectations with our Team Members, our Trade Partners and Service Providers, and addressing findings of abuse or potential abuse to drive change.

In FY22, we continued to deepen our understanding of our supply chain and focus on the areas that matter most.

We said we would seek to learn more about the use of cotton in our supply chain, and we did. Where we identified issues, we took action, which you can read about on page 22 of this report. However, there is more to do.

We identified where we would find the need for change, engaging independent third parties to conduct responsible sourcing audits in higher risk settings. While we were challenged by some of the findings, including modern slavery issues*, we know that immediately walking away is not necessarily the right answer. Instead, we are working with trade partners to communicate our expectations and support them in remediation to improve the lives of their workers.

As announced earlier this year, we refreshed our 2030 Sustainability Framework, including our 2030 goals and targets for our Responsible Sourcing Program. Through this program of work, we aim to improve transparency and disclosure of high-risk supply chains; invest in sustainable supply chains through strategic partnering; and source materials and products more responsibly and sustainably.

These issues are complex. While change takes time, our commitment is clear: we will continue looking, we will continue acting, and we will continue collaborating for change. In line with our organisational value, that is 'playing the long game'.

Anthony Heraghty
Group Managing Director and Chief Executive Officer
23 November 2022



Super Retail Group is a signatory to the United Nations Global Compact (UNGC), a participant of the Global Compact Network Australia (GCNA), and strongly supports the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption. The Group aims to contribute to the UN Sustainable Development Goals (SDGs) through our Operations and Supply Chain.

** Refer to section 6.1.5 for details.*

2. Our business

2.1 ABOUT US

Super Retail Group (ASX: SUL) is the proud owner of four iconic brands: Supercheap Auto, rebel, BCF and Macpac (Brands), and is one of Australia and New Zealand’s largest retailers.

Our powerful Brands have leading positions in growing, high-involvement lifestyle categories of auto, sports and outdoor leisure. We provide our customers and highly engaged nine million active loyalty club members with the option to experience our Brands whenever and however they choose – whether that’s through our network of 716 stores or via our digital capabilities, which we continue to enhance.

We source, distribute and provide customers with a mix of national and international consumer branded products, as well as Private Brand products, through online and in-store channels. The Group provides centralised support services for the procurement and distribution of goods, including marketing, e-commerce activities, customer service and logistics management.

OUR VISION, MISSION AND VALUES

Our vision is to inspire people to live their passion. This is how we create value. Our vision drives our corporate strategy and sits at the centre of what we do and how we do it.

During the reporting period, in parallel with the process of setting our new 2030 Sustainability Framework, we enhanced our vision, mission, and values. Together, these will help steward our organisation in a sustainable manner as we execute our corporate strategy.

Our values act as our guardrails, and they are the way we will hold ourselves and each other accountable. They guide us in our decisions, our actions and our behaviours.



2.2 OUR BRANDS

Supercheap Auto is Australia and New Zealand's favourite specialty automotive parts and accessories retail business. We leverage our market leadership to provide a wide range of tools and accessories, as well as products for travel, touring, outdoors, the garage and shed.



rebel empowers customers to achieve their sporting dreams and passions. We are Australia's leading sporting goods retailer, and through rich digital and in-store experiences, customers from all walks of life can harness the transformative power of sport. This can have a positive impact on many levels, from general well-being to improved confidence and self-esteem. rebel helps all Australians answer the call of sport.



BCF is a leading outdoor retailer, with stores in every Australian state and territory. With expert knowledge and service, we provide everything you could possibly need for your next boating, camping or fishing adventure, all under the one roof.



Macpac's apparel and equipment has inspired a life outdoors since 1973. Designed, tested and proven in the ultimate outdoor test lab – New Zealand – our wide range of products are made by adventurers, for adventurers. Macpac operates in both Australia and New Zealand.



2.3 REPORTING ENTITIES

Super Retail Group makes this Statement on its own behalf and on behalf of the following entities for which it is the ultimate holding company (Reporting Entities):



Super Cheap Auto Pty Ltd ACN 085 395 124



Rebel Group Limited ACN 110 006 678 (Rebel Group), Foghorn Holdings Pty Ltd ACN 122 558 874 (Foghorn), and Rebel Sport Limited ACN 003 283 823 (Rebel Sport), noting that Rebel Sport is the trading entity and Rebel Group and Foghorn are Reporting Entities because of their ownership of Rebel Sport



SRG Leisure Retail Pty Ltd ACN 110 667 411



Macpac Holdings Pty Ltd ACN 609 407 436 (Macpac Holdings), MP Finco Pty Ltd ACN 634 448 598 (MP Finco), Macpac Group Holdings Pty Ltd ACN 638 577 625 (Macpac Group Holdings), and Macpac Retail Pty Ltd ACN 129 716 025 (Macpac Retail), noting that Macpac Retail is the trading entity, and Macpac Holdings, MP Finco, and Macpac Group Holdings are Reporting Entities because of their ownership of Macpac Retail

For the reporting period, there were no other reporting entities (such as joint ventures, wholly or partially owned entities) required to be named in this joint Statement.

The subsidiaries, controlled entities, and investments of the Reporting Entities (Controlled Entities) can be found on page 127 of our [FY22 Annual Report](#) and have also been included in Appendix 2, section 12.4 of this Statement.

2.3.1 CONSULTATION WITH OWNED AND CONTROLLED ENTITIES

Consultation with the Reporting Entities and the Entities owned and controlled by them on the matters set out in this Statement, occurred throughout the reporting period as well as for the purpose of preparing this Statement.

Super Retail Group's Responsible Sourcing Policy and Responsible Sourcing Code apply to all wholly owned entities of the Group. These cover the requirements of our Responsible Sourcing Program including issues related to modern slavery. Implementation and oversight of the Group's Responsible Sourcing Program are managed by a centralised Responsible Sourcing team for Supercheap Auto, BCF and rebel, and for Macpac, by Macpac's head office in Christchurch, New Zealand.

Relevant members of the Group's Sustainability Working Group (SWG), Responsible Sourcing Working Group (RSWG), and Executive Leadership Team (ELT) Sustainability Steering Committee were consulted at various stages of the ongoing process. Refer to section 2.5 for further details on governance, accountabilities and responsibilities including those related to this Modern Slavery Statement.

From a management perspective, the Managing Directors of Supercheap Auto, BCF, rebel and Macpac are directors of their respective Brand's trading entity. Under the Responsible Sourcing Program, the Managing Directors of these Brands and their teams are kept informed by the centralised Responsible Sourcing team or, in the case of Macpac, by their own in-house team, throughout the reporting period on modern slavery risks and issues in our Supply Chain and Operations, as well as actions taken or proposed to be taken to address any non-conformances. This in turn facilitates an effective and meaningful consultation process for the management of modern slavery risks and the preparation of this Statement.

In preparing this Statement, Super Retail Group consulted representatives from the Reporting Entities to confirm that the included information is relevant and accurate. This consultation took place through discussions with the Reporting Entities, the Responsible Sourcing Working Group, and circulation as appropriate of summaries of program performance throughout the reporting period. We also distributed key drafts of this Statement to the Managing Directors of the Reporting Entities, our Responsible Sourcing Working Group and members of the Executive Leadership Team for review.

The Board of Directors were provided opportunity for input and feedback prior to final approval of this Statement.

A declaration of principal governing body approval can be found in Appendix 2 in accordance with the Act.

2.4 OUR TEAM, OPERATIONS AND SUPPLY CHAIN

2.4.1 OUR TEAM

DIRECTLY EMPLOYED TEAM MEMBERS	CONTRACTED TEAM MEMBERS	UNION MEMBERS	COVERED BY ENTERPRISE AGREEMENT
14,883	232*	~3.4%**	79%

Note: FY22 data unless otherwise noted.

* Approximate number of Team Members in our distribution centres contracted through labour hire agencies, amounting to 45% of distribution centre Team Members as of 12 April 2022. This number fluctuates throughout the year to address demand requirements.

** Excludes Team Members based in China. All Australian and New Zealand Team Members included after Macpac data was integrated during FY22.

2.4.2 OUR BUSINESS OPERATIONS

STORES^ – AUSTRALIA AND NEW ZEALAND

TOTAL RETAIL STORES	SUPERCHEAP AUTO	REBEL	BCF
716	329 <i>Australia and NZ</i>	155	147
MACPAC	ONLINE RETAIL CHANNELS	SUPPORT OFFICES	DISTRIBUTION CENTRES
85 <i>Australia and NZ</i>	7	4	7

COUNTRIES OF OPERATION

3 *Australia, NZ
and China*

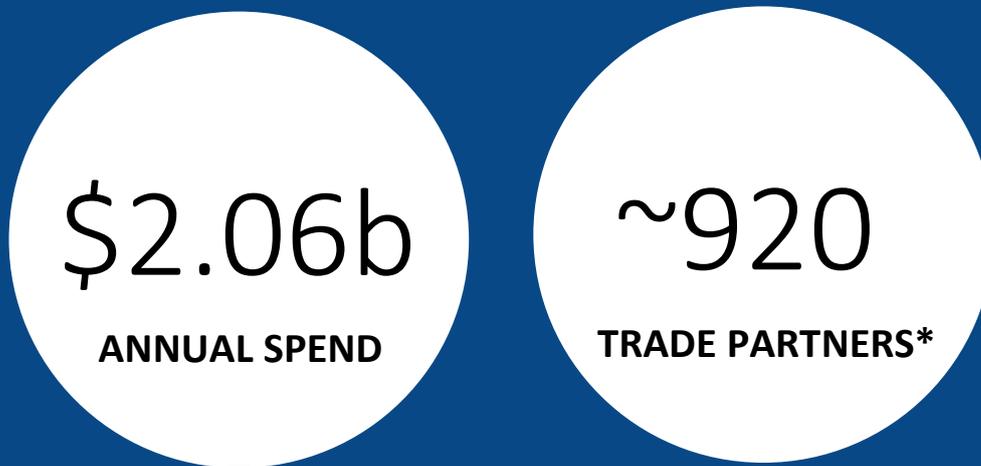
^ During FY22, we closed 3 stores, relocated 16 stores, and opened 21 new stores.

2.4.3 RETAIL PRODUCT SUPPLY CHAIN[^]

Retail products are purchased via the following supply chain arrangements:

- A. Products sourced from factories directly contracted by our group including Direct Imports;
- B. Products sourced from manufacturing partners or factories – mainly Private Brand goods; and
- C. Products sourced from trade partners who manage their own supply chains.

RETAIL PRODUCT SUPPLY CHAIN (A, B and C ABOVE)



RESPONSIBLE SOURCING COMPLIANCE VERIFICATION PROGRAM - PRODUCT SUPPLY CHAIN (A and B ABOVE)

For FY22, 85 per cent of the relevant Factories were in China. The remaining 15 per cent were located in 18 other countries. Further detail is listed under section 4.3.2 *Country Risk*.

<u>PRIVATE BRAND PRODUCTS PURCHASED</u>	<u>COUNTRIES OF MANUFACTURE</u>	<u>NUMBER OF FACTORIES**</u>
11,000+	19	512

Note: Data for FY22 unless otherwise noted.

[^] Super Retail Group has retail operations in Australia and New Zealand.

* Refers to retail Trade Partners supplying to the Group. Purchase arrangements with Trade Partners vary between ad-hoc orders (short-term) and regular orders (longer-term).

** Factories which supply or manufacture Super Retail Group's Private Brand products; Factories directly contracted by the Group to manufacture products; Factories which supply or manufacture Private Brand Non-Stock products to/for the Group. These Factories are in the scope of our Responsible Sourcing compliance verification program as outlined in our Responsible Sourcing Code.

2.4.4 PRIVATE BRAND PRODUCTS' SALES REVENUE*

GROUP PRIVATE BRAND PRODUCTS' REVENUE

31%

SUPERCHEAP AUTO

39%

REBEL

11%

BCF

35%

MACPAC

85%

* Data in section 2.4.4 is based on approximate percentage of Private Brand products' sales revenue for FY22.

2.4.5 NON-STOCK PRODUCTS AND SERVICES SUPPLY CHAIN

Non-Stock products and services include marketing and promotional materials, Team Member uniforms, capital expenditure, professional services, transport and logistics providers, and cleaning services, amongst others.

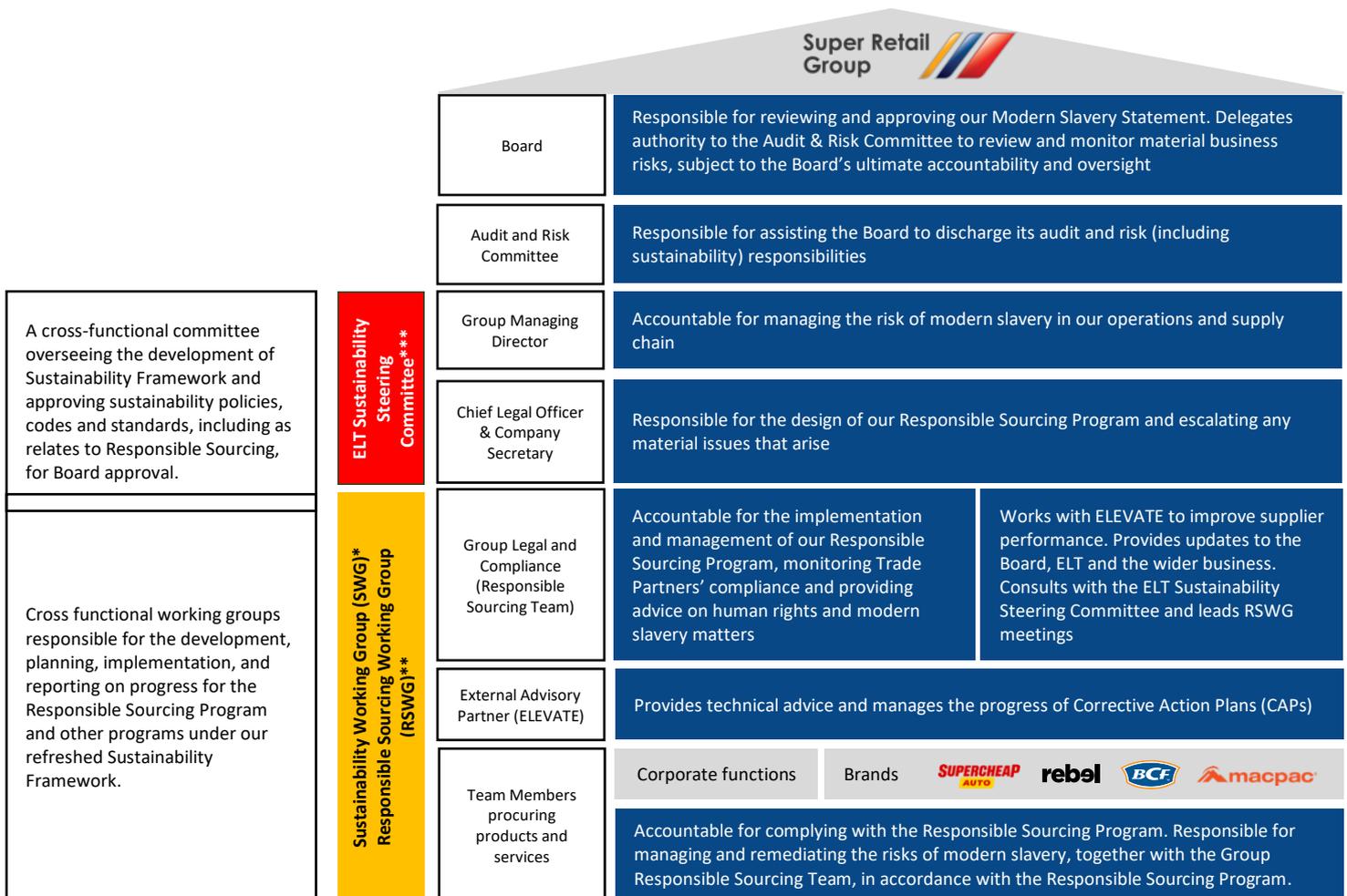


2.5 GOVERNANCE

Super Retail Group is committed to upholding human rights and fair working conditions for our Team Members, Trade Partners, Service Providers, and people in our Supply Chain. We aim to uphold human rights based on the principles of the following international guidance:

- International Bill of Human Rights including the Universal Declaration of Human Rights (UDHR);
- International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work and ILO Conventions;
- United Nations Guiding Principles on Business and Human Rights;
- United Nations Global Compact (UNGC) core values of human rights, labour standards, the environment and anti-corruption; and
- United Nations Sustainable Development Goals (SDGs) and targets relevant to our Operations and Supply Chain.

Our governance approach promotes ongoing consultation with the Brands and corporate functions on responsible sourcing issues, including modern slavery risk management. Outcomes are reported annually in our [Sustainability Report](#) and this Statement. A summary of our FY22 internal governance framework related to Responsible Sourcing is outlined below.



* Superseded in May 2022 by the RSWG.

** RSWG established in June 2022.

*** After the refresh of our Sustainability Framework, the ELT Sustainability Steering Committee was disbanded in October 2022 and replaced by full ELT.

In FY22, we refreshed our overall sustainability framework. The revised framework outlines our continued commitment to sustainability in general, including responsible sourcing. The framework is driven by our vision and connected to our values.

The framework has five focus areas: *Team, Community, Responsible Sourcing, Circular Economy and Climate* and our work across all areas is guided by strong Governance. These focus areas have 12 goals. Goals 5, 6 and 7 relate to Responsible Sourcing and are linked to relevant targets (see below). Given the evolving nature of the sustainability and responsible sourcing landscape we expect to update these as we mature and the external environment changes.



	PEOPLE			PLANET	
	Team	Community	Responsible Sourcing	Circular Economy	Climate
Goals	<p>GOAL 1: Invest in the health, safety and wellbeing of our team</p> <p>GOAL 2: Create an inclusive and diverse team</p> <p>GOAL 3: Support our team with purpose-led career development</p>	<p>GOAL 4: Invest in community programs that support our customers' and team's passions</p>	<p>GOAL 5: Improve transparency and disclosure of high-risk supply chains</p> <p>GOAL 6: Invest in sustainable supply chains through strategic partnering</p> <p>GOAL 7: Source materials and products more responsibly and sustainably</p>	<p>GOAL 8: Design and procure durable products, with a circular mindset</p> <p>GOAL 9: Reduce waste and unnecessary packaging</p> <p>GOAL 10: Repair, reuse or recycle our products</p>	<p>GOAL 11: Develop a decarbonisation roadmap for our operations and customer offering</p>
2030 Targets ¹	<ul style="list-style-type: none"> Implementing a holistic wellbeing program – participation rates Health & Safety TRIFR, 1st quartile performer in retail Develop Reconciliation Action Plan 40:40:20 for Board, executive and senior leadership positions Develop Disability Action Plan Program development for greater diversity and inclusion inc. LGTBQ+ 	<ul style="list-style-type: none"> Identify key purpose-aligned community partnerships and agree a strategy for each Brand Contribute to conservation and regeneration programs 	<ul style="list-style-type: none"> Collaborate with and support strategic trade partners to improve their supply chains Contribute to industry level change Embed responsible purchasing practices in decision making across our business 	<ul style="list-style-type: none"> 100% of private brand packaging is reusable or recyclable² Adopt the Australasian Recycling Label for private brand packaging 50% average recycled content must be included in private brand packaging² Problematic and unnecessary single-use private brand plastic packaging will be phased out² Increase waste diverted from landfills to 90% 	<ul style="list-style-type: none"> Zero Emissions – Scopes 1 and 2
<p>GOVERNANCE GOAL 12: Enhance climate-related disclosures</p> <p>TARGET: Align climate-related reporting to the Task Force on Climate-related Disclosures</p>					

1. As our work in all these areas develops, we expect that our plans and targets will be updated.
 2. Our packaging targets are aligned to those set by the Australian Government, with delivery expected by 2025.

As reported last year, we established Super Retail Group's Sustainability Working Group (SWG) in June 2021. The SWG consisted of cross-functional Team Members from corporate and each Brand to oversee the refresh of the Group's sustainability framework, including the 2030 responsible sourcing goals and targets. The SWG met generally on a monthly basis to discuss the effectiveness of the Group's approach to sustainability, including responsible sourcing, and whether our existing goals and targets remain relevant or should be updated. Opportunities were then cascaded up to the Executive Leadership Team (ELT) Sustainability Steering Committee for approval.

In May 2022, the Sustainability Working Group was superseded by the formation of separate working groups to drive the future delivery of our specific goals across the timeline to 2030. Members of our ELT are accountable for each of these working groups, which are comprised of senior leaders and subject matter experts in the business, across all Brands and relevant divisions.

As part of the above process, in June 2022, we established the Responsible Sourcing Working Group (RSWG) comprising senior leaders with decision making rights from each of our Brands as well as from our China sourcing operations, Non-Stock procurement, and Legal and Compliance. The RSWG will oversee and drive the implementation of the responsible sourcing goals and targets. The RSWG also provides a forum to discuss risks and issues related to our Responsible Sourcing Program, including modern slavery risks.

2.5.1 POLICY FRAMEWORK

Super Retail Group has several policies and codes that together articulate our values, and expectations of our Team Members, Service Providers and Trade Partners. The policies and codes listed below relate specifically to modern slavery risk and ethical behaviour generally, with the **Responsible Sourcing Policy** and **Responsible Sourcing Code** embodying the Group's approach to modern slavery risk management (explained further in *section 6 Risk Management*). Each are subject to approval or oversight from the Board and its Committees, the CEO, or the ELT, as detailed in the table below.

POLICY OR CODE	CONTENTS AND PURPOSE	APPLIES TO SUPER RETAIL GROUP	APPLIES TO TRADE PARTNERS AND SERVICE PROVIDERS
<u>Code of Conduct*</u>	Sets out the expected standards of behaviour for business activities and outlines legal and ethical obligations for Team Members, officers, volunteers, work experience students, contractors, and labour-hire workers of Super Retail Group and wholly owned subsidiaries.	✓	N/A***
<u>Compliance Policy*</u>	Outlines the Group's expectation and commitment to compliance with all applicable laws and Group values.	✓	✓
<u>Responsible Sourcing Policy*</u>	Provides a set of high-level expectations of Team Members, Trade Partners and Service Providers in relation to human rights, modern slavery and the environment drawing on international standards. The policy also references the Whistleblower Policy and relevant contact points.	✓	✓
<u>Responsible Sourcing Code*</u>	Outlines our monitoring programs, verification standards and expectations of Trade Partners and Service Providers. This Code supports the implementation of our Responsible Sourcing Policy and promotes business integrity; human rights and fair working conditions; environmental management; and sustainable sourcing throughout our supply chain.	✓	✓
<u>Responsible Sourcing Procedures**</u>	These detail the Group's internal procedures to assess risk and verify compliance against our Responsible Sourcing Policy and Code, and outline our expectations related to Trade Partner and Service Provider compliance. There are separate internal procedures for Factories (Trade Partners) and Services (Service Providers).	✓	✓

<u>Whistleblower Policy*</u>	<p>Outlines for Team Members, Trade Partners, Service Providers and others, the mechanisms for reporting and investigating concerns about conduct suspected to be unethical, illegal, or contrary to our values. Concerns may be raised to the Integrity Officer in writing, by phone through the Integrity Line (for our China-based Team Members) or anonymously via 'Whispli' on https://superretailgroup.whispli.com/IntegrityLine</p> <p>The Audit and Risk Committee is provided with quarterly reports on whistleblowing and oversees the effectiveness and governance of the whistleblower program.</p>	✓	✓
<u>Anti-corrupt Practices Policy*</u>	<p>Outlines our commitment to recognising, reporting, and upholding laws and regulations relating to bribery and corruption.</p>	✓	✓
<u>Workplace Resolution Policy**</u>	<p>Sets out our commitment for resolution of workplace issues. This Policy may be used in conjunction with the processes outlined in the Whistleblower Policy.</p>	✓	N/A***
<u>Union Representation and Membership Policy**</u>	<p>Details our commitment to, and support for, freedom of association within Super Retail Group.</p>	✓	N/A***
<u>Managing Young Workers Policy**</u>	<p>Outlines minimum requirements and expectations to safeguard workers under 18 years of age directly employed by Super Retail Group.</p>	✓	N/A***
<u>Harassment-Free Workplace Policy**</u>	<p>Outlines our commitment to maintain a professional work environment that is free from workplace harassment (bullying), sexual harassment and discrimination.</p>	✓	N/A***

Notes: Super Retail Group sets the responsible sourcing policies, codes and procedures for Reporting Entities.

*These policies and codes are publicly available on our website at www.superretailgroup.com.au.

**These are internal policies and documents that are available to Team Members on our intranet.

***Similar requirements to Trade Partners and Service Providers are documented in our Responsible Sourcing Code.

3. NZ modern slavery legislation

Macpac participated in the New Zealand government's consultation with respect to modern slavery and worker exploitation, both individually and as a signatory to the combined submission by Collaborative Advantage to the New Zealand Ministry of Business, Innovation and Employment.

4. Modern slavery risk identification

4.1 HIGH-LEVEL RISK IDENTIFICATION APPROACH

We review our risk profile for modern slavery on a regular basis to inform the actions in our Responsible Sourcing Program. The forms of modern slavery risk identified as most relevant to our Operations and Supply Chain are the risk to people of Forced Labour, Debt Bondage, Deceptive Recruitment practices and Child Labour.³

We consider inherent exposures across our Operations and Supply Chains to identify where the risks of modern slavery may be heightened by known factors. Those factors include the geographic location of a factory or service, the type of industry or commodity, or presence of specific workforce vulnerabilities.⁴

Super Retail Group also considers its potential relationship to modern slavery risks, in line with the United Nation's "Protect, Respect, and Remedy Framework".⁵ This acknowledges that businesses can directly cause, contribute to, or be directly *linked* to human rights risks and impacts.

Practices such as Forced Labour are found to be more prevalent in certain industries and sectors, notably manufacturing. Although not a direct operation of our business, manufacturing is a core component of our Supply Chain. Manufacturing therefore constitutes our largest exposure to modern slavery risk.

The Group's assessment of risks to date has focussed primarily on direct business relationships and the first tier of our Supply Chains. While risks exist beyond these relationships and the first tier, management and oversight are complicated by layers of supply and reduced leverage. Consistent with our principle to focus our efforts where we believe we have the greatest risk and can have the greatest impact, we are therefore focusing our efforts beyond the first tier of our supply chain on the highest risk inputs and components of our products (e.g. cotton which is considered higher risk due to the reported links to Child and Forced Labour across Central Asia).

In FY22:

- We began to gain greater visibility at a Group level with respect to the origin of cotton used in our Private Brand products; and
- We invested in ELEVATE's EiQ supply chain intelligence platform, which will allow us to adopt a more nuanced approach to how we assess risk in the future. We will utilise the tool in FY23 to reassess our risks and segmentation of suppliers. With this tool, we will have greater insight to geographic and product level supply chain Environmental, Social, and Governance (ESG) risk ratings and be able to better focus our efforts where there are higher risks and where we can have more impact.

³ Definitions for these types of modern slavery can be found in the glossary.

⁴ Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities, Australian Border Force, 2019.

⁵ Implementing the United Nations "Protect, Respect and Remedy" Framework, United Nations Guiding Principles on Business and Human Rights, 2011.

4.2 OWN OPERATIONS AND CONTRACTED SERVICES

We consider modern slavery risks in our Operations in relation to our Team Members and the use of contracted services and labour. Super Retail Group does not own any manufacturing operations.

Most of our Team Members are employed directly by Super Retail Group. During FY22, we employed 14,883 Team Members, of which 79 percent were covered by enterprise agreements. The remaining Team Members were engaged on individual employment agreements, in accordance with relevant workplace laws. The standards, obligations and worker protections required by Australian and New Zealand labour laws result in a relatively lower risk of modern slavery within our team.

As of 12 April 2022, approximately 45 percent of the 513 workers at our distribution centres were contracted through labour hire firms. These firms are assessed under our Responsible Sourcing Program as part of their onboarding and contract renewal processes.

We continue to consider that the following characteristics present heightened risks for Service Providers in Australia and New Zealand and this is the basis upon which we assess the risk of service types we receive in our Operations:

- Use of labour brokers and third-party labour providers;
- Higher prevalence of migrant, overseas, other vulnerable or young workers (e.g. office cleaning and catalogue distribution);
- Multi-layer subcontracting models (e.g. where multiple subcontractors can be involved in completing the work or contractors can in turn subcontract further); and
- Franchisee business models.

The risk rating of the service types used in our Operations remained unchanged from FY21, and is depicted in the table below.

SERVICE TYPE
Office cleaning
Direct mail marketing – catalogues
Labour hire
Logistics (transport/ freight)
Physical security
IT services (if overseas workers are used)
Fitness equipment installation
Offshoring services (i.e. warehousing)
Energy supply*
Insurance
Professional services
Travel
Waste disposal
Facilities maintenance

* Noting our recently revised carbon emissions target (reported in our Sustainability Report), part of which involves the procurement of energy through solar panels affixed to our stores, we acknowledge the potential risks involved in the procurement of energy infrastructure in this way. We will review these risks as part of our future assessments from an operational perspective as well as a Supply Chain perspective.

4.3 SUPPLY CHAIN RISK FOR PRODUCTS

For our products, we address risk according to the criteria set out in our Responsible Sourcing Code and Procedure. Our assessment of risks for the first tier Factories of our Supply Chain includes the following factors:

- Our proximity to, and business relationship with, the Factory (refer to 4.3.1);
- Inherent risk defined by the country of manufacture according to the Corruption Perceptions Index (CPI) rating (refer to 4.3.2); and
- Insights gained through our compliance verification program and work with external partners, such as the findings reported in our FY21 Statement that there were heightened risks of modern slavery practices in Malaysia, Taiwan and Thailand due to higher migrant worker populations.

4.3.1 PROXIMITY TO SUPPLY

We focus our due diligence efforts where they will have the most impact. We do this by focusing on those business relationships where we have more influence on, and proximity to, the manufacture of the goods. We believe this provides us with the greatest potential to both understand how we might cause or contribute to modern slavery practices in our Supply Chains, as outlined by United Nations Guiding Principles on Business and Human Rights⁶, and work with Trade Partners and Factories to effect positive change.

We have assessed Super Retail Group’s ability to influence its Supply Chain as highest in relation to Private Brand products, Direct Imports, licensed products that the Group is responsible for manufacturing and Non-Stock products with corporate branding. For these types of products, Super Retail Group has the greatest transparency on pricing inputs, demand planning and further leverage to influence trade partners to improve performance.

⁶ As guided by the “Protect, Respect and Remedy” Framework.

4.3.2 COUNTRY RISK

Throughout FY22, Super Retail Group continued to assess risks inherent to country of manufacture by reference to the Corruption Perceptions Index (CPI)⁷. The CPI is an index which ranks around 180 countries according to assessments and surveys of perceived levels of public sector corruption, which may include abuse of power for private gain. A CPI rating of zero is considered highly corrupt, and 100 is considered the least corrupt. The overall global average rating for 2021 was 43, remaining unchanged for the tenth year in a row.

We update country risk annually according to the CPI. We consider countries with a CPI rating of less than 70 to have a higher risk of human rights violations, weaker protections for workers, and inadequate governance and enforcement of the rule of law. The CPI is then cross-referenced with other credible data sources such as the [Global Slavery Index](#) and the [US Department of Labor List of Goods Produced by Child Labor and Forced Labor](#).

At the end of FY22, our relevant retail and Non-Stock products were sourced from 512 active Factories located across 19 countries (Manufacturing Countries). The following table identifies for each Manufacturing Country, its CPI rating, and the number of Factories from which our Private Brand products, Direct Imports and licensed brands that we are responsible for manufacturing are sourced.

⁷ As reported by Transparency International – see <https://www.transparency.org/en/cpi/2021>.



Country, Country Risk Rating and number of Factories in each country

FIRST TIER FACTORIES BY COUNTRY*

MANUFACTURING COUNTRY	Number of Factories	Country Risk Rating (Corruption Perception Index)**
Australia	30	73
Bangladesh	1	26
China	433	45
England	1	78
Fiji	1	55
Hungary	3	43
India	4	40
Indonesia	3	38
Italy	2	56
Malaysia	2	48
Netherlands	1	82
New Zealand	6	88
Philippines	1	33
South Africa	1	44
South Korea	3	62
Taiwan	9	68
Thailand	4	35
Turkey	1	38
Vietnam	6	39

512

Total

*Number of Factories relate to our Private Brand products, Direct Imports and licensed brands that Super Retail Group is responsible for manufacturing. These are first tier Factories.

** High-risk refers to countries with a CPI rating of less than 70; Low risk refers to countries with a CPI rating of 70 or greater. The CPI rating is used as a minimum threshold for our assessment of country risk.

Given the concentration of our Factories in China, our reliance on CPI rating to drive our risk rating has resulted in most of our relevant Factories (93%) being classified as high-risk. Refer to sections 6.1.3 to 6.1.5 for further details on how we manage these risks.

To better understand our supply chain and enhance our approach to risk assessment and segmentation, including the impact of high-risk products, we have invested in ELEVATE's EiQ supply chain intelligence platform. Throughout FY23 we will leverage this investment to adopt a more nuanced approach to risk assessment that accounts for regional differences, inherent product and industry risks, factory performance and leverage.

5. Cotton – Forced Labour in China

We continued to monitor the situation in Xinjiang Uighur Autonomous Region (UAR), China, and our own Supply Chain throughout FY22. Based on the information available to us from our Trade Partners and Factories, no first tier Factories were located in Xinjiang UAR.

In our FY21 Modern Slavery Statement we noted that our work to assess the use of cotton in Supercheap Auto, rebel and BCF was ongoing. Throughout FY22, our China sourcing operations team asked the Trade Partners and Factories which they manage on behalf of the Group to confirm both the amount of cotton used in the manufacture of our Private Brand products as well as the source. As a result of these enquiries, we are gaining a clearer picture of the Group's use of cotton.

We learned that, between two Factories, approximately 7.5 tonnes of cotton used in the FY22 manufacture of some of our Private Brand products had potentially been sourced from Xinjiang UAR. Upon identifying the issue, the Group commenced a review and made changes to the sourcing of cotton and cotton alternatives for the two affected Factories. We are grateful to our Factories for their transparency and cooperation.

We discovered these issues close to the end of the reporting period. To reduce the risk of raw material being sourced from Xinjiang UAR, for the potentially impacted cotton products:

- We have since transitioned the sourcing of the products from one of the affected Factories to another existing Factory that will use 100% recycled cotton instead.
- We agreed with the second impacted Factory that we would put on hold production of the semi-finished goods that were impacted, Super Retail Group would cover the associated costs of the semi-finished products, and take control of the goods to destroy them. For future orders, we will assess options for selecting an alternative, more sustainable cotton procurement process. We will report on progress next year.

Our work to further understand the amount and source of cotton used across our relevant Private Brand products and Non-Stock range continues.

5.1 CASE STUDY:

COTTON

MACPAC FAIRTRADE & GLOBAL ORGANIC TEXTILE STANDARD (GOTS) CERTIFIED COTTON

Macpac's commitment to Fairtrade remains strong with all cotton T-shirts being Fairtrade sourced. Fairtrade farmers and all operators in the supply chain are externally verified for compliance against the Fairtrade standards, which include monitoring for modern slavery, gender equality and fair pay. Fairtrade farmers receive a fairer price, thanks to the Fairtrade Minimum Price, and have access to the Fairtrade Premium, a fixed additional income source that provides farmers with the means to invest in improving the quality of their businesses and communities.

For products where Fairtrade fibre or partners are not available, the team focus on sourcing organic cotton (GOTS preferred) from regions outside of the Responsible Sourcing Network's Pledge Countries, or the Xinjiang UAR. *"GOTS is the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification of the entire textile supply chain". "GOTS social criteria is based on the key norms of the International Labour Organisation (ILO), United Nations Guiding Principles on Business and Human Rights (UNGPs) and Organization for Economic Cooperation and Development (OECD), and must be met by all processors, manufacturers and traders".⁸*

OTHER BRANDS

In FY22, we progressed the assessment of amount of the cotton used in Supercheap Auto, rebel and BCF Private Brand products sourced from Trade Partners that are managed by our China sourcing operations (as reported in the previous page). While we made progress in better understanding this area of our Supply Chain, our work continues and we will report on further progress next year. We are assessing our options for sourcing more sustainable or certified cotton as well as switching to other options, such as polyester, where appropriate.

⁸ Information obtained from GLOBAL ORGANIC TEXTILE STANDARD (GOTS) website

6. Risk management

6.1.1 RISK MANAGEMENT APPROACH

We identify risks across our Operations and Supply Chain with the ongoing intention to mitigate adverse human rights risks and impacts. Specific to modern slavery practices, our Responsible Sourcing Code prohibits the use of Forced Labour, Debt Bondage, Deceptive Recruitment, and Child Labour. Our Responsible Sourcing Program and relevant policies, in conjunction with our processes for compliance verification, remediation, grievance reporting mechanisms, and capability building activities, together form our approach to managing and mitigating modern slavery risks.

Our Responsible Sourcing Policy and Responsible Sourcing Code requires Team Members, Trade Partners and Service Providers to:

- Conduct business with integrity;
- Uphold human rights and fair working conditions;
- Reduce our environmental impact in the sourcing process; and
- Source products in a sustainable and responsible way.

As outlined in section 2.5 *Governance*, the requirements applicable to our Responsible Sourcing Program are documented in our Responsible Sourcing Policy, Responsible Sourcing Code and Responsible Sourcing Procedures, and are supported by other Super Retail Group codes and policies. As explained in our FY21 Statement, new contracts and contract renewals utilising our General Business Agreement include a responsible sourcing clause which requires Trade Partners and Service Providers to comply with our Responsible Sourcing Policy and Responsible Sourcing Code. Compliance and monitoring of this requirement across the Group are ongoing priorities as is exploring other options on how we can best communicate our Responsible Sourcing requirements to existing Trade Partners who are not under written contractual arrangements.

We continue to work with Team Members across the Group to improve their understanding of our expectations and compliance when negotiating new contracts and contract renewals. In FY23 we will commence the review of our processes and requirements to better focus our efforts on higher risk suppliers, utilising ELEVATE's EiQ tool described in section 4.1.

As defined in the Commonwealth Guidance for reporting entities, an important aspect of identifying modern slavery is acknowledging the connection to other potential practices of workplace and labour exploitation. ILO has outlined the following indicators of modern slavery, recognising that some of these are enough to constitute Forced Labour, while others are significant warning signs:

1. Abuse of vulnerability;
2. Deception;
3. Restriction of movement;
4. Isolation;
5. Physical and sexual violence;
6. Intimidation and threats;
7. Retention of identity documents;
8. Withholding of wages;
9. Debt Bondage;
10. Abusive working and living conditions; and
11. Excessive overtime.

In line with Commonwealth Guidance, Super Retail Group's Responsible Sourcing Program considers modern slavery on a spectrum with other forms of labour exploitation and recognises that these other forms of exploitation could be signs that severe practices like Forced Labour may be occurring. Our Due Diligence Process and supplier management practices reflect a commitment to identifying and addressing both these and other human rights abuses. We outline our efforts to promote compliance with the Responsible Sourcing Code and its relevant standards in the sections below.

6.1.2 OPERATIONS RISK MANAGEMENT – SERVICE PROVIDERS

Our Responsible Sourcing Policy and Code extends to Service Providers. As part of our Non-Stock procurement process, we require new Service Providers who tender for work or enter into contracts with Super Retail Group to complete a self-assessment. The self-assessment includes a self-declaration of compliance with our Responsible Sourcing Code (self-declaration), including potential audit requirements. The responses provided in the self-declaration are reviewed to assess the risk of modern slavery in relation to the provider and the services they provide. If the risk is considered high, we examine publicly available documents and may require further discussions and information from the supplier. Supporting documents such as participation in certification schemes and applicable policies and procedures may also be requested. Depending on the outcome of the review, the Service Provider may be subject to a Responsible Sourcing Audit.

During FY22, we entered into contracts with 19 new Service Providers⁹ across various service types through our Group procurement process. Sixteen of these Service Providers were screened for compliance with our responsible sourcing criteria and completed self-declarations. Procurement have investigated the onboarding process used for the remaining three Service Providers and have identified areas of process improvement:

- For two suppliers, internal onboarding approval was obtained at a stakeholder meeting, rather than through the formal documented process which requires logging of signed self-declarations from the Service Provider and collection of formal approvals from relevant stakeholders in writing. The Procurement team has now instigated a process change and confirmed that internal approvals cannot be obtained through meetings.
- The third supplier was added during the Macpac transition to the Super Retail Group finance system. It appeared as a new supplier, however it was an existing Macpac supplier with a contract that had been signed off prior to our current Responsible Sourcing Program and screening criteria.

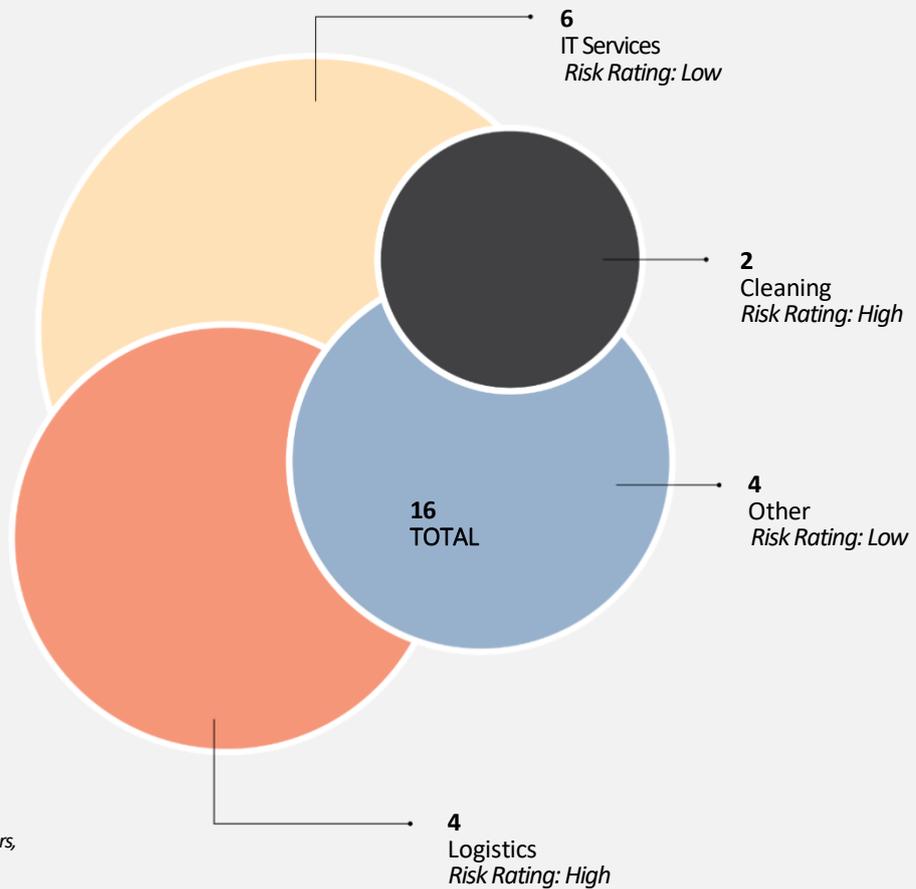
In FY22 we identified potential non-compliance with our Responsible Sourcing Code in relation to the pay practices of a provider of cleaning services. Interviews with the supplier were conducted and evidence of appropriate pay practices was provided.

In FY23 we will be reviewing our Responsible Sourcing process for the onboarding and management of Service Providers. Any additional follow-ups and requirements for the relevant services will be determined based on the revised program and their relevant risks.

⁹ FY21 was the first year that we commenced assessment of Service Providers against our Responsible Sourcing Code. We are working on further improving how we assess Services. This is work in progress.

FY22 - SERVICE TYPES

No. of assessments by sector*



* Risk ratings varied amongst new Service Providers, based on our assessment results and residual risk.

6.1.3 SUPPLY CHAIN RISK MANAGEMENT – Products

In section 4. *Modern slavery risk identification*, we outlined our approach to considering risk factors in our products' Supply Chain. These include our proximity to the manufacture of the goods and country risk ratings, which form the scope for our efforts in managing risk with our Trade Partners. Where Super Retail Group has high proximity, Trade Partners considered to operate in high-risk countries are required to:

- Disclose to us the Factories being used to manufacture the products, including name, address, and factory contact details;
- Complete a third-party social audit according to our accepted requirements¹⁰; and
- Complete Corrective Action Plans for any identified non-conformances, particularly critical non-conformances.

We have incorporated several allowances to reduce duplication and audit fatigue, ensuring we are not placing undue burden or unnecessary costs on suppliers. We accept third-party audit reports and certification conducted by accredited auditors, in accordance with the following internationally recognised programs:¹¹

- Sedex SMETA 2 or 4-Pillar audits;
- Social Accountability International (SA8000) audit or Certification;
- Worldwide Responsible Apparel Production (WRAP) Certification;
- amfori Business Social Compliance Initiative (BSCI) audits;
- International Council of Toy Industries (ICTI) Ethical Toy Program Certification;

¹⁰ Exemptions are given from audit protocol on a discretionary basis for orders with a value below \$10K USD and must be approved by Group Legal and Compliance (Responsible Sourcing Team) based on risk. This exemption cannot be made more than once biennially.

¹¹ Audit reports must include details of non-conformances and must not be older than nine months. Certifications must have a minimum of three months validity when provided.

- Responsible Business Alliance (RBA) audits;
- Fair Labour Association (FLA) monitoring reports;
- ILO Better Work Programme; and
- Other audit reports issued by SAAS accredited or amfori-BSCI approved audit companies that meet the requirements of our Responsible Sourcing Code.

Our process requires our Responsible Sourcing Team to review relevant audit reports and certifications prior to order placement with a factory. After review, the Responsible Sourcing Team assigns a rating of 'Approved', 'Conditionally Approved', 'On Probation' or 'Not Approved'. Rating definitions can be found in *Appendix 1 - Glossary*. Factories are required to renew their audit reports biennially based on the date of their last approved audit. Factories that do not complete the audit on time, without an acceptable explanation, have their rating downgraded. Extensions to due dates or exemptions based on consideration of circumstances can be provided at the discretion of the Responsible Sourcing Team.

Trade Partners that fall outside the risk criteria set out in our Responsible Sourcing Code (as outlined in section 4.3 *Supply Chain risk*) are not required to disclose their factory details and are not subject to our Responsible Sourcing Audits. However, they are required to comply with our Responsible Sourcing Policy and Responsible Sourcing Code.

6.1.4 CORRECTIVE ACTION PLANS – Products

Relevant Factories can only receive an Approved status once critical non-conformances have been addressed. Exceptions may apply when the Factory can provide a genuine reason and demonstrate continuous improvement. Critical non-conformances are those that present significant risk to the workers' health, safety and rights, or which can often be legal breaches or significant risks to the environment. Examples include potential Forced Labour related non-conformances, failure to provide minimum wage or adequate overtime pay, failure to maintain a safe workplace, illegal or hazardous waste management issues, lack of required permits etc.

Where audits identify non-conformances with our Responsible Sourcing Code, we require our Trade Partners and Factories to take appropriate action to address our requirements. Where relevant, we communicate the actions required to address the non-conformances by preparing and issuing a Corrective Action Plan (CAP); and support capability requirements by delivering relevant e-learning modules, through our advisory partner ELEVATE; and by engaging directly with Trade Partners and Factories if our expectations are unclear.

We require Trade Partners and Factories to remediate issues identified in CAPs within an appropriate timeframe, depending on the nature and severity of the non-conformance. Most non-conformances can be closed with photographic evidence or provision of electronic copies of documents, records and plans. However, an on-site re-audit may be required to verify some corrective actions.

6.1.5 FY22 FACTORY PERFORMANCE – Products

At the end of FY22, we had 512 active Factories in 19 countries. Of our active Factories, 474 of them were classified as high risk and subject to our compliance verification audit program, 91 per cent of these were audited¹² in the past two years.

During FY22:

- 50 Factories were onboarded. These Factories were screened against our Responsible Sourcing Code requirements as part of our mandatory review process.
- We commissioned and funded nine independent audits of Factories.

As was the case in FY21, we continued, through agreed CAPs, to work with Factories to address audit findings relating to potential modern slavery practices, critical health and safety concerns and issues related to working hours, wages and payroll etc. Given the concentration of Factories in China, and the rigorous pandemic-related restrictions imposed in China, access to Factories continued to be severely constrained this year. This resulted in delays, both for audits and the completion of work required to address non-conformances. Where required by the circumstances, we extended deadlines by which Factories must demonstrate progress against agreed corrective action plans.

In FY22, Factory critical non-conformances regarding modern slavery primarily related to one Factory. These non-conformances were identified after an independent audit commissioned by us and conducted by our external partner and included:

- Passport retention.
- Debt bondage in the form of recruitment fees.
- Deceptive recruitment.
- Withholding of wages (deposits and deductions).
- Abuse of vulnerability.

¹² Refer to section 6.1.3 for types of third-party audit reports and certifications we accept.

After the critical non-conformances were identified, we re-engaged our external provider (ELEVATE) to conduct an onsite investigation inclusive of off-site interviews with the migrant worker population. We also asked them to provide guidance as to an appropriate CAP, including as applicable, a repayment schedule for outstanding recruitment fees. The investigation was completed after the reporting period.

Based on the United Nations Guiding Principles on Business and Human Rights, we have determined that Super Retail Group did not cause or contribute to the situation arising, however we were directly linked through our business relationship with the Trade Partner in procuring products from the Factory.

At the date of this report, we have indicated to the Trade Partner and the Factory that we wish to work with them to remediate the findings. Our success relies on the co-operation of the Trade Partner and the Factory. We remain committed to supporting and guiding them. To enhance the support for workers at the Factory, we will fund the provision of a local third-party grievance mechanism, inclusive of training for Factory management and workers.

Despite the pandemic-related access restrictions and delays, we continued to work with Factories to seek to address non-conformances and drive positive change.



Key areas requiring improvement identified in the various audit reports include those relating to health and safety, working hours, wages, payroll, and social insurance. We have agreed Corrective Action Plans in each case and are working closely with our Trade Partners and Factories to resolve critical issues.



Success story in Thailand

- In FY21, ELEVATE completed the initial audit of one of our Factories in Thailand.
- Several critical non-conformances were identified during this initial audit in May 2021 including migrant workers being charged recruitment fees, not being paid adequately, several health and safety issues, and environmental permit non-conformances.
- The Factory was placed on probation and significant proactive remediation work was undertaken by the Trade Partner and the Factory to address the situation. This included the reimbursement of recruitment fees as well closure of all other non-conformances.
- A full verification audit was then conducted onsite in October 2021 (FY22) by ELEVATE who completed three assessments as part of the one audit:
 - A Foreign Migrant Worker (FMW) Assessment check list.
 - ELEVATE ERSA audit.
 - Worker Sentiment Survey (Workers' voice) as part of the ERSA audit.

ELEVATE
AN LRQA COMPANY

The overall ELEVATE audit grade for the Factory improved from D in May 2021 to A in October 2021.

6.2 GRIEVANCE REPORTING MECHANISMS

As outlined in section 2.5.1 *Policy framework*, our [Whistleblower Policy](#) outlines the protection and support provided by Super Retail Group to enable whistleblowers to raise concerns, including those related to human rights and modern slavery. To support this, the Group has established the following mechanisms:

- Integrity Officers who oversee the application of the Policy and the protection of whistleblowers;
- Various reporting channels, including post, email, and 'Whispli' (an online platform that uses contemporary technology) to facilitate anonymous and confidential reporting; and
- A dedicated telephone line service to facilitate anonymous and confidential reporting in English or Mandarin for our China-based Team Members and Trade Partners.

In addition, Macpac operates a WeChat based channel for workers in China, which can be accessed via a QR code posted in manufacturing facilities.

In FY22, Super Retail Group received a grievance regarding one Service Provider. The information was received verbally by our stores. It related to alleged non-compliance with our Responsible Sourcing Code in relation to the pay practices of a domestic provider of cleaning services. Interviews with the supplier were conducted and evidence of appropriate pay practices was provided.

Super Retail Group recognises both the importance of, and challenge in, establishing an effective grievance reporting mechanism. While the Responsible Sourcing audits we accept generally include verification of the existence of grievance reporting mechanisms at Factories, they do not offer detailed insight into the efficacy of those mechanisms in resolving workers' concerns. To improve our understanding of workers' grievances, we conducted independent workers' voice/worker sentiment surveys as part of the majority of the independent audits that we commissioned and funded throughout FY22.

Throughout FY23 we will:

- Continue to include independent workers' voice surveys in relevant compliance verification programs for those Factories where we commission independent audits with ELEVATE; and
- Engage with industry and third-party providers to explore whether there are more effective grievance mechanisms.

7. Capability building

We work collaboratively with our Trade Partners, Service Providers and Team Members to improve conditions in our Operations and Supply Chains. Throughout FY22, our Responsible Sourcing Team and our China sourcing operations team remained an accessible contact for trade Partners, Service Providers and Team Members, with a dedicated inbox to assist with concerns or queries.

- We prioritise capability building across our Factories: We partner with ELEVATE to provide e-learning modules to support our suppliers' understanding of our expectations for working conditions based on the types of non-conformances they have in their audit reports. The e-learning topics included health and safety, working hours, social insurance and chemical management. During FY22, representatives from 162 Factories completed e-learning modules.
- We emphasise the importance of our Responsible Sourcing Program and supplier standards during our annual Trade Partner conference in China. As part of the conference (online in FY22), we included a responsible sourcing information session to update Trade Partners regarding the program. Approximately 70 participants representing over 180 Factories attended the session.

We continue to build our own internal capability. For example, we delivered responsible sourcing training to 69 Team Members involved in the procurement of products and services and our Responsible Sourcing Team presented on trends and our strategic approach to our Executive Leadership Team.

We partner with and learn from industry. For example, we partnered with external advisors, in Australia, New Zealand and the countries where our Factories operate. This includes through our participation in the United Nation's Global Compact Network Australia – Modern Slavery Community of Practice and The Collaborative Advantage, a responsible sourcing working group in New Zealand.

We challenge ourselves through transparency. For example, in FY22, Macpac participated in the Better Buying Purchasing Practices Index (BBPPI) for the first time. The BBPPI is the Better Buying™ Institute's flagship survey, allowing Trade Partners to anonymously rate the purchasing practices of the companies that buy their products. The Better Buying Institute reimagines supply chain sustainability, leveraging data to strengthen trade partner-buyer relationships and improve purchasing practices that drive profitability while protecting workers and the environment. Participation in the BBPPI supports Macpac's ambition to build more transparent, win-win sustainable partnerships with its suppliers that will support a range of sustainability initiatives in supplier factories.

8. Responding to COVID-19

As part of our broader response to the pandemic, we recognise COVID-19 has increased the vulnerability of Team Members and Supply Chain workers. We have taken several measures to protect them.

OPERATIONS

During FY22, we continued to adhere to the advice and guidance of governments and health authorities across Australia, New Zealand and China to keep our team and others safe through the COVID-19 pandemic. We have maintained a range of measures including enhanced hygiene controls, physical distancing, mandatory vaccination requirements in Australia and NZ, floor decals and posters, health screens at front counters, face masks, temperature checking options, remote working, restricted travel, incident response procedures, Rapid Antigen Testing for large team events and wellbeing support programs. Our wellbeing programs helped empower our team to be the best version of themselves, live their passions, understand their mental health, support each other, and thrive at these crucial times.

The Group's 'I Am Here' program was launched in FY21 to create a culture where 'it's ok not to feel ok, and it's absolutely ok to ask for help'. The program is designed to help us look out for ourselves and others to create a supportive work environment for Team Members, every day. More than 2,500 Team Members are currently participating in the program, with regular activity underway to continually increase participation. This program has helped support our Team Members during the pandemic.

SUPPLY CHAIN

Super Retail Group acknowledges the increased vulnerabilities that the COVID-19 pandemic has placed on Supply Chains and workers. We are granting time extensions and exemptions to assist Trade Partners and Factories with the completion of audits and Corrective Action Plans.



9. Assessing our effectiveness

Super Retail Group undertakes a range of actions to monitor the implementation of our programs of work. The governance frameworks outlined *in section 2.5* aim to support accountability for program delivery, program quality and the achievement of our overall commitments and targets. Super Retail Group works with various external experts to ensure we have specialist advice, and a sound understanding of industry expectations and market practice. We have specifically sought advice to generate recommendations for improvement and to support us with continuous improvement in our approach.

The table below outlines some of our efforts to monitor our progress against our planned actions and objectives during the reporting period, and to assess whether our approaches are relevant and effective.

GOVERNANCE

Sustainability Working Group (SWG), Responsible Sourcing Working Group (RSWG) and our 2030 Sustainability Framework

The SWG, established in June 2021, consisted of a group of cross-functional Team Members from corporate and each Brand. It was the responsibility of the SWG to oversee a refresh of Super Retail Group sustainability framework including the Responsible Sourcing Program.

Our RSWG was established in June 2022 and superseded the SWG in Responsible Sourcing to help execute the new Responsible Sourcing goals and targets in our 2030 Sustainability Framework more effectively. The RSWG provides a forum to discuss risks and issues related to our program, including modern slavery risks and program performance. As appropriate issues and opportunities are escalated to the ELT representatives for action. Refer to our [2022 Sustainability Report](#) to read more about our Sustainability Framework 2030.

When necessary we engage external advisory firms to assist with the review of specific issues and benchmark the Group's program against industry expectations. We will focus our efforts to identify how we can deploy our resources to make the most impact.

RISK IDENTIFICATION

Training

We continue to deliver regular and targeted Responsible Sourcing training to Team Members involved in procurement activities where modern slavery risk may be present. This enables our Team Members to better implement our policies and identify risks in their day-to-day roles. In FY22, we delivered Responsible Sourcing training to 69 Team Members involved in the procurement of products and services on behalf of Super Retail Group.

The training also allows us to improve the program through any Team Members' feedback and provides the opportunity to communicate any major updates or changes to the broader team.

RISK MANAGEMENT

Responsible Sourcing KPIs

Our Responsible Sourcing Team verifies the extent to which our Factories maintain or exhibit an improvement of audit results through the completion of re-audit cycles and Corrective Action Plans. We also commission and fund a limited number of independent audits to verify the status of selected Factories and completed actions. The majority of these audits include a workers' voice/ workers sentiment survey, giving workers a voice to tell us regarding their concerns and opinions.

In FY23 we will use ELEVATE's EiQ tool to enhance our risk assessment, segmentation and management process to focus our program and effectiveness on where we have the biggest risks and the potential for the highest impacts.

Grievance reporting mechanisms

Our Whistleblower Policy facilitates anonymous and confidential reporting if issues arise. It is designed to provide opportunity for transparency and allow workers to report complaints without fear of reprisal. Through our work with external advisors, we continue to look for opportunities to improve grievance reporting mechanisms.

CAPABILITY BUILDING

Trade Partner e-learning

We track the completion of the e-learning modules deployed by ELEVATE. During FY22, representatives from 162 Factories completed e-learning modules.

Following the review of the risk assessment and segmentation process in FY23, we will review additional training needs and its effectiveness to ensure Trade Partners and Team Members understand any changes to the program or our expectations.

10. FY23 and beyond

We will continue to focus our Responsible Sourcing Program, with the goal of driving change throughout our supply chain. As mentioned previously, for FY23 this means we will continue to mature our compliance verification program through enhanced trade partner risk assessment and segmentation (using ELEVATE's EiQ) and further focus our efforts on the issues where we can have the largest impact.

Systemic change is a collective effort, and we will continue to invest in strategic relationships with Trade Partners, Factories, external partnerships and industry to share challenges, ask for help and drive change. Throughout it all, we will strive to enhance our own transparency and the effectiveness of our program.

In FY22, we refreshed our Sustainability Framework and set a new ambition for 2030 (refer to our 2022 Sustainability Report). This included setting responsible sourcing goals, whereby we will aim to:

- **GOAL 5:** Improve transparency and disclosure of high-risk supply chains
- **GOAL 6:** Invest in sustainable supply chains through strategic partnering; and
- **GOAL 7:** Source material and products more responsibly and sustainably.

We are developing plans to meet these goals and supporting targets and will externally report on progress annually.

“Playing the long game” means improving sustainable supply chains through responsible sourcing. It means acknowledging that we are “stronger when we act together” with our Trade Partners and Factories to drive change. It means we aim to “be better every day”, by challenging our purchasing decisions and seeking feedback and input from those we do business with. The integrity of our supply chain matters to our customers, shareholders and our Team Members. It matters to us.

11. Appendix 1 – Glossary

11.1 TERMS AND ABBREVIATIONS

Term	Definition
Act	Modern Slavery Act 2018 (Commonwealth).
Brand(s)	The four retail Brands of Super Retail Group: Supercheap Auto, rebel, BCF, Macpac.
Child Labour	Key areas of risk for Super Retail Group are where children are engaged in hazardous work including night work, work with machinery and chemicals.
CPI	Corruptions Perception Index.
Controlled Entities	The subsidiaries, controlled entities, and investments of the Reporting Entities.
Corrective Action Plan or CAP	A plan issued by Super Retail Group setting out non-conformances of a Factory with our Responsible Sourcing Policy and Responsible Sourcing Code, the date by which evidence must be provided to the Group demonstrating corrective actions have been completed and non-conformances remediated.
Debt Bondage	Payment of excessive recruitment fees or associated costs, and retention of documents.
Deceptive Recruitment	False promise of a job, benefits, or conditions.
Direct Imports	Products we source or import direct from the Factories which manufacture them.
Due Diligence Process	The process by which we evaluate and address risks.
Executive Leadership Team or ELT	The Group's Managing Director and CEO and his direct reports.
Factories	Focus of our Responsible Sourcing program is Factories which supply or manufacture Super Retail Group's Private Brand products; Factories directly contracted by Super Retail Group to manufacture products; Factories that supply or manufacture Private Brand Non-Stock products to/for the Group.
Forced Labour	Restrictions of movement, intimidation, threats, including human trafficking.
the Group	Super Retail Group Limited and its Reporting Entities.
ILO	International Labour Organisation.
Non-Stock	Non-Stock products and services include marketing and promotional materials, Team Member uniforms, capital expenditure, professional services, transport and logistics providers, and cleaning services, amongst others.

Operations	The operations of Super Retail Group.
Private Brand	Products manufactured specifically for our Brands, using product brand names owned or licensed by Super Retail Group.
Reporting Entity	Super Retail Group follows the definition of a reporting entity as outlined by the Act: Any entity with a consolidated annual revenue of at least AU\$100 million over the twelve-month reporting period and is at any time in the reporting period either an Australian entity or a foreign entity carrying on business in Australia.
Responsible Sourcing Audit	An audit we may require of a Trade Partner or Service Provider following consideration of our Due Diligence process.
Responsible Sourcing Code	Sets out specific criteria for our Trade Partners to comply with the Responsible Sourcing Policy regarding business integrity; human rights and fair working conditions; environmental management; and sustainable sourcing.
Responsible Sourcing Policy	Provides a set of high-level expectations of Team Members, Trade Partners and Service Providers in relation to human rights, modern slavery, business integrity and the environment, drawing on international standards.
Responsible Sourcing Procedures	Sets out the processes used by Super Retail Group to verify compliance with its Responsible Sourcing Policy and Code.
Responsible Sourcing Team	Team responsible for managing and supporting the delivery of the Group's Responsible Sourcing Program.
Service Provider	Providers of services to Super Retail Group, such as information technology, cleaning, security services, etc.
Statement	This Modern Slavery Statement.
Supply Chain	The products and services (including labour) that contribute to our retail and Non-Stock products and services. Includes products and services sourced in Australia or overseas and extending beyond our direct suppliers, including indirect suppliers for raw materials, manufactured componentry and freight.
Team Members	All employees of Super Retail Group.
Trade Partners	<ul style="list-style-type: none"> • Suppliers of retail products, including agents and factories which supply or manufacture Super Retail Group's Private Brand products; • Factories directly contracted by Super Retail Group to manufacture products; and • Suppliers of Non-Stock products to/for Super Retail Group.
Xinjiang UAR	Officially Xinjiang Uyghur Autonomous Region, a region in the north-west of the People's Republic of China.

11.2 RESPONSIBLE SOURCING STATUS* DEFINITIONS:

Rating	Description	Effect of Rating
Approved	The Factory has no critical but some major and minor non-conformances.	An order can be placed with the Factory.
Conditionally approved	The Factory has some critical non-conformances (excluding child and Forced Labour) as well as major and minor non-conformances.	An order can be placed with the Factory. Group Responsible Sourcing will issue a Corrective Action Plan to the Factory including completion timeframes.
On probation	Renewed audit: repeated critical non-conformances. Conditionally approved Factory: critical non-conformances overdue by 3 months OR audit renewal over 30 days overdue.	Allow existing orders to complete. No new orders until all critical non-conformances are closed out. Re-audit may be required before new orders are placed.
Not approved	New Factory (i.e. no current orders) with critical non-conformances relating the use of child and Forced Labour. 'On Probation' Factory that has critical non-conformances overdue by more than 6 months. New Factory that has not provided an audit report for evaluation. Existing 'Conditionally Approved' Factory overdue for audit renewal (over 60 days).	Orders must not be placed. Audit/Re-audit is required before placing any orders.

** Extensions to due dates and status (based on considering circumstances) can be provided at the discretion of Group Legal and Compliance (Responsible Sourcing Team).*

12. Appendix 2 - Modern Slavery Act 2018 (Cth) Statement Annexure

The table below outlines the requirements of the Australian Modern Slavery Act and where the information can be found in this Statement.

12.1 PRINCIPAL GOVERNING BODY APPROVAL

This Modern Slavery Statement was approved by the Board of Super Retail Group Limited as the principal governing body¹³ of Super Retail Group on behalf of all reporting entities specified in the Statement on 23 November 2022.

12.2 SIGNATURE OF RESPONSIBLE MEMBER

This Modern Slavery Statement is signed by a responsible member¹⁴ of the Super Retail Group Limited Board of Directors as defined by the Act:



Anthony Heraghty
Group Managing Director and Chief Executive Officer
23 November 2022

¹³ Section 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.

¹⁴ Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorized 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.

12.3 MANDATORY CRITERIA

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

Requirements of Modern Slavery Act 2018	Sections & Page Reference
1. Identify the reporting entity.	2.3 Reporting entities Page 7.
2. Describe the reporting entity's structure, operations and supply chains.	2. Our business Page 5-16.
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	4. Modern slavery risk identification; 5. Cotton Page 17-23.
5. 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.	6. Risk management Page 24-31 7. Capability building Page 32.
6. Describe how the reporting entity assesses the effectiveness of these actions.	9. Assessing our effectiveness Page 34-35.
7. 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).	2.3.1 Consultation with owned and controlled entities Page 8. 2.5 Governance Page 12-14. 12.1 Principal Governing Body Approval Page 40. 12.2 Signature Of Responsible Member Page 40.
8. Any other information that the reporting entity, or the entity giving the statement, considers relevant.	3. NZ Modern Slavery Legislation Page 17. 8. Responding to COVID-19 Page 33. 10. FY23 and beyond Page 36. Link to 2022 Sustainability Report

12.4 INVESTMENTS IN CONTROLLED ENTITIES (Extract from page 127 of our [FY22 Annual Report](#))

The Group's subsidiaries at 2 July 2022 are set out below. Unless otherwise stated, they have share capital consisting of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of Entity	Country of Incorporation	Principal Activities	Equity Holding	
			2022 %	2021 %
A-Mart All Sports Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Auto Trade Direct (NZ) Limited	New Zealand	Auto retail	100	100
Auto Trade Direct Pty Ltd ⁽¹⁾	Australia	Auto retail	100	100
BCF New Zealand Limited	New Zealand	Outdoor retail	100	100
Coyote Retail Pty Limited ⁽¹⁾	Australia	Sports retail	100	100
Foghorn Holdings Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Goldcross Cycles Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Infinite Retail Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Infinite Retail UK Limited ⁽²⁾	United Kingdom	Sports retail	100	100
Macpac Enterprise	New Zealand	Outdoor retail	100	100
Macpac Group Holdings Pty Limited ⁽¹⁾	Australia	Outdoor retail	100	100
Macpac Holdings Pty Ltd ⁽¹⁾	Australia	Outdoor retail	100	100
Macpac Limited	New Zealand	Outdoor retail	100	100
Macpac New Zealand Limited	New Zealand	Outdoor retail	100	100
Macpac Retail Pty Ltd ⁽¹⁾	Australia	Outdoor retail	100	100
MP Finco Pty Limited ⁽¹⁾	Australia	Outdoor retail	100	100
Mouton Noir IP Limited	New Zealand	Outdoor retail	100	100
Mouton Noir Management Pty Ltd ⁽¹⁾	Australia	Outdoor retail	100	100
Oceania Bicycles Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Oceania Bicycles Limited ⁽³⁾	New Zealand	Sports retail	100	100
Ray's Outdoors New Zealand Limited	New Zealand	Outdoor retail	100	100
Ray's Outdoors Pty Ltd ⁽¹⁾	Australia	Outdoor retail	100	100
Rebelsport.com Pty Limited ⁽¹⁾	Australia	Sports retail	100	100
Rebel Group Limited ⁽¹⁾	Australia	Sports retail	100	100
Rebel Management Services Pty Limited ⁽¹⁾	Australia	Sports retail	100	100
Rebel Pty Ltd ⁽¹⁾	Australia	Sports retail	100	100
Rebel Sport Limited ⁽¹⁾	Australia	Sports retail	100	100
Rebel Wholesale Pty Limited ⁽¹⁾	Australia	Sports retail	100	100
SRG Equity Plan Pty Ltd ⁽¹⁾	Australia	Investments	100	100
SRG Leisure Retail Pty Ltd ⁽¹⁾	Australia	Outdoor retail	100	100
SRGS (New Zealand) Limited	New Zealand	Product acquisition and distribution	100	100
SRGS Pty Ltd ⁽¹⁾	Australia	Product acquisition and distribution	100	100
Super Cheap Auto (New Zealand) Pty Limited	New Zealand	Auto retail	100	100
Super Cheap Auto Pty Ltd ⁽¹⁾	Australia	Auto retail	100	100
Super Retail Commercial Pty Ltd ⁽¹⁾	Australia	Auto retail	100	100
Super Retail Group Services (New Zealand) Limited	New Zealand	Support services	100	100
Super Retail Group Services Pty Ltd ⁽¹⁾	Australia	Support services	100	100
Super Retail Group Trading (Shanghai) Ltd	China	Product sourcing	100	100
VBM Retail (HK) Limited ⁽²⁾	Hong Kong	Sports retail	100	100
Infinite Retail NZ Limited ⁽²⁾	New Zealand	Sports retail	100	100
Workout World Pty Limited ⁽¹⁾	Australia	Sports retail	100	100

⁽¹⁾ These controlled entities have been granted relief from the requirement to prepare financial reports in accordance with ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

⁽²⁾ Investment is held directly by Infinite Retail Pty Ltd.

⁽³⁾ Investment is held directly by Oceania Bicycles Pty Ltd.

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