



FOREVER NEW

MODERN SLAVERY STATEMENT

2022



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INTRODUCTION

We are pleased to report that Forever New continues to make solid progress to identify and address the risks of modern slavery in its operations and supply chains. This is part of Forever New's ongoing commitment to uphold the rights of workers to earn a living free from the risks of modern slavery.

During this reporting period, Forever New has undertaken the following activities:

1. Rollout of Forever New Merchandise Supply Terms to its merchandise supplier base which reinforces Forever New's commitment to address modern slavery risks in its supply chains
2. Modern slavery training rolled out to head office team members to increase awareness and understanding of modern slavery
3. Completion of questionnaire sent to selected non-merchandise suppliers to identify any risks of modern slavery and to reinforce Forever New's commitment against modern slavery
4. Reviewing contractual arrangements with key suppliers to identify and address any gaps in relation to modern slavery obligations
5. Review and update of Forever New's ethical sourcing policies
6. Ongoing commitment / compliance with Forever New's Social Audit Program; and
7. Introduction of three new policies: Gender Equality in the Supply Chain; Responsible Fibre & Sourcing Policy and Ban on Cotton Harvested from Turkmenistan.

This statement describes the risks of modern slavery identified in our operations and supply chains and the steps taken during this reporting period to minimize the likelihood of those risks occurring. This statement also outlines our ongoing and future activities towards addressing modern slavery in our business.

This modern slavery statement applies to the reporting period 1 July 2021 – 30 June 2022 and is a joint statement by:

- **ADT Group Holdings Pty Ltd**
ACN 144 849 436; and
- **Forever New Clothing Pty Ltd** ACN 118 100 100 (a wholly owned subsidiary of ADT Group Holdings Pty Ltd)

(collectively referred to throughout this statement as 'Forever New').

This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) ('the Modern Slavery Act').

This statement was reviewed and approved by the board of Forever New Clothing Pty Ltd on 21 December 2022 and the board of ADT Group Holdings Pty Ltd on 22 December 2022.



Dipendra Goenka

Director

ADT Group Holdings Pty Ltd | Forever New Clothing Pty Ltd

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Forever New is a leading retailer of women's clothing, shoes and accessories. Forever New is known for its effortlessly wearable and timeless collections that celebrate modern femininity. All collections are designed in Australia and sold throughout the world.

OUR STRUCTURE

The Board of ADT Group Holdings Pty Ltd is responsible for the overall governance, management and strategic direction of Forever New in accordance with all duties and obligations imposed by law. This includes oversight of the Forever New Supplier Code of Conduct and other ethical sourcing policies. ADT Group Holdings Pty Ltd is the parent company of Forever New Clothing Pty Ltd, the primary operating entity in Australia.

The Board has delegated some of its responsibilities to the Audit and Risk Committee, including oversight of Forever New's risk management and compliance framework. Our structure remains unchanged from our previous statements.

The Executive Leadership Team of Forever New is responsible for the implementation and delivery of Forever New's strategy, risk management and

compliance framework. Each member of the Executive Leadership Team directly reports to the Chief Executive Officer of Forever New. Within Forever New's business, the General Manager of Production and Quality continues to oversee the management of Forever New's ethical sourcing initiatives, including compliance with modern slavery compliance obligations. Our Sustainability and Social Compliance Specialist is a dedicated resource who is responsible for the day to day management of all ethical sourcing activities and initiatives within Forever New.

OUR OPERATIONS

Forever New commenced in 2006 and its head office is in Melbourne, Australia.

Forever New's business comprises the sale of women's apparel and related accessories under its brands, 'Forever New', 'Forever New Curve', 'Ever New' and 'Ever New Curve'. The brands 'Forever New' and 'Forever New Curve' are used in most countries where our brand is sold, with products sold under the 'Ever New' and 'Ever New Curve' brands in the USA, Canada and the Philippines.

Forever New is a multichannel wholesale and retail business directly selling its products via the following channels:

- free-standing retail stores in Australia, New Zealand, Singapore, Canada, India, United Kingdom, South Africa and Namibia (approximately 171 stores)

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

- concessions ('store-in-stores') located in department stores throughout Australia, Singapore, Canada, India, South Africa, United Kingdom, European Union and the Middle East (approximately 196 stores)
- online through our own websites and third-party websites
- as a franchisor in the Philippines and Indonesia (approximately 26 stores); and
- wholesale.

These channels remain largely unchanged since our last statement.

Our subsidiary companies in New Zealand, Singapore, Canada, South Africa, United Kingdom, European Union and India operate our business in those countries. Forever New also operates regional offices in Cape Town (South Africa) and Gurgaon (India).

Globally, we directly employ over 1,800 people with a small number of staff employed on a contract basis. In Australia, where our head office and majority of stores are located, we directly employ approximately 1,300 people.

Our operations consist of design, retail, corporate, customer service and warehouse functions.

Forever New's in-house design team based in Melbourne, Australia designs product ranges which are manufactured by third parties overseas. Forever New does not manufacture any goods.

Our head office comprises support functions including finance, marketing, e-commerce, IT, buying, design, quality assurance, store development, operations, supply chain and logistics, legal, human resources, and planning.

Forever New's distribution centres located in Australia and India distribute merchandise to our store networks and fulfill online orders. Forever New uses third party logistics and warehouse service providers in New Zealand, Canada, Middle East, USA, South Africa, Singapore and the United Kingdom.

In the United Kingdom and European Union, our operations comprise 2 standalone stores; and approximately 33 retail concession stores ; with a further 5 employees in operational and support roles.

OUR OPERATIONS

25+ Countries

170+
Physical Stores
WORLDWIDE

190+ Concessions
STORES-IN-STORES

1800+ Employees
WORLDWIDE

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

OUR SUPPLY CHAIN

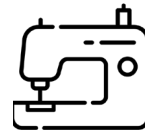
Merchandise suppliers (goods for resale)

Our products are predominantly manufactured in China, which accounts for nearly 90% of our production volume. Vietnam is our second largest production country, comprising just over 7% of our production volume. Consistent with previous reporting periods, we have continued our long-standing relationships with our valued suppliers. We mainly source directly, which enables us to have greater oversight of our suppliers. We only source a limited range of products via agents, being less than 1% of total production volume. In this reporting period, we worked with 90 suppliers across apparel, footwear, and accessories in our tier 1 supply chain.

Forever New Supply Chain Tiers

We have recently updated the definition of our tiers from the traditional 3 tiers to 5 tiers. We believe this definition reflects the complexity of the apparel supply chain and allows us to be more targeted in our compliance activities. We recognize that each tier has different levels and types of inherent risks and challenges, which can also be linked to level of visibility.

Each tier is explained as follows:



TIER 1 STITCHING, ASSEMBLY AND KNITTING

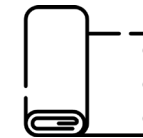
Tier 1 suppliers include manufacturers, sub-contractors, and agents. Forever New has direct contact with Tier 1 suppliers, with the relationship governed by our Merchandise Supply Terms. The country-of-origin statement on our care label refers to location of the relevant Tier 1 manufacturing facility. Forever New has traced all of its Tier 1 suppliers. Any sub-contracting by a Tier 1 supplier requires Forever New's prior written approval. Our compliance team reviews any requests to commence sub-contracting to ensure Forever New can assess any modern slavery risks before approving any sub-contracting arrangement.



TIER 2 DYEING, PRINTING, AND EMBROIDERY

Tier 2 suppliers work with finishing untreated fabric rolls and works with dyeing, printing, and embroidery. This tier is not always present in the supply chain

as some Tier 1 suppliers also handle material production. Forever New does not necessarily have any direct legal ties to Tier 2 suppliers.



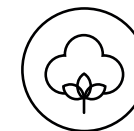
TIER 3 FABRIC MILLS

Tier 3 suppliers make untreated fabric rolls from yarn through weaving and knitting.



TIER 4 YARN MILLS

Tier 4 suppliers spin yarn from raw material. An example is cotton ginning and spinning to create cotton yarn.



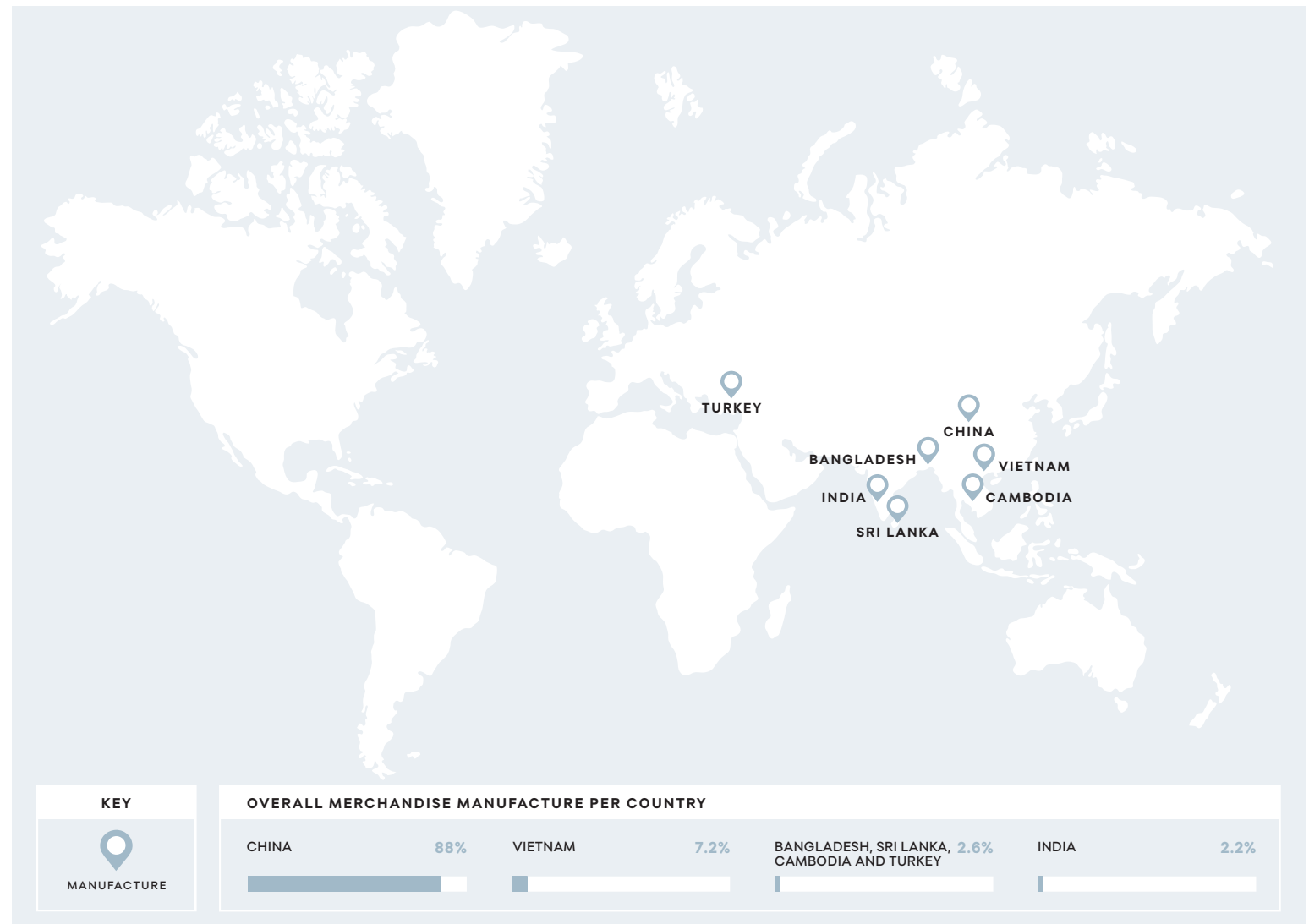
TIER 5 RAW MATERIAL PRODUCTION

Tier 5 refers to production of raw material, including but not limited to farms and forests who grow our cotton and viscose. This stage also includes facilities producing synthetics from fossil fueled based sources such as polyester.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Non-merchandise suppliers (goods and services not for resale)

Globally, we source non-merchandise goods and services from approximately 1,500 suppliers covering 30 diverse categories such as marketing, packaging, freight and logistics, professional services, shopfitting; warehousing, cleaning, IT and customer support.



IDENTIFYING RISKS OF MODERN SLAVERY

We recognise that sometimes modern slavery risks can be difficult to identify and so requires perseverance and an ongoing commitment by our business to be alert to those risks.

RISKS IN OUR OPERATIONS

In Australia, New Zealand, Canada, South Africa, India, EU and Singapore, we have determined that the risk of modern slavery in our retail and head office operations continues to remain low, which is unchanged from our last statement. We also consider our operations in the United Kingdom to continue to present a low risk of modern slavery. This is primarily due to the close level of control and influence of Forever New over these operations.

Forever New also uses two companies to provide remote workers to support selected functions for our Melbourne head office from time to time. Both of these third parties have signed an agreement which addresses modern slavery risks.

In our last statement, we identified our distribution centres and franchise operations as requiring further due diligence to understand any potential risks of

modern slavery. In Australia, most of our distribution centre staff continue to be directly employed by Forever New and as such, we consider the risk of modern slavery to be low in respect to those staff members. We presently engage a labour hire company in our Australian distribution centre which has signed an agreement containing our modern slavery compliance clause. In our Indian distribution centre, we have a small number of staff engaged via third parties, who must comply with Indian law (including Provident Funds laws and Employees State Insurance) which minimises the risk of modern slavery. We will undertake further due diligence of our labour hire service providers in our next modern slavery statement. This task, along with due diligence in relation to our franchise operations in Indonesia and the Philippines will be completed in 2023 and included in our next report.

Concession staff based in department stores are usually hired directly by Forever New and are employed

on Forever New contracts. The use of recruitment agencies in relation to concession staff is minimal and usually confined to short term engagements such as assistance with seasonal sales in some markets. In some department stores, staffing is provided by the department store and salary costs are paid by Forever New. We consider the risk of modern slavery in relation to concession staff (whether employed by Forever New or the department store) to be low.

IDENTIFYING RISKS OF MODERN SLAVERY

RISKS IN OUR SUPPLY CHAIN

Our Risk Register utilises third party indices and benchmarks to evaluate our risks for our product supply chain and non-merchandise supply chain as well as operations. Our country risks are evaluated using indices such as the ILO and Walk Free GSI (Global Slavery Index) the US Govt List of Goods Produced in Child or Forced Labour and TIP report. In 2021, we updated our Risk Register to include material risk and COVID-19 related risks for garment workers. Building on our existing Risk Register, it continues to help us to:

- understand and determine our salient risks across all regions by country, industry, and commodity
- identify vulnerable worker groups
- prioritise our risk mitigation and due diligence efforts commensurate with the level of risk; and
- frame our remediation strategy

We acknowledge the following categories of workers as the most vulnerable in the apparel industry as noted in our FY19/20 statement:

- female workers

- migrant labour
- subcontracted labour
- agency and temporary/contract labour; and
- young/child workers.

Known vulnerable working groups (including domestic migrant workers and low skilled labour) are mapped against industry sector, country, and commodity. Additionally, we have mapped COVID-19 industry risk using research from organisations and NGOs such as ILO, Better Work, Better Buying Institute, FLA, the Mekong Club and Be Slavery Free.

Across our merchandise supply chain, our assessment has identified the following potential modern slavery risks as most salient to the apparel industry, these include but are not limited to:

- forced labour
- bonded labour
- the worst forms of child labour; and
- deceptive recruitment practices.



INDUSTRY RISK

The inherent level of risk and challenges in the apparel industry can differ between geographical areas and tiers of the supply chain. Modern slavery does not necessarily occur in isolation - it could be driven by site specific risk prevalent in the apparel industry. The combinations of countries with a lack of government regulation and high socio-economic inequalities, a complex supply chain and the nature of work in the apparel industry are all contributing factors. We recognise the following risks in the apparel industry as key indicators for the potential of modern slavery to occur:

- unauthorised subcontracting
- excessive overtime
- the use of migrant, low skilled workers
- lack of freedom of association
- temporary labour contracts
- lack of access to effective grievance mechanisms; and
- gender inequality and gender-based violence in the supply chain.

IDENTIFYING RISKS OF MODERN SLAVERY



MATERIAL RISK

Some materials commonly used in the apparel supply chain are identified as potentially a higher risk of being linked to modern slavery. One example is cotton which is listed as the commodity most linked to child and forced labor on the US Department list of Goods Made with Forced Labor. Cotton picking and manufacturing often use low skilled workers, already identified as a vulnerable working group. Most companies do not have visibility of tiers 4 and 5 in the supply chain. The lack of brand presence and risk mitigation in this tier can potentially increase the risk of modern slavery.

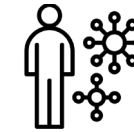


COVID-19 RISK

COVID-19 continues to disrupt the supply chain and impacts already known vulnerable worker groups. We recognise that COVID-19 is an ongoing risk and consequences following the pandemic are still unfolding.

Risks pertaining to worker labour conditions, health & safety and discrimination are most prevalent such as:

- Unemployment or reduced hours
- Debt bondage
- Absence of wages or reduced wages
- Increased use of temporary contracts
- Excessive overtime
- Increase in discrimination and gender-based violence for migrant workers or workers from certain cultures
- Labour exploitation: restrictions on freedom of movement, fees and penalties for leaving work
- Use of violence to suppress protests
- COVID-19 misinformation and reduced disclosure of illness
- Poor health and safety standards
- Inability to unionise or implement collective bargaining processes due to social distancing and restrictions; and
- Unauthorised sub-contracting.



COVID-19 SUPPLY CHAIN SUPPORT

The type and level of risks have evolved throughout the pandemic. Countries with strict COVID-19 regulations, high cases of COVID-19 and a large presence of vulnerable worker groups are still at high risk. We have continued to honour our merchandise commitments to reduce the impact of COVID-19 on our supply chain partners and prioritise their health and safety. Our suppliers continue to monitor the effectiveness of pre-established measures and official government advice to minimise the risk of COVID-19 to workers and their families. Consistent with the last reporting period, the closure of factories, travel restrictions and border closures continues to impact our ability to conduct physical audits of factories in line with our audit schedule. A small number of audits were conducted virtually. Where this is the case, a physical audit has been rescheduled and barring any unforeseen circumstances, will be conducted by end of 2022.

IDENTIFYING RISKS OF MODERN SLAVERY



NON-MERCHANDISE SUPPLIERS

We source non-merchandise goods and services from approximately 1500 suppliers covering 30 industry categories.

Given their broad nature and locations, risks in this area of our supply chain are unique and varied. As outlined in our last statement, in 2022 we will commence detailed risk mapping by sector, region and spend to identify specific risks and prioritise areas of due diligence.

Specific areas of focus will be cleaning services, third party warehousing, freight and logistics which we have identified as presenting a greater risk of modern slavery.



ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

We continue to assess the effectiveness of our actions to mitigate and remediate risks of modern slavery in our supply chain and operations so they can evolve and adapt to new challenges and information.

GOVERNANCE

The Board, together with the Audit and Risk Committee continue to share responsibility for oversight of Forever New's risk management and compliance framework with the Executive Leadership team responsible for its implementation and delivery. This remains unchanged from our last statement and is now ingrained within the business.

The Forever New cross functional and regional modern slavery working group is now well-established and continues to report to the Audit and Risk Committee. The modern slavery working group meets on a regular basis and has established information gathering procedures for this statement. It is primarily responsible for ensuring that key actions and future priorities identified in our modern slavery statements are undertaken and completed. The establishment of our working group also ensures that responsibility for all key actions identified in

our modern slavery statements are shared across all key business functions so as to minimise any single-point vulnerabilities, with the Audit and Risk Committee and Board taking ultimate responsibility.

OPERATIONS

Our policy framework continues to set the standards by which we operate as well as outlining our expectations and responsibilities of suppliers regarding workplace behaviour, compliance with laws and regulations, bribery and corruption, harassment and conflicts of interest.

Across our operations, our policies and employee handbooks contain the following policies:

- Forever New Supplier Code of Conduct
- Anti-Discrimination and Equal Employment Opportunity Policy; and
- Diversity, Equity and Inclusion Policy

Existing governance in our international regions includes independent grievance mechanisms.

We will continue to explore how they are responding to the nature of risks specific to their region and evaluate if any changes are needed to increase their effectiveness.

The Forever New Whistleblower Policy and anonymous helpline is available to ensure staff and others to whom the policy applies are provided access to an effective grievance channel. We are presently exploring options to make our Whistleblower Policy more accessible for both our international operations and suppliers and in different languages. Further details of our Whistleblower Policy are contained later in this section.

In respect to our concession arrangements, we will continue to work with department stores to address modern slavery risks as required by our contracts with them.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Forever New Conscious

Forever New Conscious continues to reflect our responsibility to uphold the rights of workers in our supply chain, our commitment to minimising our environmental footprint and drive positive change for our stakeholders.

Forever New Conscious consists of five pillars of change:

1. Responsible fibres
2. Environment
3. Ethical supply
4. Community; and
5. Diversity and Inclusion.

Forever New Conscious holds us accountable to our commitments and time-bound objectives across all pillars. Details of Forever New Conscious are available on our website.

Resourcing

Engaged to uphold our ethical sourcing standards, our in-country representatives continue to manage our supplier on-boarding processes, audit programs and site visits, as well as corrective action management to drive continuous improvement.

As mentioned earlier, our modern slavery working group is primarily responsible for undertaking and completing all activities stipulated under each statement and preparation of each statement each year.

Our Sustainability and Social Compliance Specialist is a dedicated resource to manage all ethical sourcing activities within Forever New.

Supply chain visibility and traceability

The visibility of our supply chain is vital to identify any modern slavery risks and managing their impacts should they be detected. As previously mentioned, in this reporting period we changed how we define our tiers, which is reflected again in this section.

We recognize that modern slavery risks exist beyond Tier 1 into all tiers of the supply chain and

that transparency is a vital tool to address modern slavery. We continue to have full visibility of our Tier 1 factory base and have traced more than 70% of our Tier 3 suppliers. With this in mind, we have commenced further mapping of Tier 3 suppliers to gain a greater understanding of the profile of our production base and are starting to map Tier 2.

During the Reporting Period, a Self-Assessment Questionnaire (SAQ) was sent to fabric mills from Tier 3 with the objective to indicate likelihood of modern slavery risks and identify processes and policies in place to address these. Additionally, the SAQ was also designed to assist further tracing of dyeing, printing, and embroidery mills (Tier 2) used by our Tier 3 fabric mills. The SAQ was translated to Mandarin for suppliers based in China.

The SAQ captured data on the following topics:

- Factory profile
- Management systems and training
- Recruitment procedures and worker rights
- Child labour and young workers

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

- Gender inequality and discrimination
- Subcontracting
- Freedom of association and collective bargaining
- Grievance mechanisms; and
- Water and waste management.

Although not as rigorous as an audit, the SAQ has been helpful in increasing awareness of modern slavery risks by requiring suppliers to reflect on and learn more about modern slavery. The SAQ also allows suppliers to demonstrate steps they are taking to monitor and prevent modern slavery risks, whilst also identifying areas where further due diligence might be necessary. Going forward, completion of the SAQ will be a mandatory step for on-boarding Tier 3 fabric mills.

Material visibility and traceability

One of our key strategies to enhance the visibility of our supply chain and address risks to sourcing of material is to increase our uptake of certified fibres and materials. Certified standards assist

to verify environmental, chemical and social practices down to the raw material stage.

We have elected to work with organisations such as Lenzing and Birla Cellulose who hold their suppliers to high internal standards through their Code of Conducts and separate policies on Human Rights and Labour Standards. Both are based on internationally recognised standards and principles for human rights. We also work with Canopy to trace our viscose suppliers down to raw material as a part of our commitment and partnership. In line with our responsible fibre targets, we continue to increase our uptake of certified fibres and materials.

Cotton

As identified in our risk assessment, the global cotton sector may present a high risk of forced labour.

In this reporting period we have further strengthened our due diligence measures to mitigate risks in this area of our supply chain. Forever New is committed to ensuring that the sourcing of raw materials used in our merchandise is procured in a responsible way. In

line with this commitment, we have issued all suppliers with a Responsible Sourcing and Fibre Policy. This policy requires suppliers to conduct due diligence at the materials processing level to ensure materials do not originate from regions high risks associated with:

- conflict or war
- the worst forms of child labor
- forced labor and human trafficking
- gross human rights violations (such as widespread sexual violence), or
- other reasonably objective high-risk activities, including severe health and safety risks and negative environmental impacts.

During this reporting period, Forever New has also signed the Turkmenistan Cotton Pledge, stating our firm opposition to the use of forced labour in the harvest of Turkmen cotton.

In line with our commitment to source 100% more sustainable cotton, we continue to support Better Cotton's mission for more sustainable cotton farming.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

SUPPLIER ENGAGEMENT

Social audit program

We take pride in our strong relationships with our supply base and value honesty and transparency in our association. We will not accept exploitation or mistreatment of any type within our supply base and require suppliers' full commitment to our ethical sourcing values and policies.

Our sourcing values are defined in our ethical supply framework and represent our minimum standards for compliance. Our ethical supply framework consists of:

- Forever New Supplier Code of Conduct and Ethical Supply policies
- Social Audit and Corrective Action Plan Remediation program; and
- Factory Management training.

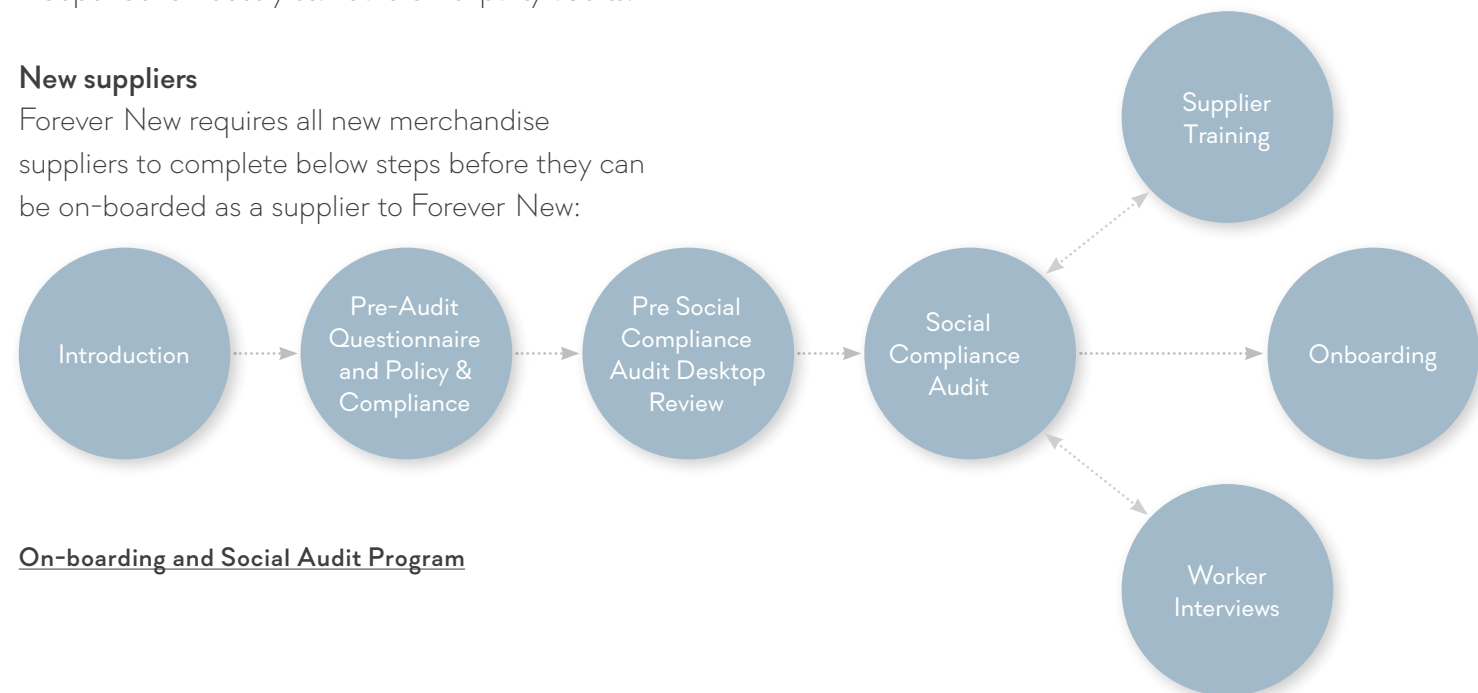
All Tier 1 factories are usually audited annually. Audits must address compliance with the Forever New Supplier Code of Conduct (which is based on the ETI Base Code, International Labour

Organisation (ILO) conventions and the United Nations Declaration on Human Rights), all relevant laws and include criteria such as working hours, wages, freedom of association, subcontracting, freely chosen employment and health and safety.

Audits are mostly conducted by our in-country compliance teams with professional auditor training. In cases where we are unable to send members from our in-country compliance teams, we accept independent industry standard third-party audits.

New suppliers

Forever New requires all new merchandise suppliers to complete below steps before they can be on-boarded as a supplier to Forever New:



On-boarding and Social Audit Program

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Our in-country compliance teams conduct physical site visits of facilities in China, Sri Lanka, Vietnam, Bangladesh and India before they are approved for production, during which conditions are reviewed against the standards set out in the Forever New Supplier Code of Conduct. For other markets, suppliers must provide a reputable third-party audit conducted in the past 12 months, which is then verified by our compliance team.

Suppliers found to have zero tolerance findings will not be on-boarded onto our order platform until our in-country compliance teams confirm that those findings have been remedied.

Corrective action plans and remediation

To ensure continuous improvement of workplace conditions and progress on issues identified in audits, suppliers are required to engage in time bound corrective action remediation plans which are overseen and managed by our in-country compliance managers. Findings are graded according to their severity with resolution timeframes ranging

from immediate to 90 days accordingly.

During this reporting period, we conducted 76 factory audits (internal and third-party), on an announced and unannounced basis. Since our last modern slavery statement, we have increased the number of unannounced visits.

Audits are also useful tools to capture data against risk indicators such as vulnerable working group representation, recruitment practices, access to remedy, wages, and overtime. During this reporting period, we have improved our supplier software database which will allow us to track more detailed data pertaining to the cited areas more effectively.

POLICY AND CONTRACTUAL PROVISIONS – SUPPLY CHAIN

Our Supplier policy suite to which all suppliers must comply includes the Forever New Supplier Code of Conduct, which addresses forced labour risks including child labour and debt bondage. The Forever New Supplier Code of Conduct, coupled

with our ethical sourcing policy suite, stipulates the minimum requirements of our trading relationships.

The Forever New Supplier Code of Conduct takes account of the United Nations Declaration of Human Rights, in addition to the ETI Base Code and applicable ILO Conventions. To assist with compliance and understanding, we have translated the revised Forever New Supplier Code of Conduct into local language for our main sourcing countries.

During this reporting period, we have introduced three new policies to expand and strengthen our ethical sourcing policy suite. These policies are:

- Gender Equality in the Supply Chain
- Responsible Sourcing & Fibre Policy; and
- Turkmenistan Cotton Pledge.

Since our last statement, we have rolled out our Merchandise Supply Terms to our merchandise and fabric suppliers. The Merchandise Supply Terms includes a clause addressing modern slavery risks. It is a condition of supply to Forever New that suppliers

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

comply with the Merchandise Supply Terms. These Terms have also been translated into local language to ensure they are fully understood by our suppliers.

Our Purchase Order Terms and Conditions have also been updated to require compliance with our ethical sourcing policies and modern slavery and was rolled out to suppliers together with the new Merchandise Supply Terms.

GRIEVANCE MECHANISMS AND ACCESS TO REMEDY

Worker Voice

Whilst factory audits provide a useful tool in identifying potential indicators of modern slavery from which to drive further engagement, they do not alone provide a full understanding of workers' conditions.

While all audits and site visits assess the presence of complaint mechanisms confidently and safely, these mechanisms might still not be robust nor effective. Therefore, in this reporting period we have commissioned an independent third-party to

audit the effectiveness of internal factory grievance mechanisms. The audit included 20 questions where evidence and documents were used to verify answers. Corrective action plans were issued when applicable.

Additionally, as members of the RMG Sustainability Council (RSC), our factories in Bangladesh already have a health and safety complaints mechanism in place where workers can raise safety concerns in a confidential manner, independent from the factory.

The provision of a range of channels for workers to raise concerns is vital in ensuring workers have effective and legitimate access to remedies which they feel comfortable and confident in using, independent from the factories. As reported in our last statement, we are exploring options to determine the most effective grievance mechanism and aim to launch our pilot program in key factories in 2023.

Whistleblower Policy

The Forever New Whistleblower Policy provides an independent confidential hotline for reportable conduct to staff, contractors and suppliers and is available on

the Forever New intranet and website. Reports can be made anonymously; and in different languages.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

INTERNAL CAPACITY BUILDING

Responsible Sourcing and Purchasing

Consistent with the Forever New Supplier Code of Conduct, we are committed to responsible sourcing and recognise we have a shared responsibility with our supply chain partners to ensure the sourcing and production of our products uphold the rights of all workers.

Acknowledging that purchasing behaviour can positively influence the workplace conditions of those factories which manufacture our products, the Responsible Sourcing and Purchasing Policy outlines our approach to responsible purchasing practices. The Policy addresses factory capacity, forecasting and lead times, cost and payment terms, purchase order efficiencies and responsible exit guidelines.

During this reporting period, additional guidelines were implemented to support the Responsible Sourcing and Purchasing Policy. These guidelines outline responsible purchasing behaviour and management processes in the buying cycle of all Forever New products. Daily responsibility for

adherence with the Responsible Purchasing and Sourcing Guidelines rests with relevant Managers and overall accountability for compliance rests with Heads of Department. The Responsible Sourcing and Purchasing Policy is publicly available on our website.

We recognise the importance of open dialogue with our suppliers and will seek feedback on our own purchasing behaviour through anonymous surveys.

Training

In-person training with our buying and sourcing functions included scenario setting and case studies to demonstrate the multiple stages of a transaction where the opportunity to influence positive purchasing behaviour presents itself.

Both the annual training calendar and the induction processes of new team members working in the sourcing and purchasing departments, have been amended to include training of the Responsible Sourcing and Purchasing Policy and how to implement its principles.

Modern Slavery training forms part of our compliance training for all head office employees and was

launched during the reporting period. We are currently working on a tailored training program to include visibility on our statement for the retail population. This will be finalised in the next reporting period via our in-house training and online modules.

Stakeholder Engagement and Partnerships

Tackling the risks of forced labour is a combined effort and we acknowledge the partnership and collaboration required across the sector to work towards its eradication.

Participation in industry benchmarking reports, as well as training sessions and webinars provided by the NGO sector designed to foster a common understanding of the risks and expectations of our stakeholders, has contributed to our efforts to effectively manage vulnerabilities in our supply chain. Likewise, increasing expectations from our wholesale and concession partners has also helped us to identify where to prioritise efforts to ensure our approach is consistent with industry standards.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

During the reporting period, we also maintained the following strategic partnerships:

PARTNER	PURPOSE	RISK/INDICATOR ADDRESSED
RMG Sustainability Council (RSC) (formerly the Bangladesh Fire and Safety Accord)	Forever New has been a member of the Bangladesh Fire and Safety Accord (now RMG Sustainability Council or 'RSC') since 2013. Our factories in Bangladesh remain members of the RSC.	Safe working conditions
Better Cotton	During the reporting period, we continued our membership with Better Cotton . Our aim is to have 100% of our cotton sourced from more sustainable sources including Better Cotton and Global Organic Textile Standard (GOTS).	Forced labour in the raw materials and processing tiers of our product supply chain
Responsible Sourcing Network	Forever New is signatory to the Company Pledges Against Forced Labor in the Cotton Sector of Uzbekistan and Turkmenistan. As a signatory to these pledges, we are stating our firm opposition to the use of forced labour in Uzbekistan and Turkmenistan's cotton production and require all suppliers to comply with this requirement.	Forced labour in the raw materials tier of our product supply chain



ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Non-merchandise supply chain

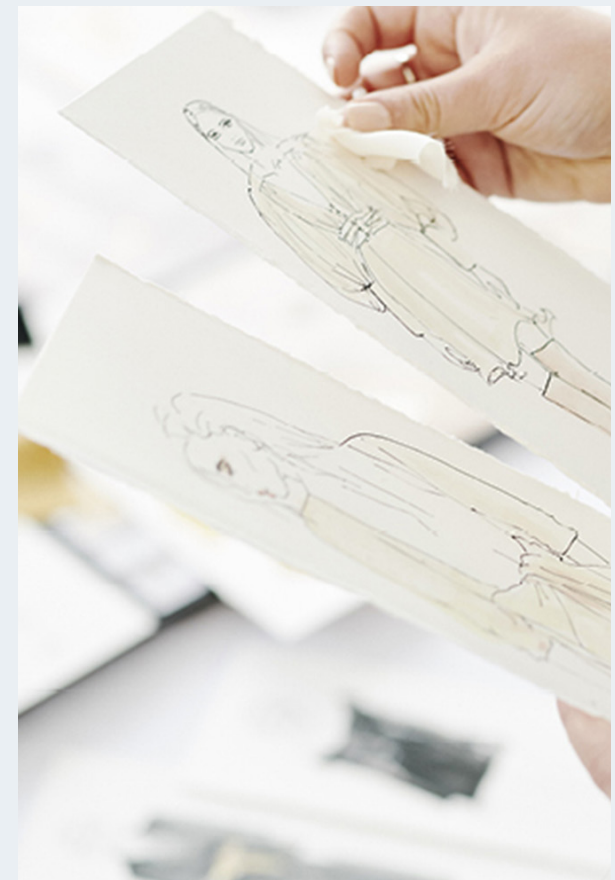
When thinking about modern slavery risks in the apparel industry, many consider manufacturing factories to represent the highest risk. However, the risks of modern slavery can be just as prevalent in non-merchandise supply chains. In 2022, we decided to focus on our non-merchandise supply chain as part of our risk mitigation strategy.

As previously stated, during this reporting period we sent a modern slavery questionnaire to 22 selected non-merchandise suppliers. Those suppliers were selected on the basis of a range of factors, including total expenditure and sector, with a particular focus on cleaning contractors; fixture suppliers; and IT service providers. The questionnaire asked suppliers to provide their responses to the following questions:

1. If the supplier has a policy or code of conduct addressing modern slavery risks
2. Provision of training to staff to identify risks of modern slavery

3. Areas of operations the supplier considers to be at highest risk of modern slavery
4. Level of visibility over the supplier's own supply chains and operations; and
5. Protections given to workers (eg., contracts in their local language; ability to raise concerns; use of seasonal workers or workers sourced via labour hire companies)

We have had a strong response rate from suppliers, with only three suppliers failing to submit a response; and two suppliers having ceased being a supplier to Forever New for unrelated reasons. We are currently reviewing and assessing responses, however to date we have not identified any responses presenting any concern or requiring additional examination



ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

We will continue to monitor and adapt our actions identified in this statement to ensure they remain effective to guard against the risk of modern slavery in our business.

GOVERNANCE

As previously mentioned, we have established a Forever New modern slavery working group which is responsible for the preparation of this statement and ongoing compliance initiatives. The working group is further strengthened with an executive sponsor who provides a direct line to the Executive Leadership Team and the CEO. After each statement, we will conduct a review to assess the effectiveness of the working group and to ensure that an appropriate range of participants are members of the group.

The modern slavery working group reports to the Audit and Risk Committee. The Charter of the Audit and Risk Committee includes oversight of the framework and reporting process to identify and address modern slavery risks; and approval of modern slavery statements prior to Board approval. Modern slavery is also now a standing agenda item in the Audit and Risk Committee Charter.

SUPPLY CHAIN VISIBILITY AND TRACEABILITY – SELF-ASSESSMENT QUESTIONNAIRE

Visibility of our supply chain is vital to identify modern slavery risks and managing their impacts should they be detected. As previously mentioned, the SAQ has been helpful in allowing suppliers to demonstrate steps they are taking to monitor and prevent modern slavery risks, whilst also identifying areas where further due diligence might be necessary.

ETHICAL SOURCING PROGRAM COMPLIANCE

To evaluate success and assess the effectiveness of our Ethical Sourcing Program, we use internal key performance indicators. These KPIs capture data on policy compliance, volume of social audits conducted, and corrective action plans issued and remediated.

Among the 76 audits conducted during the reporting period, there were on average five instances of non-compliance at each factory. Of those instances of non-compliance, 45% were remediated within the same reporting period. The most prevalent findings of non-compliance were related to working hours, social insurance payments and health & safety, such as overtime, waste not segregated, aisle marking faded, goods stacked too high and workers not wearing sufficient/correct PPE.

During the reporting period, one supplier was terminated due to non-compliance with our ethical sourcing policies and requirements. The non-compliance could not be remediated, and the supplier was off-boarded in line with Forever New's Responsible Exit Guidelines.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

GRIEVANCE MECHANISMS

No claims of reportable conduct were raised through our Whistleblower hotline during the reporting period. For factories with internal grievance mechanisms available, we will continue to measure their effectiveness and assist factories to remediate any issues escalated.

CAPACITY BUILDING

Selected members of our head office team received Responsible Purchasing training. In this reporting period we also developed internal key performance indicators (KPIs) to assess the effectiveness of this training. These KPIs measure the number of staff trained and compliance with the Responsible Sourcing and Purchasing Policy within the buying cycle of Forever New products.

Modern Slavery training forms part of our compliance training for all head office employees and was launched during the reporting period. We are currently working on a tailored training program to include visibility on our modern slavery statement for retail team members. This will be finalised and rolled out in the next reporting

period via our in-house training and online modules.

Further development of training will be devised to capture our international teams and markets. This is also scheduled for completion in the next reporting period.

STAKEHOLDER ASSESSMENT

NGO benchmarking forms an important tool from which to assess our actions and understand industry best practice. Throughout the reporting period, we have engaged and taken part in industry reports focused on human rights and worker welfare. We view participation in these assessments as useful opportunities for continuous improvement and impact analysis and continue to welcome constructive feedback from our industry peers and stakeholders.

We remain committed to transparency as we progress our strategic objectives and mitigate risks to those most vulnerable in our supply chain and operations.



CONSULTATION WITH CONTROLLED ENTITIES

Forever New has adopted a robust, centralised approach to address modern slavery risks across its business.

As previously stated, this is a joint statement of ADT Group Holdings Pty Ltd and Forever New Clothing Pty Ltd, its wholly-owned subsidiary and a reporting entity under the Modern Slavery Act; together with its global subsidiaries. Each subsidiary operates under a common governance framework overseen centrally by the board of ADT Group Holdings Pty Ltd.

The directors of Forever New Clothing Pty Ltd are also directors of ADT Group Holdings Pty Ltd. ADT Group Holdings Pty Ltd is the holding company of Forever New Clothing Pty Ltd and as such, does not engage in any operations itself. Trading and operational activity is conducted via its subsidiaries. Our consultation process has remained unchanged from our previous statements.

All controlled entities operate within the same sector or in a supporting role.

In preparing this statement, input was sought from key management personnel of Forever New Clothing Pty Ltd from central functions including production, finance,

operations, human resources, legal and logistics, which was co-ordinated and overseen by the modern slavery working group. From there, modern slavery risks were identified and plans devised to address those risks. This statement is the result of that work.

The Audit and Risk Committee of ADT Group Holdings Pty Ltd reviewed and approved this statement before it was approved by the respective boards of ADT Group Holdings Pty Ltd and Forever New Clothing Pty Ltd.



FUTURE PRIORITIES

Looking ahead, we will build upon our work to date and identify new areas of focus

Our focus for the next reporting period in 2022 – 2023 includes the following items:

GOVERNANCE

- Ongoing development and expansion of our cross functional modern slavery working group
- Finalise analysis of responses to our non-merchandise supplier questionnaire
- Roll out our supplier questionnaire to new categories of non-merchandise suppliers and selected concession partners and analyse these results
- Continue the development of our risk register in order to prioritise due diligence efforts and map against audit findings

CAPACITY BUILDING

- Assess the effectiveness of our modern slavery training program undertaken during this reporting period
- Roll out modern slavery training to our retail team members and international businesses / markets

ACCESS TO REMEDIES

- Continue to explore independent and effective grievance mechanisms for strategic suppliers
- Expand and publicise our Whistleblower Policy to stakeholders.

TRACEABILITY

- Map high risk non-merchandise suppliers
- Commence due diligence on third party labour hire relationships, warehouse operators and franchisees
- Track vulnerable working group representation across factory base for Tier 1 Suppliers
- Continue mapping of Tier 2 and Tier 3 Suppliers

FOREVER NEW

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